



September 8, 2026

Regulations Division
Office of General Counsel
U.S. Department of Housing and Urban Development
451 Seventh Street SW, Room 10276
Washington, DC 20410-0500

Submitted electronically via regulations.gov

Re: Comments on Proposed Rule — Rescission of Floodplain Management and Protection of Wetlands; Minimum Property Standards for Flood Hazard Exposure; Building to the Federal Flood Risk Management Standard; Docket No. FR-6527-P-01; RIN 2506-AC60

Dear Sir or Madam:

The National Leased Housing Association (NLHA) submits the following comments on the U.S. Department of Housing and Urban Development's (HUD) proposed rule rescinding most of the April 2024 Federal Flood Risk Management Standard (FFRMS) final rule and restoring HUD's floodplain management and wetlands protection regulations at 24 CFR parts 50, 55, 58, and 200 to substantially their pre-2024 state. NLHA is a national nonprofit membership organization representing a broad spectrum of affordable housing stakeholders, including public housing authorities, private owners and managers of HUD-assisted properties, lenders, investors, and other industry partners. Our members are directly responsible for preserving and operating hundreds of thousands of affordable housing units nationwide.

NLHA supports HUD's proposal to substantially rescind the 2024 final rule. Our comments below focus on the aspects of the proposal most consequential to the preservation of existing federally assisted housing and to providing owners, public housing authorities (PHAs), and developers the regulatory certainty they need to plan and finance rehabilitation and recapitalization projects.

I. NLHA Supports Rescission of the Climate-Informed Science Approach and Restoration of FEMA-Based Floodplain Determinations

NLHA agrees with HUD's decision to abandon the 2024 rule's preference for a “climate-informed science approach” (CISA) in favor of the longstanding practice of relying on FEMA Flood Insurance Rate Maps and Flood Insurance Studies. CISA-based maps do not exist for large portions of the country, and its methodology was never adequately vetted or made available for owners, lenders, and PHAs to evaluate. Maintaining a floodplain determination standard that diverges from FEMA's maps introduces unnecessary complexity and inconsistency across federal housing and insurance programs, and it leaves owners unable to reliably predict compliance obligations for planned rehabilitation or new construction. Restoring a single, well-understood data source will provide essential underwriting certainty for our members' affordable housing preservation efforts.

II. The Proposed Rule Reduces the Risk of Losing Affordable Housing to Elevation Requirements That Cannot Practicably Be Met

HUD's own analysis in the preamble estimates that 9.31 percent of existing public housing and 7.1 percent of existing HUD-assisted and -insured multifamily housing are located in the Federal Flood Risk Management Standard (FFRMS) floodplain, and the majority of these are garden-style properties that are difficult or impossible to elevate. Under the 2024 rule's substantial improvement elevation requirements, owners facing this reality had two options: incur elevation costs that are often financially and structurally infeasible, or forgo substantial rehabilitation altogether. Neither outcome serves residents. Deferred or abandoned rehabilitation of existing assisted housing in floodplains does not make those residents safer. Instead, it accelerates the physical deterioration of the affordable housing stock those residents depend on.

NLHA therefore supports the proposed rule's rescission of the 2024 rule's prohibitive elevation requirements for substantial improvement of existing HUD-assisted properties, and its restoration of the prior process for determining the applicable floodplain and evaluating mitigation through the Section 55.20 decision-making process. This approach appropriately allows HUD to continue supporting rehabilitation of existing HUD-assisted properties in floodplains while still requiring consideration of safety and mitigation measures on a project-specific basis.

III. NLHA Supports the Expanded Approval Authority in New Section 55.29 and Recommends HUD Clarify Its Application to Preservation Transactions, Including RAD

NLHA supports retention of the “alternate processing for existing nonconforming sites” provision at new Section 55.29 and welcomes the proposed change allowing the Assistant Secretary for the relevant program area, rather than only the Assistant Secretary for Community Planning and Development, to approve HUD assistance to improve existing nonconforming properties. This change should meaningfully reduce processing delays for Multifamily Housing and Public and Indian Housing transactions that would otherwise be routed through an office with no direct program responsibility for the property in question.

Because Section 55.29 exists precisely to address the circumstances our members most frequently encounter (existing HUD-assisted or HUD-insured properties, including public housing, PBRA, and Section 8-assisted developments, that cannot practicably relocate away from an on-site floodway, coastal high hazard area, or Coastal A Zone), NLHA recommends that HUD's final rule provide maximal flexibility for property-specific decisions that consider local contexts, property conditions, and actual housing outcomes for residents. We also recommend that HUD expressly confirm that this alternate processing pathway is available to Rental Assistance Demonstration (RAD) conversions involving nonconforming sites.

IV. NLHA Supports Retaining the 2024 Rule's Floodway Flexibilities and Recommends Clarification for Rehabilitation of Existing HUD-Assisted Housing

NLHA supports the proposed rule's retention of the 2024 final rule's flexibilities on HUD assistance in floodways, carried forward at revised Section 55.1(c). Allowing rehabilitation activities, including reconstruction following a Presidentially declared disaster, that do not expand the footprint of buildings or the number of units to proceed outside the floodway, without requiring wholesale relocation, is critical to preserving existing affordable housing stock on sites that predate current floodway mapping. NLHA encourages HUD to confirm in the final rule preamble that this flexibility applies equally to substantial rehabilitation of existing HUD-assisted multifamily and public housing properties so that owners and PHAs have unambiguous authority to proceed with necessary recapitalization work.

V. NLHA Supports Retention of Streamlined Review for Minor Rehabilitation and Recommends Periodic Review of the 20 Percent Threshold

NLHA supports the proposed rule's retention of the 2024 revised categorical exclusion at Section 50.20(a)(2)(i) for minor rehabilitation of one- to four-unit properties, and the parallel removal of the footprint-expansion trigger that previously applied only when HUD, rather than a responsible entity, performed the environmental review. Aligning the standard of review regardless of which entity conducts it is a sensible simplification that removes an arbitrary distinction.

NLHA also supports retaining the exemptions at Section 55.12(a)(3) and (4) from the full Section 55.20 decision-making process for repair, rehabilitation, modernization, or improvement of existing multifamily and public housing properties, provided the number of units and the footprint of structures and paved areas are not increased by more than 20 percent. As HUD-assisted properties age and require more substantial recapitalization, NLHA encourages HUD to periodically revisit whether the 20 percent threshold continues to reflect the scope of rehabilitation work typical of preservation transactions, so that necessary modernization is not inadvertently pushed into the full eight-step decision-making process based on a fixed threshold that has not been reevaluated against current preservation practice.

VI. Conclusion

NLHA appreciates the opportunity to comment on this proposed rule and reiterates its support for HUD's overall approach. The recommendations above are offered to help ensure that the final rule delivers the greatest possible benefit to the preservation of existing federally assisted housing and to the owners and PHAs responsible for maintaining it. NLHA and its members stand ready to provide any additional information HUD may find useful, and we welcome the opportunity to discuss these comments further.

Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, reading "Denise B. Muha". The signature is written in a cursive, flowing style.

Denise B. Muha
Executive Director
National Leased Housing Association