



Community Project Funding (CPF) Environmental FAQ

Table of Contents

1. Who is my Grant Officer and Regional Environmental Officer?	2
2. Where should I submit programmatic or environmental review questions related to my CPF grant?	2
3. Do I need an Environmental Review (ER) for my CPF project?	2
4. Who will conduct the ER for my project?	2
5. Which activities do I need to aggregate and include in the ER for my project?	2
6. What is the federal nexus for my CPF project?	3
7. What is the date of legislative enactment for my CPF project?	3
8. What are choice limiting actions and when am I prohibited from taking them?	3
9. How can I determine whether my project will require public notice, submission of a Request for Release of Funds (RROF), and Authorization to Use Grant Funds (AUGF) approval from HUD?	4
10. Who processes the RROF and issues the AUGF for CPF grants?	4
11. Can I pay for the cost of preparing the ER using my CPF grant funds?	4
12. When are costs considered incurred?	4
13. When can I start incurring soft costs?	4
14. Which soft costs are covered by HUD's Part 50 Nationwide Programmatic ER for CPF Soft Costs?	5
15. When can I start incurring hard costs?	5
16. What constitutes a satisfactory environmental review and what happens if it cannot be achieved? ...	6
17. When can I request payment for costs incurred?	6
18. What if I received funds for a project that was completed prior to the federal nexus?	6
19. Now that there is no longer a cap on soft costs, can I repurpose 100% of my grant to soft cost activities only?	6
20. Am I responsible for implementing mitigation requirements under Part 58?	7
21. Where can I find general and CPF-specific ER training and resources?	7
Resources	



1. Who is my Grant Officer and Regional Environmental Officer?

You can find both your Grant Officer and Regional Environmental Officer contacts here: [CPF Grant Officer Portfolio Assignments](#)

2. Where should I submit programmatic or environmental review questions related to my CPF grant?

Please submit general programmatic or environmental review questions via [HUD's Ask A Question Help Desk for CPF](#). For project-specific questions, please reach out to both your [Grant Officer and Regional Environmental Officer](#).

3. Do I need an Environmental Review (ER) for my CPF project?

Yes. All HUD-assisted activities require some level of environmental review, even projects that only involve exempt or categorically excluded activities. HUD has completed a Part 50 Nationwide Programmatic ER for covering certain CPF Soft Costs for each fiscal year, which may be used to satisfy your ER requirements for those specific covered soft costs only. For more info HUD's Part 50 Nationwide Programmatic ER covering certain CPF Soft Costs, see [HUD's Part 50 Nationwide Programmatic ER for Soft Costs](#) and HUD's CPF ER Webinar #3: Cost Eligibility and Documenting the ER for CPF Grants, which can be found on the [CPF Landing Page](#).

4. Who will conduct the ER for my project?

You must reach out to the Unit of General Local Government (UGLG) in which the project is located and that has some level of land use responsibility, to request that they serve as the Responsible Entity (RE) and conduct the ER for your project. If your local government refuses to serve as RE and conduct the ER, please reach out to your [Regional Environmental Officer](#) for next steps.

5. Which activities do I need to aggregate and include in the ER for my project?

Under [24 CFR 58.32](#) - A responsible entity must group together (aggregate) and evaluate as a single project all individual activities performed after the federal nexus, which are related either on a geographical or functional basis, or are logical parts of a composite of contemplated actions. For more info on project aggregation, see CPF ER Webinar #1: Determining Level of Review, Environmental Roles and Responsibilities, which can be found on the [CPF Landing Page](#).

6. What is the federal nexus for my CPF project?

A “Federal Nexus” is defined as the event that, by its occurrence, triggering the requirements for a federal ER under a host of laws, regulations, and Executive Orders. For more info on the federal nexus, see CPF ER Webinar #2: Federal Nexus and Prohibition on Choice Limiting Actions for CPF Grants, which can be found on the [CPF Landing Page](#).

- FY22 Federal Nexus: July 18-20, 2022 (Date of receipt of your Letter of Invitation)
- FY23 Federal Nexus: December 29, 2022
- FY24 Federal Nexus: March 9, 2024

7. What is the date of legislative enactment for my CPF project?

- FY22 Enactment: March 15, 2022
- FY23 Enactment: December 29, 2022
- FY24 Enactment: March 9, 2024

8. What are choice limiting actions and when am I prohibited from taking them?

Under [24 CFR 58.22](#), a choice limiting action is any activity that a grantee undertakes, including committing or expending HUD funds or *non-HUD funds*, that reduces or eliminates a grantee’s opportunity to choose project alternatives that would avoid or minimize environmental impacts or enhance the quality of the human environment. For more info on the prohibition on choice limiting actions, see CPF ER Webinar #2: Federal Nexus and Prohibition on Choice Limiting Actions for CPF Grants, which can be found on the [CPF Landing Page](#).



