



OFFICE OF LEAD HAZARD CONTROL
AND HEALTHY HOMES

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

MEMORANDUM FOR: Matthew E. Ammon, Director, Office of Lead Hazard Control and Healthy Homes, L

FROM: Brenda Reyes, Director, Policy and Standards Division, LP

SUBJECT: Environmental Assessment and Finding of No Significant Impact under the National Environmental Policy Act – Notice of Funding Opportunity for Fiscal Year 2023: **Healthy Homes and Weatherization Cooperation Demonstration (FR-6700-N-62)**

It is the finding of this office that the publication of the attached Notice of Funding Opportunity (NOFO) for the Healthy Homes and Weatherization Cooperation Demonstration grant program described by the attached funding notice (FR-6700-N-62), does not constitute a major federal action having an individual or cumulative significant effect on the human environment, and therefore does not require the preparation of an Environmental Impact Statement.

The notice sets out the guidance to govern the Healthy Homes and Weatherization Cooperation Demonstration grant program. The program is authorized by Sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. §§ 1701z-1 and 1701z-2). Funding is provided by the Consolidated Appropriations Act, 2022, approved on March 15, 2022 (Public Law 117-103), and the Consolidated Appropriations Act, 2023 (Public Law 117-328), approved December 29, 2022).

The Healthy Homes and Weatherization Cooperation Demonstration grant awards will be in the form of cooperative agreements with applicants in one or more of the following categories:

- State governments
- County governments
- City or township governments
- Special district governments
- Native American tribal governments (Federally recognized)
- Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education

The purpose of the program is to support demonstrations in up to 5 communities that provide housing interventions in lower income households that are conducted jointly through coordination of HUD's Office of Lead Hazard Control and Healthy Homes (OLHCHH)-funded Healthy Homes Production (HHP) program and programs funded by the U.S. Department of

Energy's (DOE's) Weatherization Assistance Program (WAP). A critical goal of this demonstration is to determine whether this coordinated delivery of services achieves cost-effectiveness and better outcomes in improving the safety and quality of homes, including health and energy efficiency. The coordinated assessments and interventions are expected to provide additional benefits to households through the combined mitigation of health and safety hazards and improvements in energy efficiency and comfort. The overall major goals and objectives of the Healthy Homes and Weatherization Cooperation Demonstration program are to:

- Demonstrate effective strategies for coordination between HUD's HHP and DOE's WAP programs that maximize program efficiencies and benefits to occupants.
- Reduce WAP deferrals through coordination with HHP programs.
- Demonstrate sustainable models of inter-program cooperation, including data sharing, reporting, and targeting/recruiting clients.
- Demonstrate effective models for the sustainable financing of coordinated healthy homes/weatherization interventions.
- Support the collection of data to evaluate the housing interventions supported through this NOFO (e.g., program efficiencies that can be achieved, improvements in indoor environmental quality, improved health outcomes, and additional benefits to households).

Eligible Healthy Homes and Weatherization Cooperation Demonstration program activities include:

- Grant administrative costs including direct administrative costs that are necessary, allocable, and otherwise allowable costs of general management, oversight, and coordination of the grant.
- Indirect costs, if applicable.
- Applicants are strongly encouraged to focus expenditures on the performance of lead and healthy homes and weatherization assessment and remediation activities. Costs that are eligible for HHWCD grant funds include the following:
 - Where an HHP grantee is partnering with a HHWCD grantee that is a WAP grantee or a WAP subgrantee:
 - Additional HHP staff costs related to coordinating with the WAP partner and evaluating the unit under this program
 - Mitigating conditions that would interfere or prevent the unit from being weatherized by the WAP partner.
 - Reimbursing the WAP partner for conducting an energy audit.
 - Implementing standard energy conservation measures (unless this work is being conducted by the WAP partner with its own funding and is counted as a weatherized unit per the WAP grant).

- If an assessment does not find any intervention-eligible housing-related health and safety hazards, the assessment costs may be charged to the HHWCD grant, but those units cannot be counted under program-specific goals for the purposes of this HHWCD grant. If weatherization work is not performed in a unit, but other housing hazards are found during the weatherization inspection and subsequently mitigated using HHP funds, then that unit may be counted towards program specific cooperation and coordination goals.
 - For a given unit at least 10% must come from WAP funds and at least 10% must come from either HHWCD or HHP funds, for that unit to be counted towards the success of the program with regards to the cooperative capacity building.
- Where a WAP grantee or subgrantee is partnering with a HHWCD grantee that is an HHP grantee:
 - Additional WAP grantee or staff costs related to coordinating with the HHP partner and evaluating the unit under this program
 - Conducting interventions to prevent the unit from being deferred if the unit has also received a healthy homes assessment from the HHP partner
 - Reimbursing the HHP partner or a contractor for conducting a lead-based paint inspection and risk assessment, radon testing, a healthy homes inspection
 - Conducting lead hazard control interventions, and mitigating health and safety hazards (unless this work is being conducted with the program's HHP or HHWCD funding and is counted as a successfully treated housing unit per the HHP or the HHWCD grant funding and is counted as a successfully treated housing unit per the program's grant).
 - Conducting energy audits and implementing energy conservation measures in units that do not meet all of DOE's WAP program requirements (as described in Section I.A.e of this NOFO). If an assessment does not find any intervention-eligible weatherization opportunities, the assessment costs may be charged to the grant, but those units cannot be counted under program-specific goals for the purposes of this grant. If weatherization work is not performed in a unit, but other hazards are found during the weatherization inspection and subsequently mitigated using HHP funds, then that unit may be counted towards program specific cooperation and coordination goals.
- Where the HHWCD grantee is also an HHP grantee and a WAP grantee or WAP subgrantee and is undertaking activities pertinent to the HHWCD program that are described in paragraphs (1) and/or (2), of Section IV.F.8.b, under the HHP and/or WAP grant agreement(s), the HHWCD grantee shall be particularly diligent in:

