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| Early Commencement or Early Start of Construction Checklist  Section 232 |  | **U.S. Department of Housing and Urban Development**  Office of Residential Care Facilities |

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

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| **Project Name:** |
| **Project Number:** |
| **Type of Request:**  Early Commencement  (Only allowed for Section 232/241(a) projects)   Early Start |

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| **No.** | **Item** | **N/A** | **Incl.** |
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|  | Completed Early Commencement or Early Start of Construction Checklist |  |  |
|  | Inspection Fee  Payment receipt generated by Pay.gov. Inspection fee to be based upon $5 per thousand of the amount of the work to be completed under the Early Commencement or Early Start as evidenced by the form HUD-2328, Contractor’s and/or Mortgagor’s Cost Breakdown, corresponding to the Early Commencement or Early Start work.  Fee Submitted: $ |  |  |
|  | Evidence that the Early Commencement/Early Start Data Sheet was sent to the ORCF Construction Manager  Please notify the ORCF Construction Manager in advance of submitting the Early Commencement/Early Start application. A sample data sheet can be found in the Early Commencement and Early Start Application Instructions |  |  |
|  | Memo Requesting Post-Commitment Early Start of Construction Early Commencement of Construction (Form HUD-9442-ORCF)  For Pre-Firm Commitment Issuance/Early Commencement projects, please note this on the form. |  |  |
|  | Justification showing good cause for commencing construction prior to initial endorsement |  |  |
|  | Description of the Scope of Work to be completed as part of the Early Commencement or Early Start of Construction  Work performed under early commencement or early start is limited to site and foundation work. However, additional work may be approved upon a showing of urgent and compelling circumstances with ORCF approval. |  |  |
|  | Request for Permission to Commence Construction Prior to Initial Endorsement for Mortgage Insurance (Form HUD-92415-ORCF) |  |  |
|  | Form HUD-90023-ORCF, Early Commencement/Early Start-Borrower Certification  Construction is NOT permitted prior to written approval of the Early Commencement or Early Start, and the HUD PreConstruction Conference |  |  |
|  | Authorizing Resolutions of Governing Body of Mortgagor (non-profit mortgagor only), if applicable |  |  |
|  | AIA Document B108 Owner/Architects/Engineers Agreement(s) |  |  |
|  | Form HUD-92408-ORCF, HUD Amendment to AIA Document B108 |  |  |
|  | Form HUD-92124-ORCF, Design Architect’s Certification |  |  |
|  | Form HUD-91123-ORCF, Design Professional’s Certification of Liability Insurance |  |  |
|  | General Contractor Portion of the Lender Narrative Template  Required for early commencement projects only. |  |  |
| 1. **G** | General Contractor Organization Chart  Required for early commencement projects only. |  |  |

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|  | General Contractor Previous Participation/APPS: Required for early commencement projects only.  Previous Participation Certification   1. Previous Participation Certification: 2. Completed Previous Participation Certification (with documentation for signature authority to sign for the entity and if applicable, with documentation for signature authority to sign for other principals with same participation). 3. Evidence of registration in HUD’s Business Partners Registration System (BPRS) (Required for all applicable participants - http://www.hud.gov/offices/hsg/mfh/apps/appsmfhm.cfm)   **OR**   1. APPS Submittal: Previous Participation Certification via the Active Partners Performance System (APPS). (with documentation for signature authority to sign for the entity and if applicable, with documentation for signature authority to sign for other principals with same participation). |  |  |
|  | Grading/Building/Other Permits  Must cover, at a minimum, the Early Commencement/Early Start Work, and Permits must clearly identify the work to be performed or lender must attach a brief clarification |  |  |
