U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF HOUSING

WASHINGTON, DC 20410-8000

FEB - 9 2012

MEMORANDUM FOR:

Carol J. Galante, Acting Assistant Secretary for Housing -

Federal Housing Commissioner, H

FROM:

Marie D. Head, Deputy Assistant Secretary for

Multifamily Housing Programs, HT

SUBJECT:

Finding of No Significant Impact under the National Environmental Policy Act (NEPA) for the Multifamily Project Rental Assistance

Demonstration Program (FR-5600-N-28)

It is this office's finding that the attached Notice of Funding Availability (NOFA) for the Multifamily Project Rental Assistance Demonstration (PRAD) Program does not constitute a major Federal action having an individually or cumulatively significant impact on the human environment and, therefore, does not require the preparation of an environmental impact statement.

The PRAD program NOFA describes how HUD will provide project-based rental assistance funding to State housing agencies or other appropriate housing agencies in partnership with State Health and Human Service/Medicaid Agencies to provide permanent housing with supportive services for extremely low-income persons with disabilities. Eligible projects include new construction as well as rehabilitated and existing projects.

HUD will not be approving program funding for specific activities or projects of the housing agencies selected for HUD funding. Under the statutory provisions authorizing the PRAD program, HUD may not require state agencies to identify specific projects in their applications to HUD for PRAD assistance. Therefore, individual projects will be selected by the state housing agencies and HUD will not perform any environmental reviews on such activities or projects. However, to ensure that the tenets of HUD environmental policy regarding NEPA and HUD's other environmental authorities are met, the NOFA specifies twelve environmental analyses and determinations for specific program activities and projects that housing agencies selected for funding will be required to implement. These include, for example:

- A requirement for Phase I (and, as necessary, Phase II) environmental site
 assessments and remediation of any contamination in accordance with state policies,
 to comply with HUD's policy of avoiding contamination that could affect the health
 and safety of occupants;
- Standards for work on historic properties;
- Standards for noise attenuation;
- Avoidance of airport clear zones and accident potential zones;
- Prohibition of projects in the Coastal Barrier Resources System;
- Consistency with state coastal zone management plans;

- Prohibition of new construction in wetlands or in the 500 year floodplain (or, if the 500 year floodplain is not mapped, the 100 year floodplain);
- Prohibition of new construction that would result in a taking of an endangered species; etc.

In addition to the above requirements, all PRAD units must meet local and state housing codes, ordinances and zoning requirements and must also meet the established minimum HUD Uniform Physical Condition Standards for decent, safe and sanitary housing (24 CFR 5.703). New construction and gut rehabilitation projects must meet the requirements of Energy Star Qualified Homes or Energy Star Qualified Multifamily High Rise Buildings, or state code requirements that approximate or exceed those standards.

In light of these requirements, environmental impacts resulting from PRAD activities and projects will be minimized and this office concludes that the NOFA will not result in any reasonably foreseeable significant environmental impacts. As the NOFA itself will not create any significant environmental impacts and as the impact of activities and projects emanating from the NOFA will be minimized, the overall action will not result in significant impacts on the physical/human environment and a Finding of No Significant Impact is hereby made.

Concurrences:	
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Eric Axelrod, Environmental Clearance Officer, Housing	Date
Oule Or	2/9/14
Charles Bien, Acting Environmental Clearance Officer, CPD	Date
Christopher Hartenau, Environmental Officer, OGC	2//4/12 Date
Approval:	
(and) That	2/16/12
Carol J. Galante, Acting Assistant Secretary for Housing –	Date
Federal Housing Commissioner, H	

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FEB - 9 2012

MEMORANDUM FOR:

Carol J. Galante, Acting Assistant Secretary for Housing –

Federal Housing Commissioner, H

THROUGH:

Ronald Yl. Spraker, Associate General Deputy Assistant Secretary for

Housing, H

FROM:

Marie D. Head, Deputy Assistant Secretary for

Multifamily Housing Programs, HT

SUBJECT:

Justification for Attached Finding of No Significant Impact for Section 811 Project Rental Assistance Demonstration (PRAD) Program Grant Application for Supportive Housing for Persons

with Disabilities

SUMMARY

I. Summary of Environmental Requirements for Policy Level Actions

The National Environmental Policy Act (NEPA) requires the preparation of an Environmental Impact Statement (EIS) for "major Federal actions significantly affecting the quality of the human environment". The approval of rules and notices proposed for publication in the Federal Register is a Federal action under NEPA. The purpose of a NEPA review for agency action is to take into account the environmental impacts of those actions. NEPA also establishes the President's Council on Environmental Quality (CEQ).

CEQ published the Government-wide NEPA implementing regulations at 40 CFR Parts 1500-1508 that, among other things, stated that policy level actions such as regulations were subject to EIS requirements that would have to be completed as part of the decision making process; laid out a road map showing agencies how to determine whether an EIS was necessary for a particular action; and stated that agencies would have to issue procedures implementing NEPA.

The CEQ roadmap sets out three forks in the road for NEPA compliance. First, it stated that agencies might determine that certain classes of actions normally are Categorically Excluded (CE) from NEPA in all except extraordinary circumstances. Second, it stated that agencies might determine that certain classes of actions normally require an EIS. Third, it stated that agencies may determine that for certain classes of actions they normally have to perform lower level

environmental reviews know as Environmental Assessments (EAs) to determine if an EIS were necessary, and for those EAs that were determined not to require EISs, the agencies would have to issue Findings of No Significant Impact (FONSIs).

HUD's conforming regulations, 24 CFR Part 50, among other things, listed those classes of policy level documents whose adoption is categorically excluded and indicated that adoption of all other policy level documents that are not categorically excluded would require either an EA and FONSI or an EIS prior to those approval for publication in the Federal Register.

II. Rationale and Logistics for the attached FONSI

The proposed Notice of Funding Availability does not qualify as a CE. As indicated on the attached FONSI, no EIS is required. All Office of Housing FONSIs must be prepared by the Program Office and then concurred-in by the Housing Environmental Officer, the Departmental Environmental Officer, and the OGC Environmental Officer, prior to being approved by the Commissioner.

POSSIBLE CONTROVERSIES

None anticipated within the industry and from public interest groups.

Attachment

Record of Clearances

U.S. inent of Housing and Urban Development Executive Secretariat

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Primary Program Office Assistant Secretary or Equivalent: (Last Name & Correspondence Code)		in:			
1. Williams, HTH	Aw	out: 1/24/12			
Correspondence Unit Chief or Point of Contact for Correspondence: (Last Name & Correspondence Code) 2. Golrick, HT	n	in:	Decement	-m 3m2-0ff	ni /30
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Comments and/or Special Dispatch Instructions: FINDING POLICY ACT (NEPA) FOR THE MULTIFAMILY PROJECT R	OF NO SI RENTAL AS	GNIFICANT IMPACT U	UNER THE NATION	NAL ENVIRONM AM (FR-5600-N-	ENTAL 28)
Program Person to Contact for Questions: HAGA			Phone No: 708-	3000	Room No: 6142