Choice-Limiting Actions (58.22)

A choice-limiting action is any activity that a grantee undertakes, including committing or expending HUD or non-HUD funds, that reduces or eliminates a grantee’s opportunity to choose project alternatives that would avoid or minimize environmental impacts or enhance the quality of the human environment.

Examples of choice-limiting actions:

- Entering Contracts/Commitments
- Acquisition
- Leasing
- Rehabilitation
- Demolition
- New construction
- Ground disturbance such as:
 - Clearing
 - Grading
 - Grubbing





9. How can I determine whether my project will require public notice, submission of a Request for Release of Funds (RROF), and Authorization to Use Grant Funds (AUGF) approval from HUD?

The public notice, RROF, and AUGF process is necessary when the project activities require a certain level of review. Exempt and Categorically Excluded Not Subject To (CENST) projects do not require public notice, RROF, or AUGF, and the project can move forward after the ER has been completed, signed, and a copy of the ER signature page is provided to your Grant Officer. Projects with activities that rise to the Categorically Excluded Subject To (CEST) or Environmental Assessment (EA) level of review require publication of the appropriate public notice, submission of the RROF to your [CPD RROF Point of Contact](#), and receipt of the AUGF approval from HUD. Please coordinate with your [CPD RROF Point of Contact](#) for instructions on drafting your public notice, including which point of contact to list in the HUD objections section of the notice.

For more info on ER levels of review and the public notice, RROF, and AUGF process, see CPF ER Webinar #1: Determining Level of Review, Environmental Roles and Responsibilities, which can be found on the [CPF Landing Page](#).

10. Who processes the RROF and issues the AUGF for CPF grants?

HUD Community Planning and Development (CPD) staff process the RROF and issue the AUGF for CPF projects. Please reach out to your [CPD RROF Point of Contact](#) for instructions on drafting the public notice and submitting the RROF. For more info on the RROF process, see CPF ER Webinar #1: Determining Level of Review, Environmental Roles and Responsibilities, which can be found on the [CPF Landing Page](#).

11. Can I pay for the cost of preparing the ER using my CPF grant funds?

Yes. CPF grant funds can be used to pay your RE to cover the cost of assuming and carrying out the environmental responsibilities for your CPF grant. CPF grant funds can also be used to pay for the cost of an environmental consultant to prepare the content of the ER. If you are a nonprofit recipient, you may use HUD's [Sample MOA between a Responsible Entity and CPF Non-profit Grantee](#) to formalize this arrangement and other roles and responsibilities as necessary.

12. When are costs considered incurred?

Costs are considered **incurred** at the point the service is performed, not when the contract is signed, or when the customer is billed.

13. When can I start incurring soft costs?

Soft costs covered by HUD's Part 50 Nationwide Programmatic ER for CPF Soft Costs can be incurred any time after the federal nexus for your respective CPF grant and do not require the completion of an additional ER. For any other soft costs NOT covered by HUD's Nationwide ER



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for CPF Soft Costs, you must complete an ER determining that the soft costs are exempt or CENST prior to incurring. The ER for non-covered soft costs can be separated from and completed prior to submission of the larger project-specific ER for your grant. For more info on cost eligibility, see CPF ER Webinar #3: Cost Eligibility and Documenting the ER for CPF Grants and the [CPF Cost Eligibility Charts](#), which can be found on the [CPF Landing Page](#).

14. Which soft costs are covered by HUD's Part 50 Nationwide Programmatic ER for CPF Soft Costs?

A list of soft costs covered by [HUD's Part 50 Nationwide Programmatic ER for Soft Costs](#) can be found below and in the project description of the Environmental Review Record:

Part 50 Nationwide ERR for CPF Soft Costs

Covered

- Environmental and other studies, resource identification, development of plans and strategies. 50.19(b)(1)
- Information and financial advisory services. 50.19(b)(2)
- Administrative and management expenses. 50.19(b)(3)
- Public services. 50.19(b)(4)
- Inspections and testing of properties for hazards or defects. 50.19(b)(5)
- Purchase of insurance 50.19(b)(6)
- Engineering or design costs. 50.19(b)(8)
- Technical assistance and training. 50.19(b)(9)
- Supportive services. 50.19(b)(12)
- Operating costs including most **maintenance*** 50.19(b)(13)
- Purchase of vehicles, but not other equipment.



