



FFRMS Final Rule Webinar Series

Part 2: Part 200 Overview, Wetlands Protection,
Flood Insurance and Notifications

June 13, 2024, 1:30-3:30 PM





HUD Opening Remarks

Claudia Monterrosa, Deputy Assistant Secretary for Grant Programs

Learning Objectives and Overview

- Attendees will learn how to implement and comply with the requirements of the new 24 CFR Part 55 as it pertains to wetlands protection
- Attendees will understand flood insurance requirements and clarifications from the Final Rule
- Attendees will learn about notification of flood hazards
- Attendees will gain knowledge of how the Final Rule impacts the Minimum Property Standards under 24 CFR Part 200



Learning Objectives and Overview

- This webinar is intended for HUD grantees, recipients, applicants, and associated stakeholders
- This webinar is the second in a 2-part series and covers protection of wetlands, guidance on changes to 24 CFR 200, and other changes made in the Final Rule
- The first session provided background on HUD's FFRMS approach and how the Final Rule affected exceptions, alternative considerations, and the eight-step decision-making process
 - [FFRMS Final Rule Webinar Series: Part 55 Overview and Compliance - HUD Exchange](#)



Agenda

- Wetlands Protection
- Flood Insurance
- Notification of Floodplain Hazards
- Part 200: Minimum Property Standards
- Key Takeaways
- Q&A

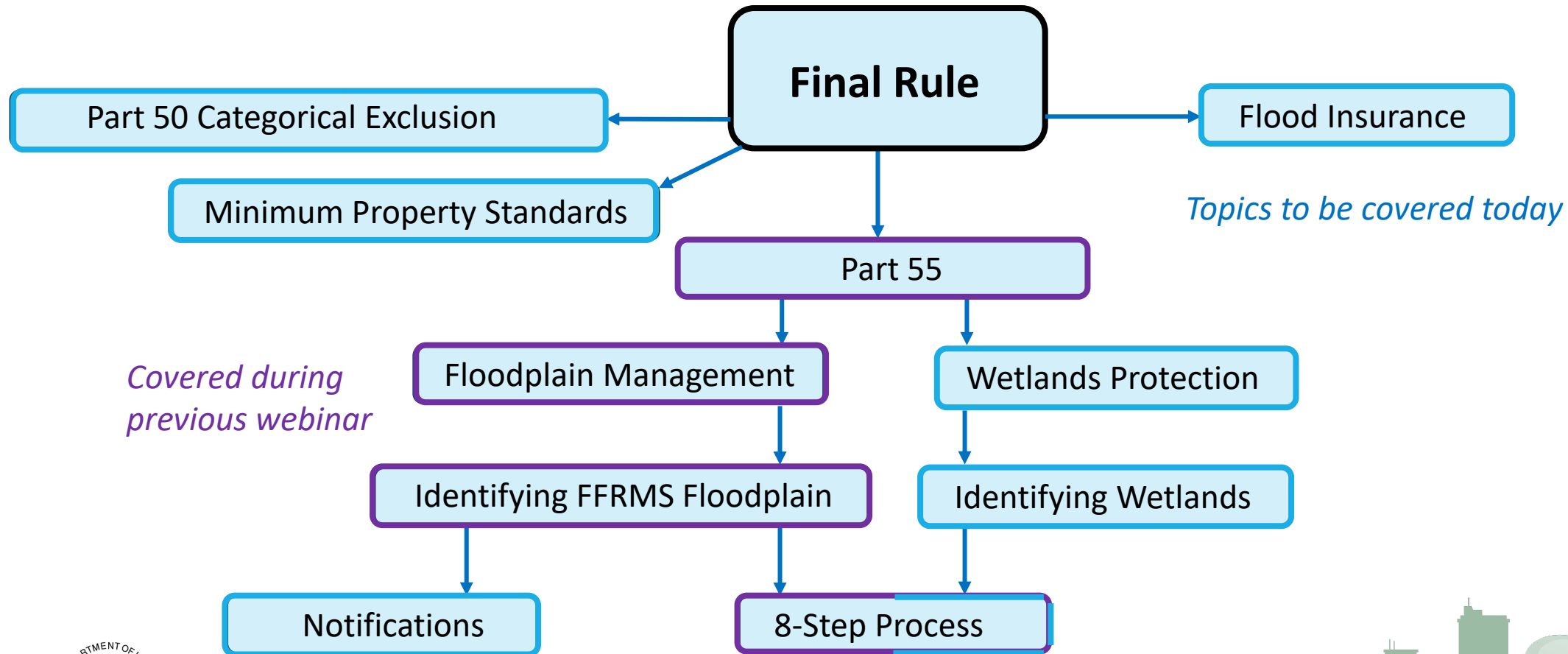


Relevant Dates

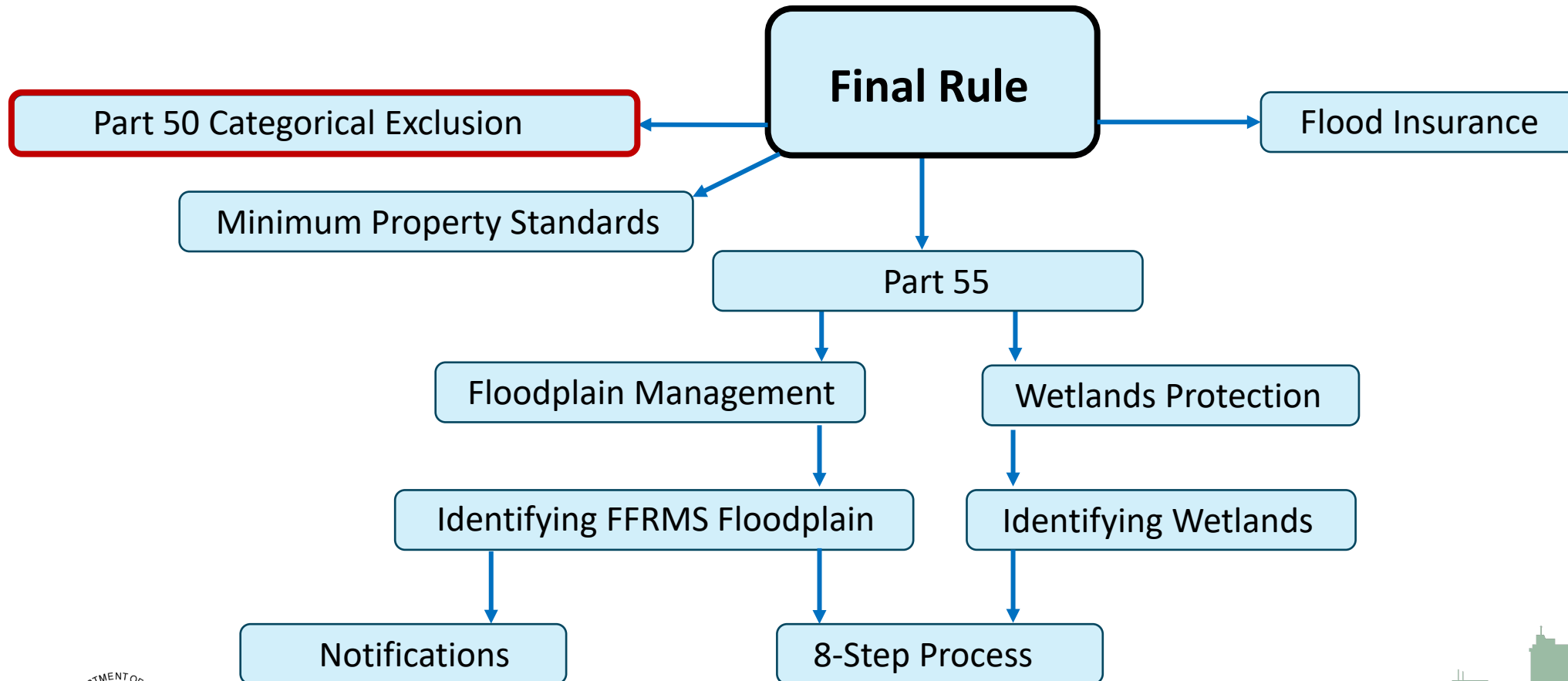
- Final Rule Published: **April 23, 2024**
- Date Effective: **May 23, 2024**
 - 30 days after Federal Register publication
- Compliance Date for Most Projects: **June 24, 2024**
 - 60 days after Federal Register publication
- Extended Compliance Dates:
 - Final rule's amendments to 24 CFR part 200: **January 1, 2025**
 - Applies to new construction
 - Based on submission of building permit application
 - Final rule's amendments to 24 CFR part 55 for certain programs: **January 1, 2025**
 - Programs subject to Chapter 9 of the Multifamily Accelerated Processing (MAP) Guide
 - Section 202 and 811 capital advance grants
 - Other mortgage insurance programs subject to Part 55