- Identifying the source of funds being used from each such grant under that grant's requirements,
- Reimbursing, when applicable, the HHP grant's or WAP grant or subgrant's account(s) with funds from the HHWCD grant's account, and
- Creating and maintaining records that identify adequately the source and application of funds for federally funded activities (2 CFR 200.302(b)(3)) pertaining to each such grant, among other statutory, regulatory, and policy requirements.

Other eligible project costs:

- Assessments, inspections, audits, and evaluations conducted before, during, and after interventions
- Materials and labor for interventions, to include healthy homes interventions, energy conservation measures, limited renovations, repairs, and painting
- Any necessary follow-up, where the costs of such activities are not paid from other sources
- Conducting sampling and analysis for lead, radon, carbon monoxide, and/or other housing-related health and safety hazards
- Re-evaluation or clearance of the remediation activities being completed
- Conducting evaluation of the project through data collection, analysis, and reporting
- Providing HUD-approved training of applicant's staff and partners on key healthy homes activities
- Providing DOE-approved training for weatherization-related activities
- Conducting targeted outreach, affirmative marketing, or education
- Securing liability insurance
- Purchasing resident supplies, e.g., "respiratory friendly" cleaning supplies, integrated pest management kits, or household safety items as required.

An award under this NOFO does not constitute approval of specific sites where activities that are subject to environmental review may be carried out. The provisions of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, implemented by HUD regulations at 24 CFR Part 58, Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities, are applicable to properties assisted with the Healthy Homes and Weatherization Program Cooperative Demonstration. Therefore, recipients conducting eligible construction and rehabilitation activities must comply with 24 CFR Part 58. Recipients that are States, units of general local government or Native American Tribes must carry out

environmental review responsibilities as a responsible entity under Part 58. Recipients that are not-for-profit, or specialized units of local government must contact and partner with a non-recipient responsible entity, usually the unit of general local government, to assume the environmental review responsibilities for construction or rehabilitation activities funded (in whole or in part) under this NOFO. Reasonable expenses incurred for compliance with these environmental requirements are eligible expenses under this NOFO. Under 24 CFR 58.11, where the recipient is not a State or unit of general local government, if a responsible entity objects to performing the environmental review, or the recipient objects to the responsible entity performing the environmental review, HUD may designate another responsible entity to perform the review or may perform the environmental review itself under the provisions of 24 CFR Part 50. When HUD performs the review itself, following grant award execution, HUD will be responsible for ensuring that any necessary environmental reviews are completed.

For all grants under this NOFO, recipients and other participants in the project are prohibited from undertaking, or committing or expending HUD or non-HUD funds (including leveraged funds) on a project or activities under this NOFO (other than activities listed in 24 CFR 58.34, 58.35(b) or 58.22(f)) until the responsible entity completes an environmental review and the applicant submits and HUD approves a Request for the Release of Funds and the responsible entity's environmental certification (both on Form HUD-7015.15) or, in instances where the recipient is not a State or unit of general local government or Native American Tribe and HUD performs the environmental review under Part 50, HUD has completed the review and notified the grantee of its approval. The results of the environmental review may require that proposed activities be modified, or proposed sites rejected.

All other activities not related to construction or rehabilitation activities are exempt or categorically excluded under 24 CFR 50.19 (b)(1), (3), (4), (5), (6), and (9), and under 24 CFR 58.34 (a)(1), (3), (4), (5), (6), and (9), from the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. § 4321) and are not subject to environmental review under the related environmental laws and authorities at 24 CFR 50.4 or 58.5, but may be subject to the requirements at 24 CFR 58.6, as applicable.

The Office included in its analysis the provision of exposure to and disposal of hazardous materials. Waste disposal must be carried out in accordance with the requirements of the appropriate local, state, and federal regulatory agencies. Applicants must handle disposal of wastes from hazard control activities that contain lead-based paint but are not classified as hazardous in accordance with state or local law or the current [HUD Guidelines](#). Worker protection shall be accommodated through adherence to applicable Occupational Safety and Health Administration (OSHA) requirements (e.g., 29 CFR Parts 1910 and /or 1926, as applicable), or the state or local occupational safety and health regulations, whichever are most stringent.

Publication of the notice does not provide approval of a major Federal action having a significant impact on the human environment, sets forth the Environmental Requirements under applicable HUD environmental review regulations for individual projects, and provides particular methods and standards by which evaluation and hazard reduction work is to be performed. Before action that could have a physical impact or limit the choice of alternatives may be taken, there will be an environmental review done under 24 CFR Part 50 (by HUD) or 24 CFR Part 58 (by a responsible entity) that will assess the potential environmental impacts in a

local setting before the impact or any choice-limiting activities may take place. Accordingly, it is the determination of this Office that a Finding of No Significant Impact may be made.

Attachments

HUD FY2022 Healthy Homes and Weatherization Cooperation Demonstration NOFO (FR-6700-N-62)

Concurrences:

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Office of Lead Hazard Control and Healthy Homes

Date_____

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Approval:

Matthew E. Ammon
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Date_____