MEMORANDUM FOR: Clifford Taffet, General Deputy Assistant Secretary, D

FROM: Jackie L. Williams, Ph.D., Director, Office of Rural Housing
And Economic Development, DED

SUBJECT: Finding of No Significant Impact under the National Environmental
Policy Act - Notice of Funding Availability for the Fiscal Year 2017
Self-Help Homeownership Opportunity Program (FR-6100-N-19)

It is the finding of this Office that the FY 2017 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 2017
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 2017
funding.

SHOP funds are used to facilitate and encourage innovative homeownership opportunities by
national and regional organizations on a 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 related planning, administration and management costs (not to exceed
twenty percent). 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 or part
50.

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) under part 58, or the
Grantee has received HUD’s approval of the property under 24 CFR part 50, as applicable, 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:

Danielle Schopp
Departmental Environmental Clearance Officer
Office of Environment and Energy

Lauren McNamara
Environmental Clearance Officer
Office of Community Planning and Development

Christopher Hartenau
Environmental Clearance Officer
Office of General Counsel

Approval:

Clifford Taffet
General Deputy Assistant Secretary
for Community Planning and Development, D