



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
POLICY DEVELOPMENT AND RESEARCH

MEMORANDUM FOR: Todd Richardson, General Deputy Assistant
Secretary for Policy Development and Research

FROM: Peter Kahn, Associate Deputy Assistant Secretary, Office of
Policy Development

SUBJECT: Environmental Assessment and Finding of No Significant
Impact Under the National Environmental Policy Act (NEPA)
for the Notice of Funding Opportunity for *Automated
Permitting Systems Demonstration* (PDR-2600-DC-0290)

It is the finding of this Office that the subject Notice of Funding Opportunity (NOFO) PDR-2600-DC-0290 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.

This NOFO announces the availability of \$3 million in FY 2025 funding to support a demonstration that aims to significantly increase the efficiency and speed of the permitting process by offering a grant award to eligible applicants who are proposing to adopt AI-enabled permitting and plan review systems. Eligible applicants for this funding opportunity include state, county, and city or township governments and Federally recognized Native American Tribal Governments.

This research is authorized by Sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. §1701z-1 and §1701z-2) and funding is provided by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4, approved March 15, 2025).

This NOFO does not direct or provide loans or mortgage insurance for real property acquisition, disposition, rehabilitation, alteration, demolition, or new construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Lease or rental of space for any activities supported through this NOFO is an eligible use of administrative funds, but only under the following conditions:

- 1) The lease must be for existing facilities not requiring rehabilitation or construction except for minimal alterations to make the facilities accessible for a person with disabilities;

- 2) No repairs or renovations of the property may be undertaken with the funds from this NOFO; and
- 3) Properties in the Coastal Barrier Resources System designated under the Coastal Barrier Resources Act (16 U.S.C. 3501) cannot be leased or rented with federal funds.

All other activities funded under this NOFO are categorically excluded from review under the National Environmental Policy Act in accordance with 24 CFR 50.19(b)(1), (3), (7), (8), and (13) because they lack the potential for any significant effect on the environment.

Accordingly, the Office of Policy Development and Research finds the issuance of this NOFO will not create any significant environmental impacts and will not result in significant impacts on the human environment. Therefore, a Finding of No Significant Impact is hereby made.

Concurrences:

Lee Ann Richardson for Christopher H. Hartenau
Environmental Clearance Officer,
Office of General Counsel

Date

Approval

Todd M. Richardson
General Deputy Assistant Secretary
for Policy Development and Research

Date

Internal HUD Distribution:						
Identification Lines:						
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Name	Anne Fletcher	Lee Ann Richardson for	Peter Kahn <i>PK</i>	Todd TMR Richardson		
Date	5/15/2026	5/27/2026	5/27/2026	5/27/2026		

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