#### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF COMMUNITY PLANNING

AND DEVELOPMENT

WASHINGTON, DC 20410-7000

### September 11, 2023

MEMORANDUM FOR: Darrell A. Clark, Acting General Deputy Assistant Secretary for

Community Planning and Development, D

FROM: Erica M. Jones, Acting Deputy Assistant Secretary for Operations,

DO

SUBJECT: Environmental Assessment and Finding of No Significant Impact

(FONSI) under the National Environment Policy Act Notice of Funding Opportunity (NOFO) for Fiscal Years 2022 and 2023: Section 4 Capacity Building for Community Development and

Affordable Housing Grants (FR-6700-N-07)

It is the finding of the Office of Policy Development and Coordination (OPDC) that the attached funding notice (FR-6700-N-07) 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 Section 4 Capacity Building for Community Development and Affordable Housing (Section 4) is authorized by Section 4 of the HUD Demonstration Act of 1993 (Public Law 103-120, 107 Stat.1148, 42 U.S.C. 9816 note), as amended. The funding made available through this NOFO is authorized by the Consolidated Appropriations Act of 2022 (Public Law 117-103, approved March 15, 2022) and the Consolidated Appropriations Act, 2023 (Public Law 117-328, approved December 29, 2022). The competition is limited to the organizations identified in Section 4, as amended. These organizations are: Enterprise Community Partners, Inc. (formerly The Enterprise Foundation), the Local Initiatives Support Corporation (LISC), and Habitat for Humanity International.

Grants will be available for training, education, support, and advice to enhance the technical and administrative capabilities of community development corporations (CDCs) and community housing development organizations (CHDOs). Section 4 grants can also be used for pass-through grants, loans, predevelopment assistance, or other financial assistance to CDCs and CHDOs to increase their capacity to carry out community development and affordable housing activities that benefit low-income or low- and moderate-income families and persons; and such other activities as may be determined by the recipient organizations in consultation with HUD. Through these activities, Grantees are encouraged to align with and support projects that create opportunities for investments focused on job growth, economic recovery, and neighborhood revitalization.

OPDC finds that the NOFO does not have a significant impact on the human environment for two reasons. First, most of the activities funded by the program consist of training, education, technical support, advice to beneficiaries, and administrative expenses, which have no significant physical impact on the environment and are categorically excluded from review pursuant to the National Environmental Policy Act and related authorities under 24 CFR 50.19(b)(3) and (9).

Second, acquisition of real property may be funded by these grants, but the location of the property may not be known at the time the HUD grants are awarded and may not be known when subgrants are awarded. Selection for funding does not constitute approval of individual project sites. After award, any properties proposed to be acquired with funds under the program described in this NOFO will undergo individual HUD environmental review in accordance with 24 CFR Part 50, and potential impacts from their acquisition and use will be addressed more accurately and appropriately at the time they are considered. Therefore, in accordance with 24 CFR 50.3(h), the applicant's signature on the application constitutes an assurance to HUD that the applicant agrees to assist HUD in complying with 24 CFR Part 50, and will: 1) supply HUD with all available, relevant information necessary for HUD to perform on each property any environmental review required by 24 CFR Part 50; 2) carry out mitigating measures required by HUD or select an alternate eligible property; and 3) not acquire, rehabilitate, convert, lease, repair, demolish or construct property, nor commit or expend HUD or non-HUD funds for these program activities regarding any eligible property until HUD approval of the property is received.

Before actions that could have a physical impact or limit the choice of alternatives may be taken, HUD will conduct an environmental review under 24 CFR part 50 that will assess the potential environmental impacts in a local setting before the impacts or any choice limiting activities may take place. Accordingly, the publication of this notice is deemed not to be a major Federal action having a significant impact on the human environment.

#### Attachment

cc:

Christopher Hartenau, OGC Environmental Clearance Officer, CAGDB Omri Gross, CPD Program Environmental Clearance Officer, 5EDM Kristine Fontenot, Departmental Environmental Clearance Officer, DGE

## Concurrences:



Christopher Hartenau OGC Environmental Clearance Officer



Omri Gross

CPD Program Environment Clearance Officer



Kristin L. Fontenot

Departmental Environmental Clearance Officer

# Approval:



Darrell A. Clark

Acting General Deputy Assistant Secretary

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FROM:	Erica M. Jones, Acting Deputy Assistant Secretary for Operations, DO			
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Internal HUD Distribution:								
Identification Lines: FY 2022-2023 Section 4 NOFO FONSI								
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Date	LSW 9.11.23	MKT 9.11.23	EMJ 9.9.23					