Final Rule – Part 55 and Part 200 Updates



Final Rule – Part 55 and Part 200 Updates



Part 50 Categorical Exclusion Subject to 50.4 (CEST)

- § 50.20(a)(2)(i) amended:

(2) Rehabilitation of buildings and improvements when the following conditions are met:

(i) In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed, and the footprint of the building is not increased in a floodplain or in a wetland;

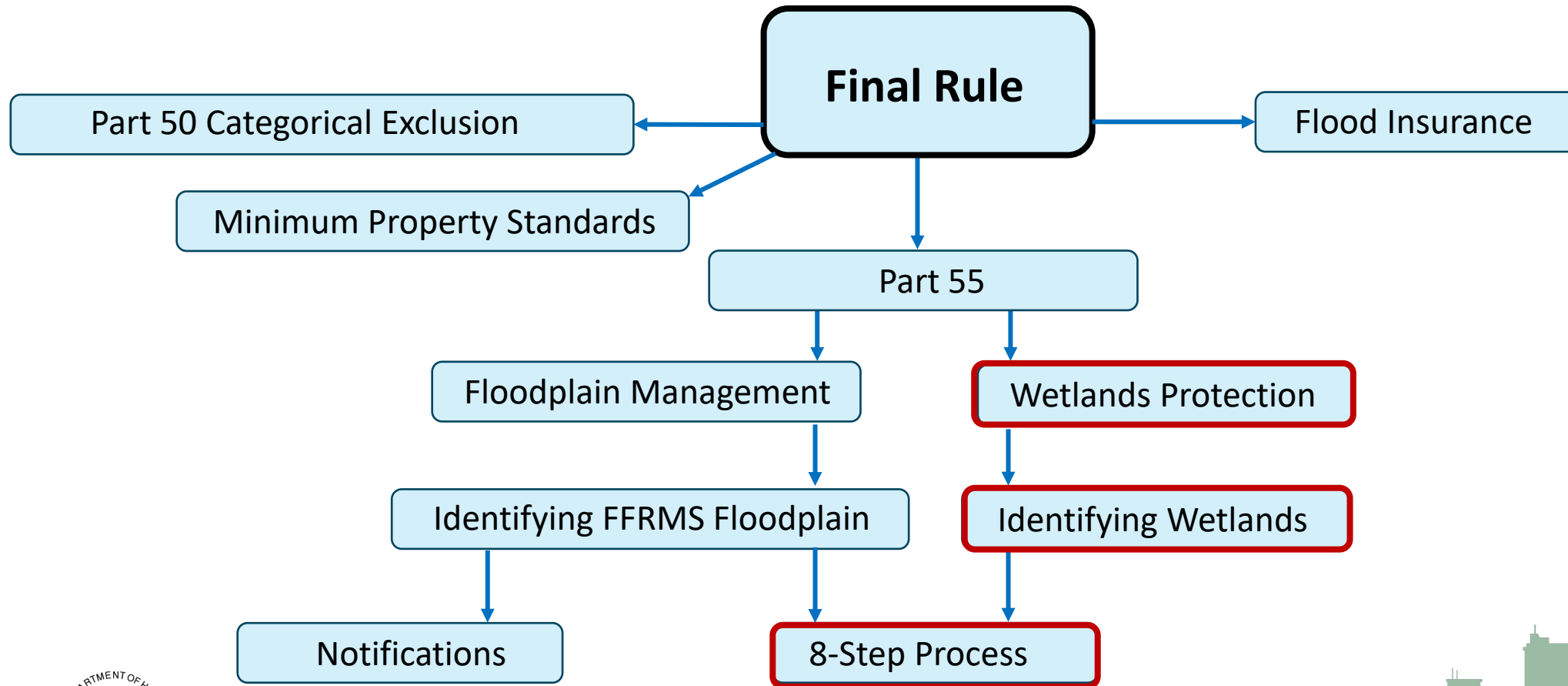
- This brings the categorical exclusion in Part 50 in line with that under Part 58





Wetlands Protection

Final Rule – Part 55 and Part 200 Updates



Background – Policy

- Executive Order 11990 (1977) – Protection of Wetlands - outlines actions taken by federal agencies to minimize the destruction, loss or degradation of wetlands and to preserve the natural and beneficial values of wetlands
 - Implemented at HUD through 24 CFR Part 55
- Clean Water Act (1972), Section 404 – Regulates discharges of fill or dredged material into waters of the United States, including wetlands



Changes as of the Final Rule

- Minor changes to where terms are defined
- New section 55.9: Identifying Wetlands
- New section 55.10: Limitations on HUD Assistance in Wetlands
 - Clarifies applicability of 8-step process to new construction in wetlands
 - Wetlands no longer included in the “incidental portion” exception (previously 55.12(c)(7), now at 55.12(g))



Terminology and Key Concepts

Wetlands – *Now at 55.2(b)(13), but no change to definition*

- Wetlands means those areas that are inundated by surface or ground water with a frequency sufficient to support, and under normal circumstances does or would support, a prevalence of vegetative or aquatic life that requires saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, prairie potholes, wet meadows, river overflows, mud flats, vernal pools, and natural ponds. This definition includes those wetland areas separated from their natural supply of water as a result of activities such as the construction of structural flood protection methods or solid fill roadbeds and activities such as mineral extraction and navigation improvements. This definition includes both wetlands subject to and those not subject to [Section 404 of the Clean Water Act](#) as well as constructed wetlands.



Terminology and Key Concepts

New Construction – *Definition removed from 55.2(b)(8), now incorporated at 55.10(a)*

- Includes grading, clearing, draining, dredging, channelizing, filling, diking, impounding, and related activities for any structure or facilities including the siting of new manufactured housing units.

1. Does this project involve new construction as defined in Executive Order 11990, expansion of a building's footprint, or ground disturbance? The term "new construction" shall include draining, dredging, channelizing, filling, diking, impounding, and related activities and any structures or facilities begun or authorized after the effective date of the Order.

No

Yes

Next



Identifying Wetlands

For new construction activities (now described in 55.10), you may use the following methods to determine the presence or absence of a wetland in proximity to the project area:

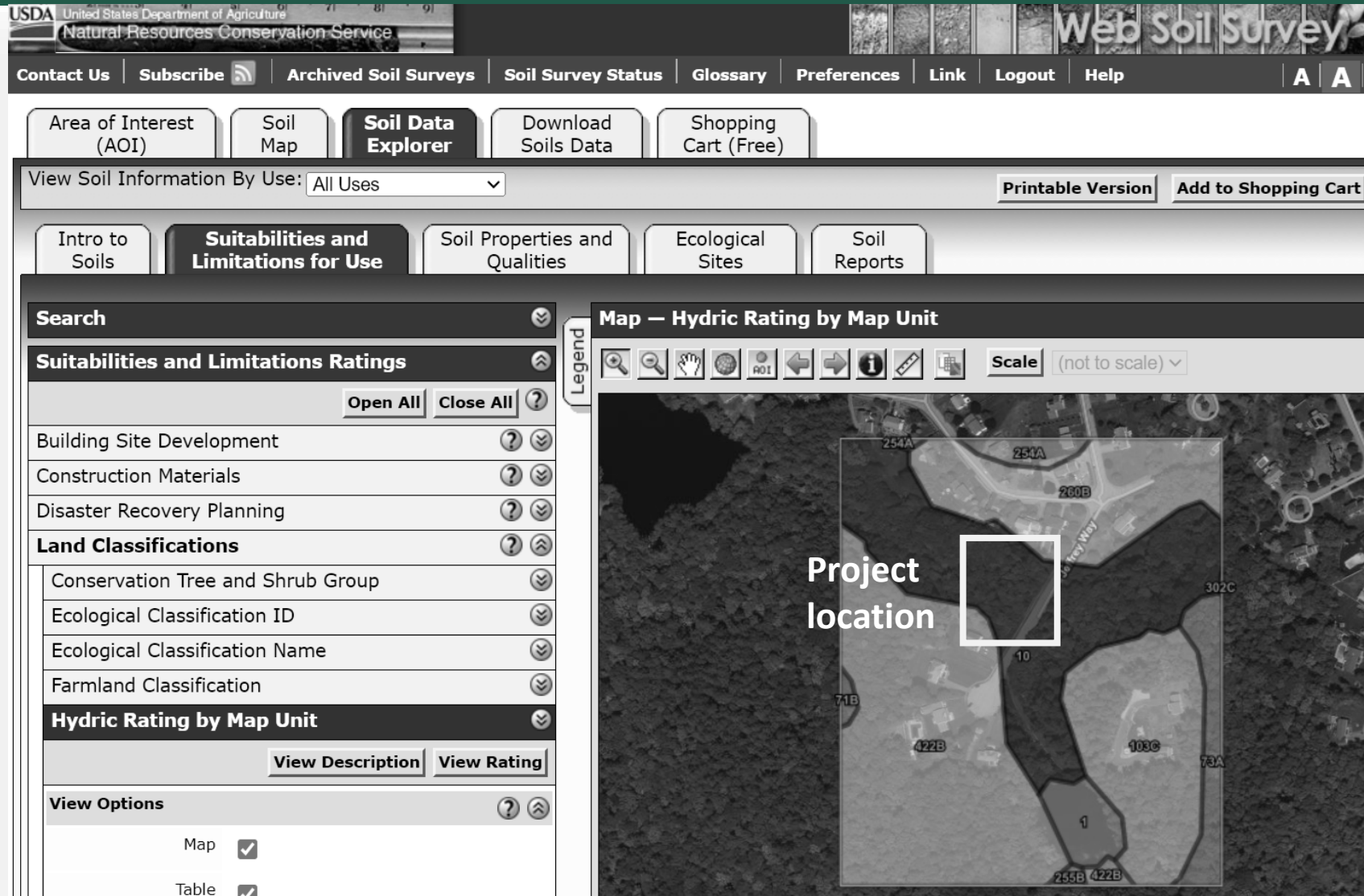
1. Primary screening: National Wetlands Inventory (NWI) Map
2. If NWI screening is inconclusive:
 - a. Consult with U.S. Fish and Wildlife Service (USFWS)
 - b. Other Federal, State or local resources along with site analysis by environmental review preparer.
 - a. Natural Resources Conservation Service (NRCS) Web Soil Survey - Used to determine if soils at project site are hydric soils and if area is frequently flooded.
 - b. Field identification of biological characteristics, not jurisdictional characteristics.
 - c. Have a qualified wetlands scientist delineate the wetland boundaries at a site.



Identifying Wetlands – National Wetlands Inventory



Identifying Wetlands – Web Soil Survey



USDA United States Department of Agriculture
Natural Resources Conservation Service

Web Soil Survey

Contact Us | Subscribe | Archived Soil Surveys | Soil Survey Status | Glossary | Preferences | Link | Logout | Help | A | A

Area of Interest (AOI) | Soil Map | **Soil Data Explorer** | Download Soils Data | Shopping Cart (Free)

View Soil Information By Use: All Uses Printable Version Add to Shopping Cart

Intro to Soils | **Suitabilities and Limitations for Use** | Soil Properties and Qualities | Ecological Sites | Soil Reports

Search

Suitabilities and Limitations Ratings

Open All Close All ?

- Building Site Development ?
- Construction Materials ?
- Disaster Recovery Planning ?

Land Classifications

- Conservation Tree and Shrub Group
- Ecological Classification ID
- Ecological Classification Name
- Farmland Classification

Hydric Rating by Map Unit

View Description View Rating

View Options

- Map
- Table

Map – Hydric Rating by Map Unit

Scale (not to scale)

Project location



Identifying Wetlands – Web Soil Survey



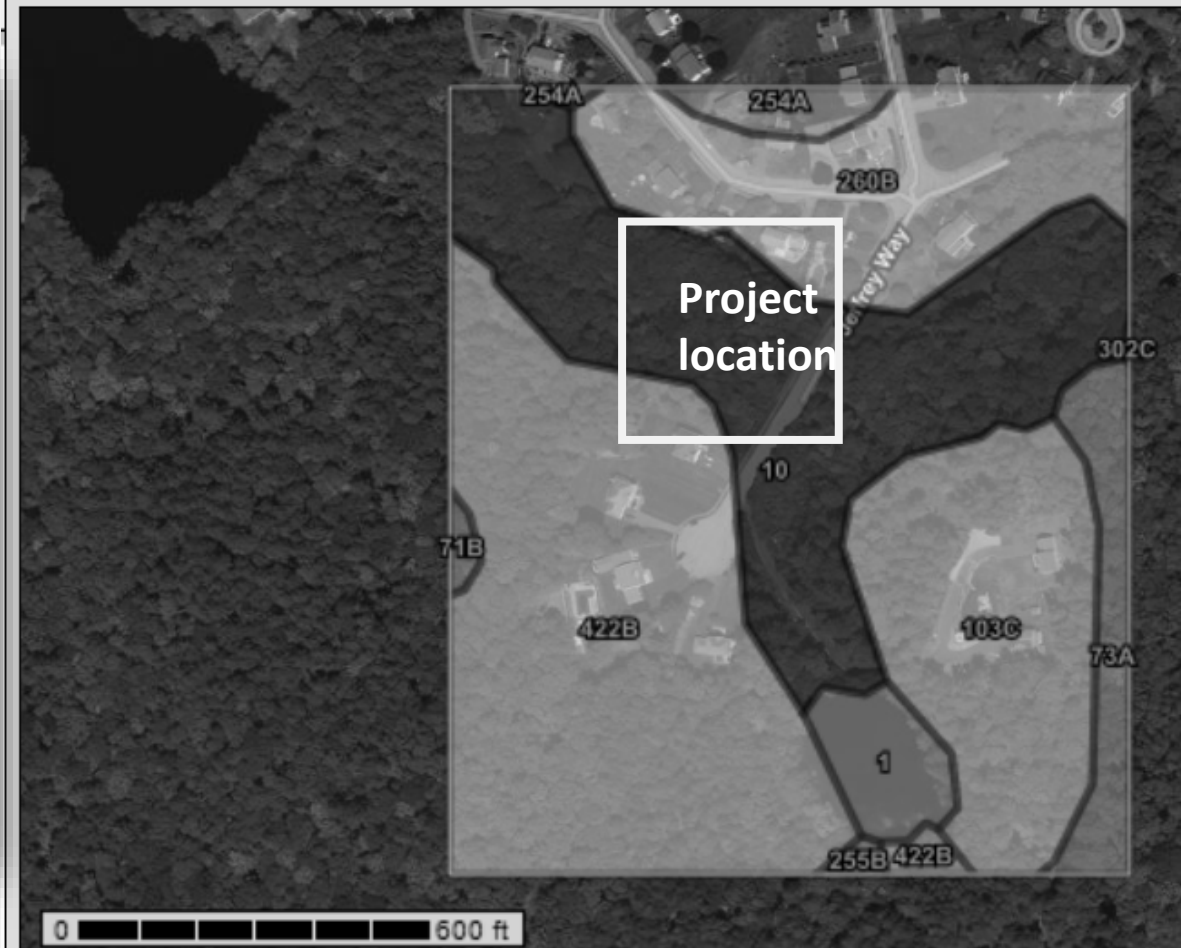
Tables – Hydric Rating by Map Unit – Summary By Map Unit

Summary by Map Unit – Norfolk and Suffolk Counties, Massachusetts (MA616)

Summary by Map Unit – Norfolk and Suffolk Counties, Massachusetts (MA616)

