



OFFICE OF LEAD HAZARD CONTROL  
AND HEALTHY HOMES

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

June 3, 2026

MEMORANDUM FOR: Yolanda A. Brown, Acting Deputy Director, Office of Lead Hazard Control and Healthy Homes, L

FROM: Larry Byrd, Acting Lead and Healthy Homes Programs Division Director, Office of Lead Hazard Control and Healthy Homes, LM

SUBJECT: Environmental Assessment and Finding of No Significant Impact under the National Environmental Policy Act – Notice of Funding Availability for Fiscal Year 2026: **Lead-Safe and Healthy Homes Financing Demonstration (LHC-2600-DC-0032)**

It is the finding of this Office that the publication of the Notice of Funding Opportunity (NOFO) for the Lead-Safe and Healthy Home Financing Demonstration program described by the attached funding notice (LHC-2600-DC-0032) 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 guidance to govern the Lead-Safe and Healthy Homes Financing Demonstration program which is authorized under 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, 2026 (Public Law 119-75, approved February 3, 2026).

The Lead-Safe and Healthy Homes Financing Demonstration program will create a national platform to pool public and private capital to accelerate the reduction of residential lead exposure, particularly childhood lead poisoning, and improve housing-related health conditions in low-income communities. HUD plans to issue one award with funding of approximately \$10 million to support a National Fund Manager (NFM) from one of the following categories:

- Nonprofit organizations other than institutions of higher education
- Faith-based organizations

The NFM will raise private capital, structure financing mechanisms, provide technical assistance to support the Fund's operations, and distribute funds through eligible activities. This includes using \$1 million of the federal award for administrative activities, while deploying the remaining capital through loans, grants, and other financial products that flow to state, regional,

and local organizations selected by the NFM. The NFM will then select and enter into agreements with these organizations with HUD maintaining oversight through review of Fund structure, performance, and compliance rather than participating in investment selection decisions.

These organizations will provide financing to carry out remediation activities using qualified contractors in accordance with applicable Federal, state, and local requirements. The NFM, in coordination with participating organizations, will establish and oversee compliance, reporting, and quality assurance processes to ensure that lead hazard reduction and healthy homes interventions are performed in accordance with program requirements.

Award of the FY 2026 Lead-Safe and Healthy Homes Financing Demonstration grant does not constitute approval of specific sites or projects where activities that are subject to environmental review may be carried out.

Except for specific grant-funded administrative actions, cleaning, and maintenance activities, environmental review of specific sites proposed for addressing lead-based paint and healthy home issues must be completed prior to implementation including the execution of contract(s) for project service(s).

The responsible entity that is designated under 24 CFR 58.2(a)(7)(ii) will (per 24 CFR 58.1(b)(7) and 58.4(a)) perform environmental reviews of proposed activities under Part 58. If a responsible entity objects to performing the environmental review, or the recipient objects to the responsible entity performing the environmental review, HUD may, under section 58.11, designate another responsible entity to perform the review under Part 58 or perform the review itself under Part 50.

Reasonable expenses incurred for completion of environmental reviews are eligible expenses under this NOFO.

For all activities assisted under this NOFO, recipients and other participants are prohibited from undertaking or committing or expending HUD or non-HUD funds on a project or activities under this NOFO (other than activities listed at 24 CFR 58.34, 58.35(b) or 58.22(f), e.g., lead-based paint inspections, radon sampling and analysis, health hazard assessments) until the responsible entity completes an environmental review including the submission, and HUD approval of, a Request for Release of Funds and the recipient's Environmental Certification (both on form HUD 7015.15), or, for environmental reviews under Part 50, until HUD approval of the property is received. The results of an environmental review may require that proposed activities be modified, or proposed sites rejected.

Maintenance activities require a limited form of environmental review and documentation in the environmental review record; examples of maintenance work versus rehabilitation work are defined in the HUD Memo CPD-16-02 "Guidance for Categorizing an Activity as Maintenance for Compliance with HUD Environmental Regulations, 24 CFR Parts 50 and 58" issued 2/8/2016.

Lead health and safety hazard evaluation, interim controls and abatement work must be conducted by certified or licensed professionals according to HUD's Lead Safe Housing Rule (24 CFR Part 35, subparts B through R) and EPA's Renovation, Repair and Painting (RRP) Rule

(40 CFR Part 745, subparts E and Q), and EPA's Lead Abatement Rule (40 CFR Part 745, subparts L and Q) as applicable.

Publication of the notice sets forth the Environmental Requirements under applicable HUD environmental review regulations for individual projects and provides methods and standards by which evaluation and hazard reduction work is to be performed. Before actions that could have a physical impact or limit the choice of project alternatives, 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 impacts 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

Concurrences:

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David E. Robbins, Program Environmental Clearance Officer  
HUD Office of Lead Hazard Control and Healthy Homes

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Christopher H. Hartenau, Environmental Clearance Officer  
HUD Office of General Counsel

Approval:

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Yolanda A. Brown, Acting Deputy Director  
HUD Office of Lead Hazard Control and Healthy Homes

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