



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

November 30, 2011

MEMORANDUM FOR: Yolanda Chávez, Deputy Assistant Secretary
for Grant Programs, DG

FROM:


Virginia Sardone, Acting Director, Office of Affordable
Housing Programs, DGH

SUBJECT:

Finding of No Significant Impact under the National Environmental
Policy Act - Notice of Funding Availability for the Fiscal Year 2012
Self-Help Homeownership Opportunity Program (FR-5600-N-05)

It is the finding of this office that the FY 2012 Self-Help Homeownership Opportunity Program (SHOP) Notice of Funding Availability (NOFA) does not constitute a major Federal action having an individually or cumulatively significant effect on the human environment, and therefore, does not require the preparation of an environmental impact statement.

The SHOP NOFA sets forth the requirements governing grants authorized for Fiscal Year 2012 under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) (the Extension Act), as amended. SHOP is a competitive program for which national and regional nonprofit organizations and consortia experienced in administering self-help housing programs are eligible to apply for funding. Due to the statutory limitation on eligible applicants, only three to five organizations have qualified previously to receive SHOP funds in any single year. This office expects the same for FY 2012 funding.

SHOP funds are used to facilitate and encourage innovative homeownership opportunities on a national geographically diverse basis through self-help housing programs that require significant sweat equity by the homebuyer. The grant funds will be used for land acquisition, infrastructure improvements, and administrative costs. Public and private leveraged funds are used for construction of the units, along with the low-income homebuyers' sweat equity and other volunteer labor.

Individual projects funded by these grants are generally not known at the time the grants are awarded and may not be known at the time sub-awards are made to local affiliates, but all activities assisted with SHOP funds are subject to environmental review in accordance with 24 CFR Part 58. SHOP applicants and development participants may not undertake or commit funds to an activity that would limit reasonable choices or produce an adverse environmental impact until all required environmental reviews have been completed and HUD has approved the State or unit of general local government's environmental certification and Request for Release of Funds (RROF), except

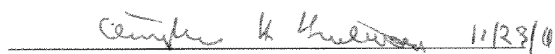
that in accordance with Section 11(d)(2)(A) of the Extension Act, an organization, consortium, or affiliate may advance non-grant funds to acquire land prior to completion of an environmental review and HUD's approval of the RROF and certification. However, any such advance is at the risk of the organization, consortium, or affiliate, and reimbursement from SHOP funds will depend on the result of the environmental review. The environmental impact of any construction or development activities will be assessed at the appropriate time.

Accordingly, this office concludes that the publication of this NOFA is not a major Federal action having a significant impact on the human environment.

Concurrences:

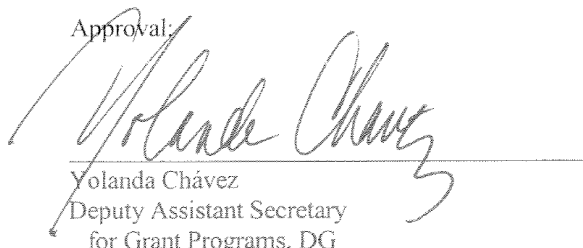


Charles Bien
Environmental Clearance Officer
Office of Environment and Energy



Christopher Hartenau
Environmental Clearance Officer
Office of General Counsel

Approval:



Yolanda Chávez
Deputy Assistant Secretary
for Grant Programs, DG

February 27, 2012