Map unit symbol	Map unit name	Rating	Acres in AOI	Percent of AOI
1	Water	0	1.1	3.0%
10	Scarboro and Birdsall soils, 0 to 3 percent slopes	100	9.9	27.5%
71B	Ridgebury fine sandy loam, 3 to 8 percent slopes, extremely stony	88	0.1	0.4%
73A	Whitman fine sandy loam, 0 to 3 percent slopes, extremely stony	99	1.5	4.2%
103C	Charlton-Hollis-Rock outcrop complex, 8 to 15 percent slopes	2	5.6	15.5%
254A	Merrimac fine sandy loam, 0 to 3 percent slopes	0	0.6	1.8%

Map – Hydric Rating by Map Unit



Limitations on HUD assistance in wetlands

- **New construction activities** (i.e., grading, clearing, draining, filling, diking, impounding, or related activities) that directly impact *on-site* wetlands as identified by the process at 55.9 must go through the full 8-step process.
- Activities that indirectly impact wetlands: impacts must be evaluated and minimized through best management practices, *but the 8-step process is not required*.
 - Examples of indirect impacts: modifying the flow of stormwater, releasing pollutants, changing the conditions that contribute to wetlands viability
- Activities that indirectly impact off-site wetlands: impacts must be minimized to the extent practicable, *but the 8-step process is not required*.
 - Mitigation measures to address off-site wetland impacts may be necessary to comply with other related laws and authorities such as Endangered Species Act, or to reduce impacts evaluated under NEPA to less than significant.



Limitations on HUD assistance in wetlands

Project Type	8-Step Process	Other Requirements
New construction activities (i.e., grading, clearing, draining, filling, diking, impounding, or related activities) that directly impact on-site wetlands	Required	N/A (Mitigation should be addressed under the 8-step process.)
Activities that indirectly impact wetlands such as by modifying the flow of stormwater, releasing pollutants, or otherwise changing conditions that contribute to wetlands viability	Not required	The significance of these impacts must be evaluated and minimized through best management practices. <div style="border: 2px solid red; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>If the project site includes wetlands that will not be affected by new construction, HUD strongly encourages measures to preserve such wetlands from future impacts, including by obtaining a restrictive covenant, conservation easement, or other mechanism.</p> </div>
Activities that indirectly impact off-site wetlands	Not required	Impacts must be minimized to the extent practicable

Limitations on HUD assistance in wetlands

- Exception for incidental portion of a project that is situated in a wetland removed (applicability of exception required a permanent covenant or restrictive deed)
 - 8-step process no longer required if project does not directly impact onsite wetlands
 - If the project site includes wetlands that will not be impacted by new construction, measures to preserve such wetlands from future impacts strongly encouraged by HUD
 - Restrictive covenant
 - Conservation easement
 - Or other mechanism
- Check with your HUD REO/FEO for specific project questions



Changes to the 8-Step Process

Step 1: Determine if the project is new construction in a wetland

- Use the approach outlined in **24 CFR 55.9 and 55.10**
- Proceed to the next steps if the proposal does **directly impact an onsite wetland**

Step 2: Notify the public and interested agencies

- Publish the notice to allow for a minimum of 15 calendar days for public comment:
 - in a newspaper of general circulation in the affected community
 - **on an appropriate government website**
 - accessible to individuals with disabilities
 - provides meaningful access for individuals with Limited English Proficiency



Changes to the 8-Step Process

Step 3: Determine if there is a practicable alternative

- Can include alternative methods to serve the identical project objectives, including but not limited to design alternatives such as repositioning or reconfiguring proposed siting of structures and improvements to avoid floodplain and wetland impacts
- Include the costs of flood insurance and potential property losses from flooding in an economic consideration of the practicability of alternatives.
- For multifamily and healthcare projects involving HUD mortgage insurance that are initiated by third parties, HUD in its consideration of practicable alternatives is not required to consider alternative sites, but must include consideration of:
 - A determination to approve the request without modification;
 - A determination to approve the request with modification;
 - A determination not to approve the request.



Changes to the 8-Step Process

Step 4: Identify adverse and beneficial impacts

- Include impacts related to future climate-related flood levels, sea level rise, and the related increased value of beneficial floodplain and wetland functions.
- Factors to include for wetland evaluation: Public health, safety, and welfare, including water supply, quality, recharge, and discharge; pollution; flood and storm hazards and hazard protection; and sediment and erosion, including the impact of increased quantity or velocity of stormwater runoff on, or to areas outside of, the proposed site;



Changes to the 8-Step Process

Step 5: Mitigate adverse impacts

- **Stormwater management and green infrastructure:** The use of permeable surfaces; natural landscape enhancements that maintain or restore natural hydrology through infiltration, native plant species, bioswales, **rain gardens**, or evapotranspiration; stormwater capture and reuse; green or vegetative roofs with drainage provisions; **WaterSense products; rain barrels and grey water diversion systems; protective gates or angled safety grates for culverts and stormwater drains; and other low-impact development and green infrastructure strategies, technologies, and techniques.** Where possible, use natural systems, ecosystem processes, and nature-based approaches when developing alternatives for consideration.
- Adjust project footprint
- Resilient building standards
- Severe repetitive loss mitigation



Changes to the 8-Step Process

Step 6: Re-evaluate alternatives

- (iii) If the proposed activity is located in or affects a community with environmental justice concerns, the reevaluation must address public input provided during environmental justice outreach and must document the ways in which the activity, in light of information analyzed, mitigation measures applied, and alternatives selected, serves to reduce any historical environmental disparities related to flood risk or wetlands impacts in the community.

Step 7: Publish final public notice

- in a newspaper or government website

Step 8: Implement proposal with appropriate mitigation

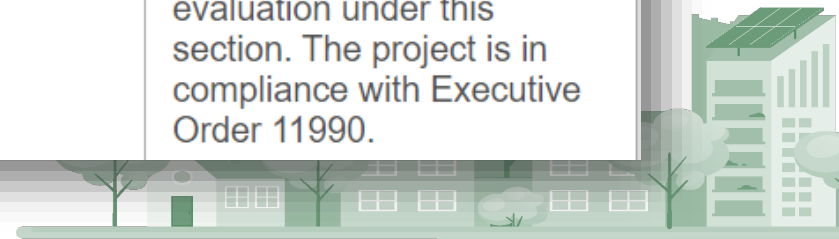


Environmental Review Compliance and Documentation

The environmental review record should contain **one** of the following:

- A map or other relevant documentation supporting the determination that the project does not impact on- or off-site wetlands
- A map or other relevant documentation supporting the determination that the project does not directly impact on-site wetlands and an evaluation of indirect on- or off-site wetland impacts including how the indirect impacts have been minimized and mitigated
- A completed 8-step decision-making process, including a map and the early and final public notices

<p>Wetlands Protection [Executive Order 11990, particularly sections 2 & 5]</p>	<p> <input type="radio"/> Yes <input checked="" type="radio"/> No </p>	<p>This project does not include new construction in a wetland. Based on the project description, this project includes no activities that would require further evaluation under this section. The project is in compliance with Executive Order 11990.</p>
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Resources