|  | Construction Contract – (Form HUD-92442-ORCF, with attachments):  a. Incentive Payment (Form HUD-92443), if applicable  b. Exhibit A- Cost Breakdown(s) (Form HUD-92328-ORCF)  It is recommended that 3 HUD-92328 forms be submitted – one corresponding to the work anticipated to be completed with the Early Start of Construction, one covering the remainder of the work on the project, and a combined 2328.  c. Exhibit B-Index to Drawings and Specifications  Early Start of Construction work must be clearly described and identified in the contract. |  |  |
|  | Division 00 73 00 of the Specifications (which includes the wage decision and HUD-92554-ORCF, Supplementary Conditions of the Contract for Construction in one document—15-megabyte limit per file)  No hard copies of the specifications are required – only an electronic version is required. Even when Davis Bacon is not applicable to a project, Form HUD-92554-ORCF must be included in the contract documents.  Two reasons: it’s referenced in the Construction Contract, and it not only covers Labor Standards, but also Equal Employment Opportunity, and Health and Safety. |  |  |
| **Environmental** | | | |
| ORCF must complete form HUD-4128 prior to approval of Early Commencement of Construction. This section is not required if ORCF has issued a Firm Commitment. Please note that the Phase I must include the entire proposed site.  ***Please Note:*** Underwriters are encouraged to utilize the ORCF Environmental Checklist. Please pay particular attention to Sole Source Aquifers, Aboveground Storage Tanks, Wetlands, Endangered Species, Floodplain Management, Historic Preservation and Coastal Zone Management requirements as 241(a) requirements often differ from 232/223(f) requirements and may cause substantial processing delays if not addressed early in the process. | | | |
| 1. **1** | Environmental   1. Phase I Environmental Site Assessment   The Phase I Environmental report must be submitted within 180 calendar days of the date of the date of inspection.   1. Phase II Environmental Report 2. Operations and Maintenance Plan - Asbestos 3. Standard Flood Hazard Determination Form, FEMA No. 086-0-32 4. Other: *<describe here>* |  |  |
|  | Environmental Portion of the Lender Narrative Template |  |  |
|  | Legal Description |  |  |
|  | Tribal Notification Information  ORCF must complete the Tribal Notification process. To assist ORCF with this process, please provide the following.   1. Project description including: Type of project, Purpose of the Project and the Current Condition of the Site (what is on the site now) 2. Maps including: Location Map, Aerial View, Site Layout Map and Topographic Map |  |  |
|  | Floodplain  The following information is required if the site is located in a 100-year or 500-year floodplain.  Exception: The 8-step process is not required for HUD’s approval of a project site when only an incidental portion of the site is situated in an adjacent floodplain when: (i) The construction (including existing improvements) and landscaping activities (except for minor grubbing, clearing of debris, pruning, sodding, seeding, etc.) do not occupy or modify the 100-year floodplain or the 500-year floodplain; (ii) appropriate provision is made for site drainage; and (iii) a covenant or comparable restriction is placed on the property’s continued use to preserve the floodplain.  Evidence of participation in an early warning system   1. Emergency evacuation and relocation plan 2. Identification of evacuation route(s) out of the 500-year floodplain 3. Identification marks of past or estimated flood levels on all structures 4. Evidence that current or prospective tenants have been or will be informed of the flood hazard. 5. Conditional Letter of Map Revision (CLOMR) from FEMA that will remove the property from the FEMA-designated 100 year floodplain when the conditions are met. 6. A narrative discussing the following matters:  * Reasons why the proposal must be located in a floodplain. * Alternative sites: Identify all practicable alternative sites outside the floodplain that were considered within the local housing market area, the local public utility service area, or whichever geographic area is more appropriate. The actual sites must be identified and the reasons for the non-selection of those sites as practicable alternatives must be described. * All mitigation measures to be taken to minimize adverse impacts and to restore and preserve natural and beneficial values. |  |  |
