



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE DEPUTY SECRETARY
WASHINGTON, DC 20410-0050

February 18, 2014

MEMORANDUM FOR: The Deputy Secretary

THROUGH: Henry Hensley, Acting Director, Office of Strategic Planning and Management *HH*

SUBJECT: Environmental Assessment and Finding of No Significant Impact (FONSI) under the National Environmental Policy Act for Issuance of HUD's General Section to HUD's FY 2014 NOFAs for Discretionary Programs (FR-5800-N-01)

It is the finding of the Office Strategic Planning and Management that the attached General Section to the Department's FY 2014 NOFAs for Discretionary Funding 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.

HUD plans to publish NOFAs for its various competitive programs as they are approved for publication. HUD is publishing the General Section for the Department's FY 2014 NOFAs in advance of the individual NOFAs so that potential applicants can become familiar with the Department's threshold requirements, strategic goals, NOFA priorities, and other requirements before the release of the program-specific NOFAs. The General Section does not itself provide for any funding, but contains the general policy requirements that apply to all HUD programs for which individual FY 2014 NOFAs will be published. The environmental impact of each individual NOFA that is not categorically excluded from such review will be considered in a separate environmental assessment.

The General Section includes application procedures and instructions, threshold requirements, additional nondiscrimination and other requirements, and the review and selection process, including HUD's strategic goals and NOFA priorities and standard rating factors (which are tailored for individual NOFAs). The General Section includes an Environmental Requirements section that advises recipients that they are generally prohibited from acquiring, rehabilitating, converting, demolishing, leasing, repairing or constructing property, or committing or expending HUD or non-HUD funds for these activities, until HUD has completed an environmental review, including an historic properties review, in accordance with 24 CFR part 50 or, for programs subject to 24 CFR part 58, until HUD has approved a Request for Release of Funds following a Responsible Entity's completion of an environmental review. The General Section also advises applicants to consult the individual program NOFA for more specific procedures applicable to that program. Thus, the environmental effects of activities

funded at specific sites will be evaluated in accordance with the environmental procedures specified in the separate FY 2014 NOFA to be published for each program.

The General Section notes the applicability, to state and local government agency recipients and their contractors, of statutory requirements to purchase recovered materials in accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. This is a statutory requirement and does not represent a change in applicability of the statute from previous years.

The General Section also notes HUD's priority to increase energy efficiency and the health and safety of homes, under which a recipient's activities actively promote energy-efficient, environmentally friendly, healthy design. To receive points for this priority, applicants under capital investment or planning NOFAs must, among other things, produce activities that exceed requirements of the NOFA to which they are applying, detailing how they will achieve outcomes in areas such as:

(a) HUD/DOE Better Buildings Challenge. To receive the point, the applicant must submit an executed copy of their Partnership Agreement, and must provide a link to their Better Buildings Challenge profile page at www.energy.gov/better-buildings, showing that they have developed a Showcase Project as well as begun to track annual energy consumption across their portfolio.

(b) Green Building Standard. The applicant commits to pursue a comprehensive, industry-recognized green building standard and certification for green building, such as the Enterprise Green Communities Criteria; the ICC 700 National Green Building Standard; LEED ND, LEED-H, LEED-H Midrise, LEED-NC, or one of a number of regionally-recognized green building standards such as Earthcraft House, Earthcraft Multifamily, Earth Advantage New Homes, Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole building label), or other industry-recognized green building standard in HUD's sole discretion.

(c) Renewable Energy. The applicant certifies that the proposed project will incorporate renewable energy technologies such as on-site Solar Photovoltaic (PV) or Solar Thermal Electric, as well as Landfill Gas, Wind Energy, Biomass, Geothermal Electric, Combined Heat and Power, Municipal Solid Waste, Small Hydroelectric, Fuel Cells using Renewable Fuels in any property receiving funds through this NOFA.

(d) Comprehensive assessments of and interventions in homes for rehabilitation, health and energy deficiencies. The applicant must identify specific projects and activities that will comprehensively assess housing units for rehabilitation, health and energy deficiencies and coordinate interventions across multiple disciplines to address identified risks.

Applicants under technical assistance NOFAs would need to demonstrate expertise in these areas and/or ability to deliver financing or installation of on-site renewable energy technologies.

Additionally the General Section notes a scoring preference whereby the Department may award bonus points to applicants that are working with communities that have received Preferred Sustainability Status under the Department's Sustainable Communities Regional Planning Grant Program and/or the Department's Challenge Grant Program for FYs 2010 and 2011, and those certified under the Department's Notice of Preferred Sustainability Status Certification. The applicant's proposed activities must either directly reflect the Livability Principles referenced in the General Section¹ or result in the delivery of services that are consistent with the goals of the Livability Principles.

To receive bonus points, an applicant must submit form HUD2995, Certification of Consistency with Sustainable Communities Planning and Implementation, which verifies that the application meets program requirements and supports local Preferred Sustainability Status grant objectives, signed by the designated Preferred Sustainability Status Community point of contact.

The priority to increase energy efficiency and the health and safety of homes will be incorporated as a factor for award in appropriate programs for which individual FY 2014 NOFAs will be published. This priority should result in a positive effect on the environment, through project design intended to reduce or minimize building energy use and consequent generation of greenhouse gases, reduce or minimize storm water runoff, etc.

Similarly, the application in certain programs of bonus points to applicants working with Preferred Sustainability Status Communities should result in a positive effect on the environment through greater likelihood of award to applicants working with such communities on activities reflecting the Livability Principles.

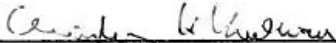
The effect of the bonus points for Preferred Sustainability Status or for energy efficiency and the health and safety of homes will depend on which programs adopt the bonus points and the extent to which selected projects incorporate the Livability Principles. After particular projects are identified as projects proposed to receive HUD assistance under these programs, the effect of such projects will be assessed in accordance with HUD's environmental procedures referenced above.

For the reasons stated above, the Office of Strategic Planning and Management finds that publication of the attached General Section to the Department's FY 2014 program NOFAs does not have the potential for significant impact on the human environment.

Attachment

¹ The Livability Principles are: (1) Provide more transportation choices; (2) Promote equitable, affordable housing; (3) Enhance economic competitiveness; (4) Support existing communities; (5) Coordinate policies and leverage investment; and (6) Value communities and neighborhoods. Implementation of these principles should tend to increase positive environmental impacts. The full description of the first principle is as follows: "Provide More Transportation Choices. Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our Nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health." The second principle includes the expansion of location- and energy-efficient housing choices.

Concurrences:



Christopher H. Hartenau, Environmental Clearance
Officer, Office of General Counsel, CAGDB 2/5/14
Date

 2/16/14

Danielle Schopp, Environmental Clearance
Officer, Office of Environment and Energy, DGED Date

Approval:



Deputy Secretary (Acting) 2/18/14
Date