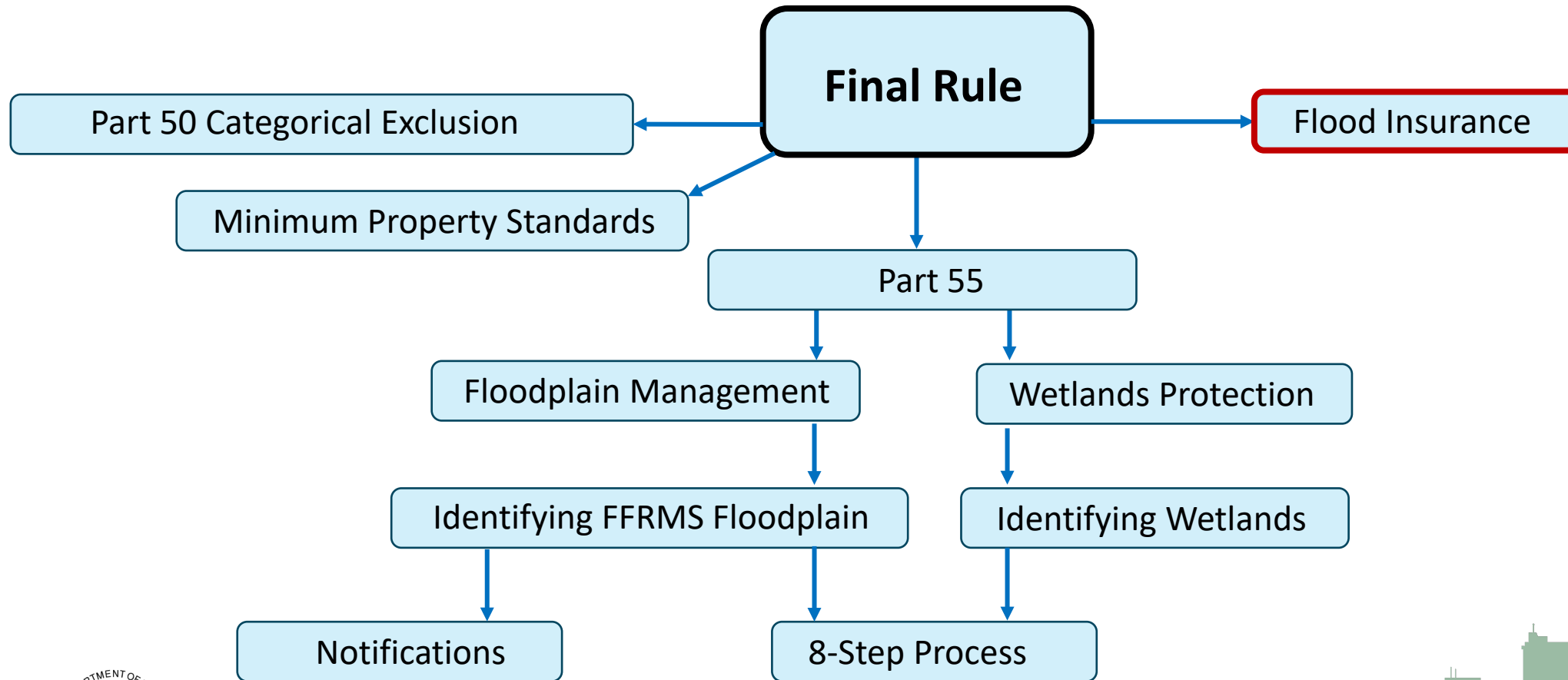
- [24 CFR Part 55 | eCFR](#)
- HUD FFRMS Final Rule: [89 FR 30850](#)
- [Wetlands Protection - HUD Exchange](#)
- [National Wetlands Inventory](#)
- [USDA Web Soil Survey](#)





Flood Insurance

Final Rule – Part 55 and Part 200 Updates



Background – Flood Insurance

The Flood Disaster Protection Act of 1973 requires projects located in a special flood hazard area receiving federal assistance be covered by flood insurance

HUD's Final Rule to implement FFRMS clarifies flood insurance requirements and strengthens public notification requirements to increase awareness of flood risk to renters and homeowners

Overall flood insurance requirements are not new under the Final Rule



Terminology and Key Concepts

National Flood Insurance Program (NFIP)

- NFIP is managed by FEMA and provides flood insurance to property owners, renters and businesses
- Provides structure for communities to adopt and enforce floodplain management
- Flood insurance is available to anyone participating in an NFIP community

Flood Insurance Rate Map (FIRM)

- The official name for a FEMA flood map. FIRMs show areas of high-, moderate-, and low-risk in terms of flooding and are used to determine flood insurance rates
- FIRMs can be obtained free of charge at FEMA Flood Map Service Center at <https://msc.fema.gov/portal>

Special Flood Hazard Area (SFHA)

- Defined as the area that will be inundated by a flood event having a 1-percent chance of being equaled or exceeded in any given year
- Also referred to as the base flood elevation or 100-year floodplain
- The SFHA is the area of high-risk flooding designated as zones beginning with **A** or **V** on a flood map



Flood Insurance – FFRMS Final Rule

- The Final Rule clarifies flood insurance requirements in the context of Floodplain Management and the Protection of Wetlands (24 CFR Part 55)
- Flood insurance is required within the Special Flood Hazard Area (SFHA)
- Responsible entities must provide a FEMA Flood Insurance Rate Map (FIRM) to confirm the project site location in reference to the SFHA
- The Final Rule does not extend flood insurance requirements to the FFRMS floodplain outside of the FEMA mapped 1-percent-annual-chance floodplain



Flood Insurance – FFRMS Final Rule

- The Rule also includes new language clarifying that HUD or a responsible entity may require flood insurance beyond the minimums established in the FDPA when necessary to minimize financial risk.
- Under part 55, HUD **encourages** but does **not require** flood insurance be obtained and maintained for:
 - HUD-assisted structures in the FFRMS Floodplain outside the SFHA
 - Sites that have previously flooded, or
 - Sites in close proximity to a floodplain.



Knowledge Check

You are providing HUD assistance to a homeowner-occupied unit in the form of non-substantial rehab. The home is in Zone AE as shown on the map. Which of the following would be required?

- A. 8-step process
- B. **Flood insurance**
- C. Elevation of the structure
- D. All of the above
- E. None of the above



Resources

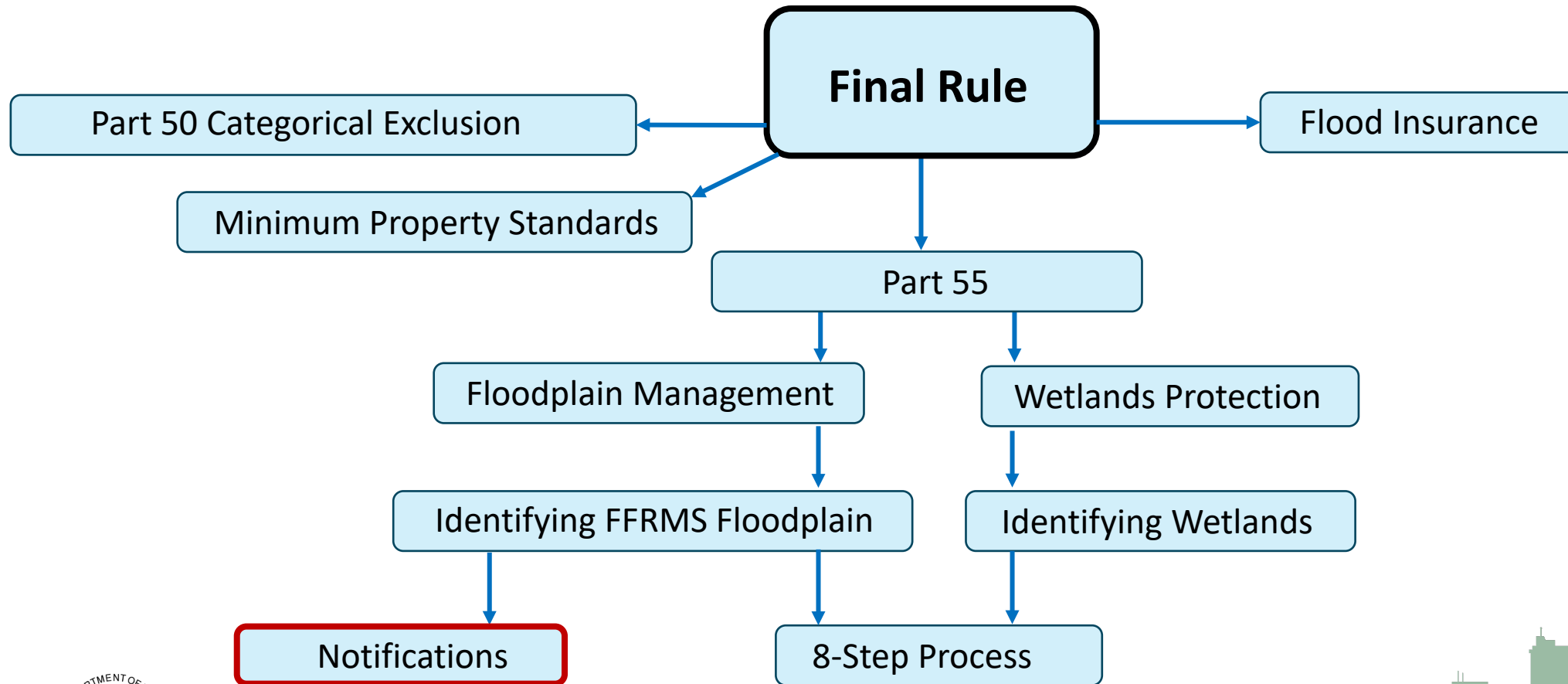
- [Flood Insurance – HUD Exchange](#)
- [FEMA Flood Map Service Center](#)





