MEMORANDUM FOR: Ann Marie Oliva, Deputy Assistant Secretary, DN

FROM: Norm Suchar, Director, Office of Special Needs Assistance Programs, DNS

SUBJECT: Environmental Assessment and Finding of No Significant Impact under the National Environmental Policy Act (NEPA) – Notice of Funding Availability (NOFA) for the Fiscal Year (FY) 2017 Continuum of Care (CoC) Program Competition

It is the finding of this office that the Notice of Funding Availability (NOFA) for the Fiscal Year (FY) 2017 Continuum of Care (CoC) Program Competition 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 purpose of this NOFA is to announce the availability of FY 2017 funds and to provide program information and application instructions for the CoC Program. The CoC Program NOFA sets forth the requirements governing grants authorized for FY 2017 by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, (42 U.S.C. 11381–11389) (the Act). The FY 2017 funds were authorized by the Consolidated Appropriations Act, 2017 (Pubic Law 115-31, approved May 5, 2017), (FY 2017 HUD Appropriations Act).

The CoC Program is a competitive program designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, States, and local governments to quickly re-house persons experiencing homelessness while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by persons experiencing homelessness; and to optimize self-sufficiency among those experiencing homelessness. Eligible activities include: new construction, rehabilitation, acquisition, rental assistance, leasing, and supportive services.

Notwithstanding provisions at 24 CFR 578.31 and 24 CFR 578.99(a) of the CoC Program interim rule, and in accordance with Section 100261(3) of MAP-21 (Pub. L. 112-141, 126 Stat. 405), activities under this NOFA are subject to environmental review by a responsible entity under HUD regulations at 24 CFR part 58.
1. HUD made two important changes for projects categorized as Categorically Excluded from review under the National Environmental Policy Act and not subject to 24 CFR 58.5 (CENST):
   a. All scattered site projects where participants choose their own unit and are not restricted to units within a pre-determined specific project site or sites are categorized in 24 CFR 58.35(b) (1) as CENST. This now includes both tenant-based rental assistance and tenant-based leasing projects, where participants choose their own unit. Previous guidance included only Tenant Based Rental Assistance as eligible CENST projects.
   b. The Exempt/CENST form is only required for each project, not every unit. Previous guidance instructed recipients to complete an Exempt/CENST form for each unit.

2. For activities under a grant to a recipient other than a State or unit of general local government that generally would be subject to review under part 58, HUD may make a finding in accordance with 24 CFR 58.11(d) and may itself perform the environmental review under the provisions of 24 CFR part 50 if the recipient objects in writing to the responsible entity’s performing the review under part 24 CFR part 58.

3. Irrespective of whether the responsible entity in accordance with 24 CFR part 58 (or HUD in accordance with 24 CFR part 50) performs the environmental review, the recipient must supply all available, relevant information necessary for the responsible entity (or HUD, if applicable) to perform for each property any required environmental review. The recipient also must carry out mitigating measures required by the responsible entity (or HUD, if applicable) or select alternative property.

4. The recipient, its project partners, and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this NOFA, or commit or expend HUD or local funds for such eligible activities under this NOFA, until the responsible entity (as defined by 24 CFR 58.2(a)(7)) has completed the environmental review procedures required by 24 CFR part 58 and the environmental certification and Request for Release of Funds (RROF) have been approved or HUD has performed an environmental review under 24 CFR part 50 and the recipient has received HUD approval of the property. HUD will not release grant funds if the recipient or any other party commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF (where such submission is required).
This office finds that issuance of this NOFA will not have a significant effect on the human environment because, prior to any recipient’s commitment of funds for any activities that would have an environmental impact or limit the choice of reasonable alternatives, an environmental review of these activities under the NEPA and related laws and authorities will be done. Thus, the environmental effects of activities assisted under this NOFA will be taken into account at the appropriate time and environmental impacts will be assessed in the local setting in which they will occur.

Concurrences:

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