|  | State Historic Preservation Office letter/requirements  Provide all information that was sent to the SHPO and any response received. |  |  |
|  | Tribal Notification Information  ORCF must complete the Tribal Notification process, please review the [**Lender's Environmental Checklist**](http://portal.hud.gov/hudportal/documents/huddoc?id=223f-EnvChecklist_Apr2014.xlsx) for activities that may require Tribal consultation, including ground disturbance (digging), installation of an underground tank, installation of utility lines, construction, etc.. To assist ORCF with this process, please provide the following.   1. Project description including: Type of project, Purpose of the Project, the proposed activities/site work, and the Current Condition of the Site (what is on the site now) 2. Maps including: Location Map, Aerial View, Site Layout Map and Topographic Map |  |  |
|  | Aboveground Storage Tank (AST) Information:  Existing or proposed AST(s) of explosive or flammable hazards located on-site or directly visible from the site provide:  For projects that are not adding beds:  A conformance letter must be requested from the local fire department that specifically addresses the safety of the AST.   1. Letter that was sent to the Fire Department (required) 2. Conformance letter received from the Fire Department. 3. Completed acceptable separation distance (ASD) calculations (required when the Fire Department did not provide a conformance letter) 4. Proposed mitigation (please review the [**Lender's Environmental Checklist**](http://portal.hud.gov/hudportal/documents/huddoc?id=223f-EnvChecklist_Apr2014.xlsx) for mitigation guidance)   For projects that are adding beds:   1. Completed acceptable separation distance (ASD) calculations. 2. Proposed mitigation plan (please review the Lender's Environmental Checklist for mitigation guidance) |  |  |
|  | ALTA/ACSM Land Title Survey  See HUD-91111-ORCF, Survey Instructions and Borrower’s Certification for applicability. Electronic version of the survey must be legible when expanded. |  |  |
|  | Evidence of Zoning Compliance  Include evidence that the proposed project is permissible under the current zoning regulations. |  |  |
|  | Site Plan  The site plan must show where ground disturbance will occur on the site. |  |  |
|  | Narrative explanation of any relocation or displacement of residents due to the project’s construction.  If none will occur, check N/A |  |  |
| **Adding Land on a Section 241(a) Project** | | | |
| This section is applicable to Early Commencement projects where land will be added to the project’s collateral as part of the Section 241(a) project or in situations where land has been added without previous HUD approval. Please be prepared to submit hard copies of the below documents to the OGC Attorney, once assigned. | | | |
|  | Narrative Description of the land that will be added, when the land will be added, and why it will be added. |  |  |
|  | Title/Survey portion of the Lender Narrative Template |  |  |
|  | Evidence of Site Control |  |  |
|  | Title   1. Preliminary Title Report 2. Pro Forma – 2006 ALTA Title Insurance Policy 3. ALTA Form Environmental Endorsement 4. ALTA Form Comprehensive Endorsement 5. ALTA Form Endorsement deleting Arbitration Clause 6. ALTA Location of Improvements Endorsement 7. Access and Entry (ALTA 17-06) 8. Arbitration Clause deleted 9. Zoning (ALTA 3.0-06 or equivalent) 10. Encroachments 11. Tax Parcel (ALTA 18-06 or equivalent) 12. Other: <describe> 13. Exception Documents   Exception documents, title exceptions and survey noted exceptions should match. Exception documents must include copies of the actual documents. These documents must be legible. |  |  |
|  | ALTA/ACSM Land Title Survey  See HUD-91111-ORCF, Survey Instructions and Borrower’s Certification for applicability. Electronic version of the survey must be legible when expanded. |  |  |
|  | Evidence of compliance   1. Zoning 2. HUD-91130-ORCF, Building Codes 3. Verification of Zoning and Code Variances 4. CMS Fire Safety Requirements for Long-Term Care Facilities, Automatic Sprinkler Systems (if applicable)   Evidence should address requirements for rebuilding if partially destroyed. |  |  |
|  | Land/Ground Lease including HUD requirements/provisions outlined in HUD-92070-ORCF, Lease Addendum |  |  |
|  | Easements and Maintenance Agreements   * 1. Existing   2. Proposed   These documents must be legible. |  |  |