Notification Requirements

Final Rule – Part 55 and Part 200 Updates



Notification of Floodplain Hazards

- The Final Rule retains the requirement to ensure that any party participating in a financial transaction for a property located in a floodplain and any current or prospective tenant is notified of the hazards of the floodplain location
 - The floodplain is defined as the FFRMS floodplain, no longer the 100-year floodplain (or 500-year for critical actions)
 - The Final Rule defines the notification requirements for property owners, buyers, developers, and renters and identifies specific hazards and information that must be included in these notifications based on the interests of these parties
 - The specific information that must be provided to renters is new within the Rule
- For properties outside the FFRMS floodplain
 - The list of exceptions at to floodplain management and wetlands protections requirements is provided at 24 CFR 55.12
 - There is no requirement to provide notification of flood risk for properties located outside of the FFRMS Floodplain
 - However, HUD encourages grantees to work with Federal partners and disseminate relevant information regarding flood insurance to those in the floodplain



Notification of Floodplain Hazards – Owners, Buyers, and Developers

- The Final Rule provides **greater detail and clarity**
- For property owners, buyers, and developers
 - Notifications for actions in the floodplain must include
 - Indication the property is in the floodplain
 - The requirement or option to obtain flood insurance
 - Approx. elevation of the FFRMS floodplain
 - Proximity to flood-related infrastructure impacting the site, including dams and levees
 - The location of evacuation routes
 - Disclosure of information on flood insurance claims filed on the property
 - Other relevant information such as available emergency notification resources
 - Notifications must be provided prior to property closing

Notifications provide critical information on the nature of flood risk for a given action



Notification of Floodplain Hazards - Renters

- The Final Rule expands and clarifies requirements
- For renters
 - New and renewal leases must include acknowledgements signed by the residents that they have been advised the property is in a floodplain and flood insurance is available for their personal property
 - Notifications for actions in the floodplain must include
 - The location of evacuation routes
 - Available emergency notification resources
 - The property's emergency procedures for residents in the event of flooding
- This applies to HUD-assisted, HUD-acquired, and HUD-insured rental properties



Notification of Floodplain Hazards – Conveyance Restrictions for the Disposition of Multifamily Real Property



- For the disposition and leasing of multifamily properties in the **FFRMS floodplain** acquired by HUD
 - The documents used for conveyance must:
 - Refer to uses that are restricted under identified federal, state, or local floodplain regulations
 - Include any land use restrictions limiting the use of the property
 - For multifamily properties in the **FFRMS floodplain** acquired by HUD that contain critical actions:
 - HUD may require through covenant or comparable restriction a restriction on the property's use
 - The property owner and successive owners must provide written notification to current and prospective tenants relaying the hazards to life and property to those who live or work in the structure and identifying the availability of flood insurance on contents
 - This notice must be posted in the building so it is legible at all times and easily visible to those entering or using the building



Intent of Notifications

- Ensure buyers, developers, renters, other stakeholders can make informed decisions about a property's flood risk
- Increased transparency and stronger consumer protections for residents of publicly subsidized housing
- Awareness of evacuation information provided along with ingress and egress routes to promote public safety and responsiveness in the event of a flood
- Effective and compliant communications



Recap on FFRMS Floodplain and Clarification

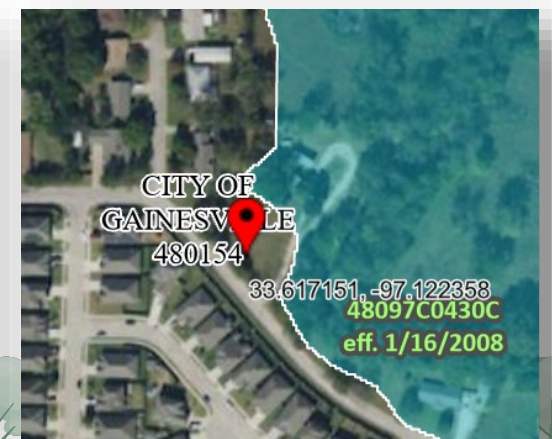
Three approaches to defining the FFRMS floodplain

- Climate-informed science approach (CISA)
- 0.2-Percent-chance flood approach (0.2PFA, based on 500-year floodplain)
- Freeboard value approach (FVA, base flood elevation + 2 or 3 feet)

Projects in the FFRMS floodplain require an 8-step process unless an exception applies



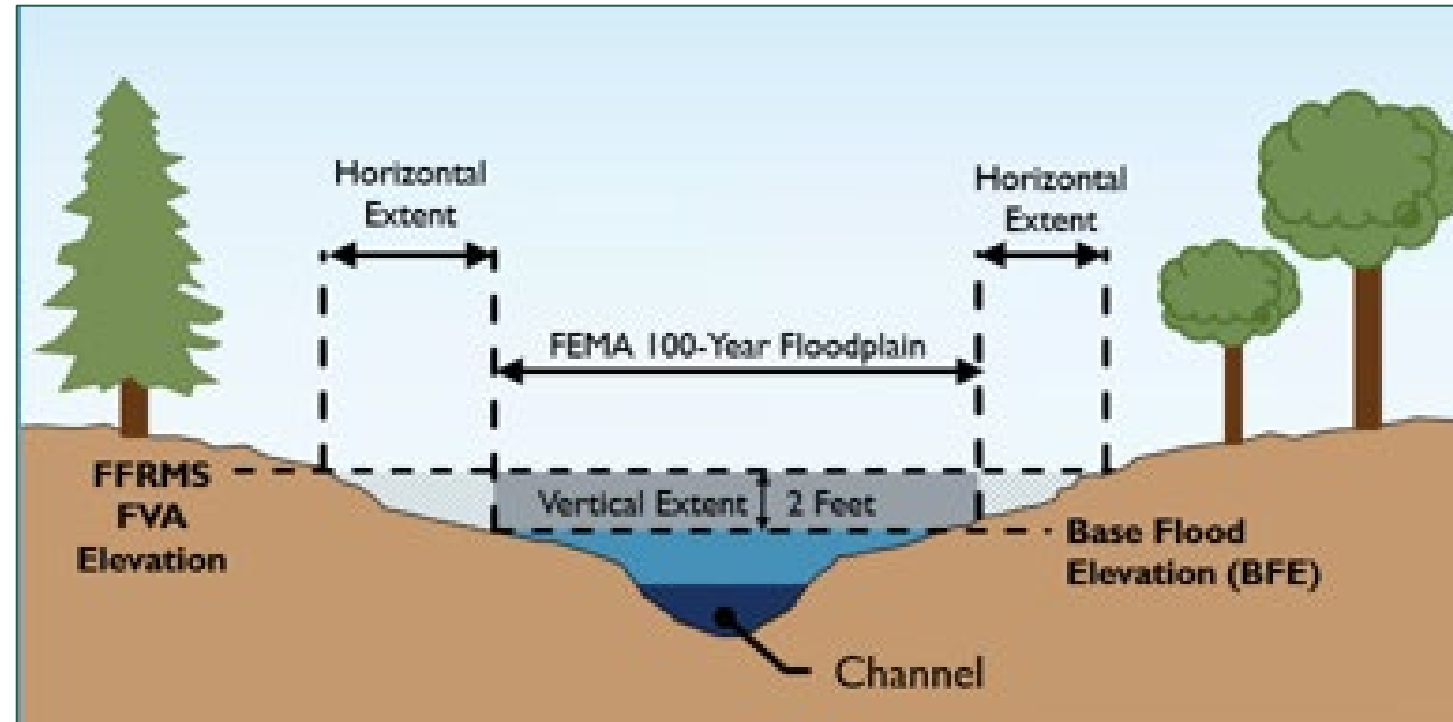
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Recap on FFRMS Floodplain and Clarification

Freeboard value approach (FVA):

- Base flood elevation + 2 feet **vertically** (or 3 feet for critical actions)
- The 2 feet does not refer to the **horizontal extent** (could be more or less than 2 feet depending on the slope; likely to be much higher than 2 feet in flatter areas)



Knowledge Check

Your HUD-assisted new construction project is located in the FFRMS floodplain but outside the 100-year floodplain. Which of the following would be required?

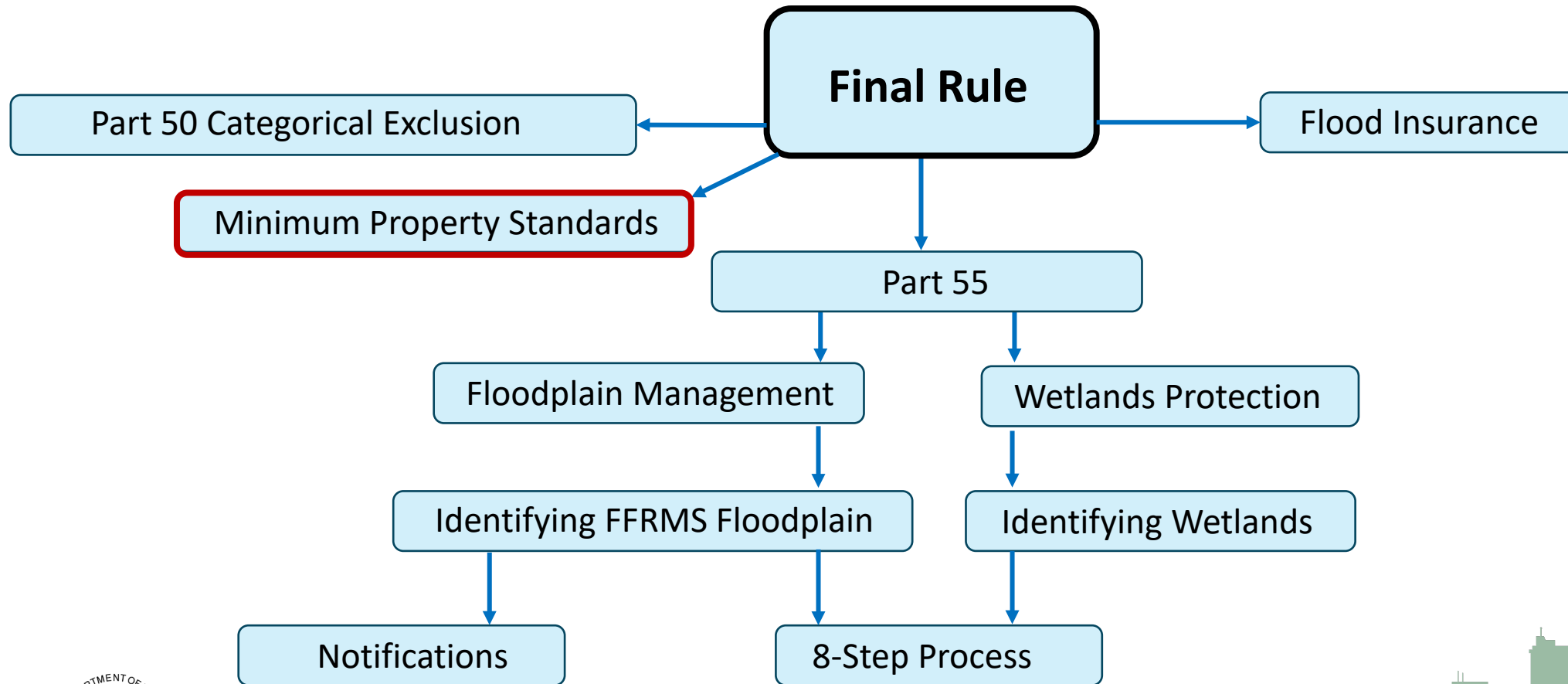
- A. Flood insurance
- B. 8-Step process
- C. Notification to prospective tenants
- D. All of the above
- E. **B and C (8-step process and notification)**





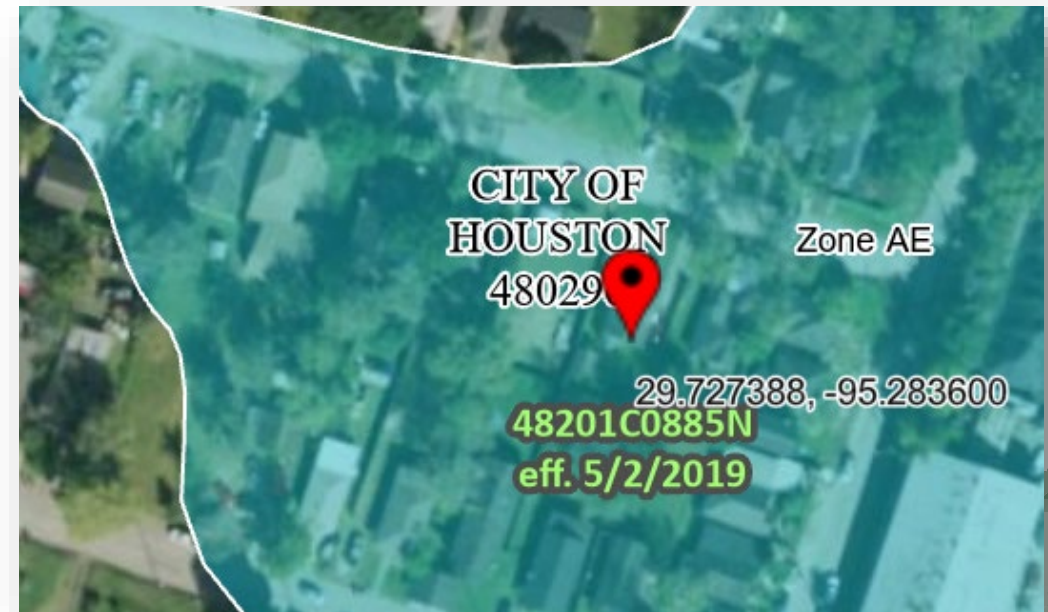
Part 200 – Minimum Property Standards

Final Rule – Part 55 and Part 200 Updates



Part 200 – Minimum Property Standards

- Under the new rule, HUD is updating the Minimum Property Standards under 24 CFR 200.926d – Construction requirements – sections of paragraph (c) pertaining to site design for drainage and flood hazard exposure
 - These are the standards required when HUD insures a mortgage on a single-family property
 - They ensure that the property meets basic livability and safety standards and is code compliant
- New elevation standard of BFE +2 is required for all newly constructed single-family homes (with a mortgage insured by HUD) within the 100-year floodplain (SFHA)
 - This does **not apply** to the expanded horizontal area of the FFRMS floodplain



Applicability of Part 200

- FHA-Insured Single-family Mortgage Programs
 - Are not subject to HUD environmental review requirements
 - Are required to follow Minimum Property Standards
- Manufactured Housing
 - The elevation requirements for manufactured housing are outside the scope of this rulemaking and can be found at:
 - 24 CFR 3285: Manufactured Home Installation Standards and
 - 24 CFR 203.43f: Eligibility of Mortgages Covering Manufactured Homes, as applicable



Summary of Elevation and Floodproofing Requirements

Property type	Activity	Elevation	Floodproofing alternative permitted
Residential*	New construction & Substantial improvement	Required to the elevation of the FFRMS floodplain	Only for mixed-use buildings where all residential is elevated
	Minor improvements & other	Not required	N/A
Non-residential	New construction & Substantial improvement	Required to the elevation of the FFRMS floodplain	Yes
	Minor improvements & other	Not required	N/A
FHA Single Family	New construction	Required to BFE+2	No
	Minor improvements & other	Not required	N/A

*Except FHA Single Family



Elevation Standards by Program: CPD and PIH

Program	Previous elevation requirements	New elevation requirements
CDBG, HOME, SHOP	<u>NFIP minimum</u> : NC/SI within 100-year floodplain required to elevate to BFE	
CDBG-DR, CDBG-MIT	<u>Disaster Notices</u> : NC/SI of non-critical actions within 100-year floodplain required to elevate to BFE+2. Critical actions required to elevate to BFE+3 or 500-year floodplain (whichever is higher).	<u>Part 55</u> : NC/SI within FFRMS floodplain required to elevate to FFRMS
Public Housing Cap Funds	<u>NFIP minimum</u> : NC/SI within 100-year floodplain required to elevate to BFE	
RAD Conversions	PBRA: Follow <u>MAP Guide</u> (new construction BFE+2) PBV: Follow <u>NFIP minimum</u> (BFE)	



Elevation Standards by Program: Housing

Program	Previous elevation requirements	New elevation requirements
FHA Multifamily	<u>MAP Guide</u> requires all new construction within 100-year floodplain to elevate to BFE+2	<u>Part 55</u> : NC/SI (i.e., 221(d)(4)s) within FFRMS floodplain required to elevate to FFRMS
FHA Healthcare	<u>NFIP minimum</u> : NC/SI within 100-year floodplain required to elevate to BFE *Critical Actions regulate based on 500-year Floodplain (equal to FFRMS in some cases)	<u>Part 55</u> : NC/SI within FFRMS floodplain required to elevate to FFRMS *Because these are Critical Actions, the FFRMS floodplain will be larger and more protective than for many other programs.
FHA Single Family	<u>NFIP minimum</u> : NC/SI within 100-year floodplain required to elevate to BFE	<u>Minimum Property Standards</u> : NC within the 100-year floodplain required to elevate to BFE+2



Relevant Dates

- Final Rule Published: **April 23, 2024**
- Date Effective: **May 23, 2024**
 - 30 days after Federal Register publication
- Compliance Date for Most Projects: **June 24, 2024**
 - 60 days after Federal Register publication
- Extended Compliance Dates:
 - Final Rule amendments to 24 CFR part 200: **January 1, 2025**
 - Applies to new construction of FHA-mortgage backed single-family homes
 - Based on submission of building permit application



Part 200 Compliance Schedule

The extended January 1, 2025, compliance date for Part 200:

- Provides home builders with the opportunity to adapt and prepare for the requirements of the new rule, including the increased elevation standards
- Addresses concerns to avoid limiting the availability of single-family affordable housing
- Establishes a compliance date that minimizes impact on new construction projects that have building permit applications submitted prior to the compliance date and will be FHA-insured after completion
- Allows time for housing developers to incorporate the new Minimum Property Standards into the planning process for new construction



Part 200 – Clarifications

- **Applicability to Substantial Improvements**
 - Substantial improvements to FHA-insured single-family homes in the 100-year floodplain do **not** trigger elevation requirements under Part 200
 - FFRMS elevation requirements do not apply to Part 200
- **Applicability to Newly Constructed Single-Family Homes**
 - Newly constructed one- to four-unit housing is required to meet the new Minimum Property Standards elevation requirements under the Final Rule
 - The revised Part 200 elevation standards do **not** apply to manufactured housing
 - Compliance with the new Part 200 elevation standards is required for projects that submit a building permit application on or after January 1, 2025



Part 200 – Clarifications

- To be eligible for an FHA-insured mortgage
 - A newly constructed home in the 100-year floodplain must be elevated to at least two feet above the base flood elevation
 - The **lowest floor** must be elevated, which includes basements and other permanent enclosures
- Prior Requirement
 - Prior to the Final Rule, newly constructed single-family housing covered under HUD mortgage insurance and located in the 100-year floodplain in the effective FIRM was required to be elevated to the effective FIRM base flood elevation



Part 200 – Language Reference

§ 200.926d Construction requirements.

(c) *Site design* –

(4) *Drainage and flood hazard exposure* –

(i) ***Residential structures located in Special Flood Hazard Areas.*** The elevation of the lowest floor (including basements and other permanent enclosures) shall be at least two feet above the base flood elevation (see 24 CFR 55.8(b) for appropriate data sources).

(ii) ***Residential structures located in FEMA-designated “coastal high hazard areas”.*** Where FEMA has determined the base flood level without establishing stillwater elevations, the bottom of the lowest structural member of the lowest floor (excluding pilings and columns) and its horizontal supports shall be at least two feet above the base flood elevation.

(iii) ***New construction.***

(A) In all cases in which a Direct Endorsement (DE) mortgagee or a Lender Insurance (LI) mortgagee seeks to insure a mortgage on a one-to-four-family dwelling that is newly constructed (including a newly erected manufactured home) that was processed by the DE or LI mortgagee, the DE or LI mortgagee must determine whether the property improvements (dwelling and related structures/equipment essential to the value of the property and subject to flood damage) are located on a site that is within a Special Flood Hazard Area, as designated on maps of the Federal Emergency Management Agency. If so, the DE mortgagee, before submitting the application for insurance to HUD, or the LI mortgagee, before submitting all the required data regarding the mortgage to HUD, must obtain:

(1) A final Letter of Map Amendment (LOMA);

(2) A final Letter of Map Revision (LOMR); or

(3) A signed Elevation Certificate documenting that the lowest floor (including basements and other permanent enclosures) of the property improvements is at least two feet above the base flood elevation as determined by FEMA’s best available information (or documenting that the lowest floor meets HUD’s elevation standard for newly erected manufactured housing in 24 CFR 203.43f or 24 CFR part 3285, as applicable).

(B) Under the DE program, these mortgages are not eligible for insurance unless the DE mortgagee submits the LOMA, LOMR, or Elevation Certificate to HUD with the mortgagee’s request for endorsement.

Knowledge Check

A newly constructed single-family home is located in the 500-year floodplain. Which of the following would be required for the home to be eligible for an FHA-insured mortgage?

- A. 8-step process
- B. Elevation of the structure
- C. Both
- D. **None of the above**



Knowledge Check

A newly constructed single-family home is located in the 100-year floodplain. Which of the following would be required for the home to be eligible for an FHA-insured mortgage?

- A. 8-step process
- B. Elevation of the structure**
- C. Both
- D. None of the above



Resources

- [24 CFR Part 200 – Introduction to FHA Programs \(eCFR\)](#)
- [Office of Housing – HUD.gov](#)
- [Federal Flood Risk Management Standard | HUD.gov](#)
- HUD FFRMS Final Rule: [89 FR 30850](#)
- [Environmental Review Federal Related Laws and Authorities - HUD Exchange](#)

Additional FFRMS
Resources Available
Soon





Key Takeaways

Key Takeaways

- **Wetlands Protection**
 - The Final Rule specifies processes for identifying wetlands, outlines limitation on HUD assistance in wetlands and makes updates to definitions and terminology
- **Flood Insurance**
 - The Final Rule does not extend flood insurance requirements to the FFRMS floodplain outside of the FEMA mapped 1-percent-annual-chance floodplain, however HUD encourages flood insurance be obtained and maintained for HUD-assisted structures in the FFRMS Floodplain outside the SFHA, sites that have previously flooded, or sites in close proximity to a floodplain
- **Notifications**
 - The Final Rule retains the requirement to ensure that any party participating in a financial transaction for a property located in a floodplain and any current or prospective tenant is notified of the hazards of the floodplain location – now tied to the FFRMS floodplain
- **Part 200**
 - For building permit applications submitted on or after January 1, 2025, single-family new construction with FHA-backed mortgage insurance and located in the 100-year floodplain must meet Minimum Property Standards and elevate the lowest floor to base flood elevation +2'





Questions?



Questions

- Please submit content-related questions in the Q&A box in your Zoom toolbar
- Some questions have been submitted in advance – from the first webinar and at registration for this second webinar
- ICF and HUD will respond to select questions as part of this webinar session
- Additional questions will be addressed through future FAQs, or other future resources and guidance
- Additional questions can be submitted to EnvironmentalPlanningDivision@hud.gov