NOT Covered

- Purchase of tools. 50.19(b)(7)
- Emergency assistance necessary to control or arrest the effects from disasters or imminent threats to public safety. 50.19(b)(10)
- Tenant-based rental assistance. 50.19(b)(11)
- Economic development activities. 50.19(b)(14)
- Homebuyer Assistance. 50.19(b)(15)
- Affordable housing pre -development costs 50.19(b)(16)
- Approval of supplemental assistance 58.35(b)(7)



15. When can I start incurring hard costs?

You must complete a satisfactory ER prior to committing or incurring hard costs associated with new post-nexus choice limiting actions. However, following the nexus, you may start incurring hard costs for work under pre-nexus contractual obligations only, but would be doing so at your own risk. If you do not have a completed ER for your aggregated project, it is best practice to stop all physical work under contract after the federal nexus until an ER is completed for the aggregated project. However, HUD cannot require this for work under contract entered into prior to the project becoming federalized. That being said, a satisfactory ER for the aggregated project is still required before repayment can occur. If a satisfactory ER cannot be completed, then the project cannot be funded as designed, and the grantee will need to reach out to their grant officer to discuss the possibility of repurposing the funds. For more info on the prohibition on when hard costs can be incurred, see CPF ER Webinar #2: Federal Nexus and Prohibition on Choice Limiting Actions for CPF Grants, which can be found on the [CPF Landing Page](#).

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- FY24 Federal Nexus: March 9, 2024



16. What constitutes a satisfactory environmental review and what happens if it cannot be achieved?

A satisfactory ER must aggregate all activities performed after the federal nexus, shows that the project will not result in unmitigable environmental harm, and must be able to complete any necessary consultations with environmental authorities. When applicable, a satisfactory review must also include the issuance of public notice, the submission of a RROF and the receipt of the AUGF from HUD. If a satisfactory ER cannot be completed for the project for any reason, you will need to reach out to your Grant Officer to discuss other options, such as repurposing of funds. For more info on the prohibition on what constitutes a satisfactory ER, see CPF ER Webinar #2: Federal Nexus and Prohibition on Choice Limiting Actions for CPF Grants, which can be found on the [CPF Landing Page](#).

17. When can I request payment for costs incurred?

For soft costs covered by HUD's Part 50 Nationwide Programmatic ER for Soft Costs that were incurred after the date of enactment for your FY CPF grant, you can request payment for eligible costs any time after the grant agreement has been executed for your project.

For soft costs NOT covered by HUD's Part 50 Nationwide Programmatic ER for Soft Costs that were incurred after the date of enactment, you can begin to incur and request payment any time after an ER for those soft costs has been completed and the grant agreement has been executed for your project.

For hard costs incurred after the federal nexus, you can request payment after both a satisfactory ER has been completed and the grant agreement has been executed for your project. For more info on cost eligibility, see CPF ER Webinar #3: Cost Eligibility and Documenting the ER for CPF Grants, which can be found on the [CPF Landing Page](#).

18. What if I received funds for a project that was completed prior to the federal nexus?

Only soft costs that are incurred after the date of enactment for each FY and are covered by either HUD's Part 50 ER for Soft Costs or a separate ER determination under Part 58 are eligible for repayment. Only hard costs incurred/performed after the federal nexus for each FY are eligible for repayment and must be covered by a satisfactory aggregated ER for the project and have an executed grant agreement prior to requesting payment. For more information on cost eligibility, see [CPF Cost Eligibility Charts](#).

19. Now that there is no longer a cap on soft costs, can I repurpose 100% of my grant to soft cost activities only?

You must reach out and get approval from your [Grant Officer](#) if interested in repurposing your grant to 100% soft costs.



20. Am I responsible for implementing mitigation requirements under Part 58?

Yes. Grantees are responsible for implementing any mitigation requirements prescribed by the ER for your project. For more info on mitigation requirements, see CPF ER Webinar #3: Cost Eligibility and Documenting the ER for CPF Grants, which can be found on the [CPF Landing Page](#).

21. Where can I find general and CPF-specific ER training and resources?

CPF-specific ER resources can be found on the [CPF Landing Page](#). General ER resources can be found on [HUD's Environmental Review Landing Page](#).

Resources

Congressional Appropriations Bill:

[CPF Laws and Regulations](#)

CPF Program Resources:

[CPF Landing Page](#)

[CPF Grant Officer Portfolio Assignments](#)

[Community Project Funding Grant Guide](#)

[CPF Cost Eligibility Chart](#)

[CPF Frequently Asked Questions](#)

CPF Environmental Review Resources:

[CPF ER Guidance & Scenarios](#)

[HUD Environmental Contacts](#)

[CPF Environmental Review FAQ](#)

[CPF Environmental Review Training Series](#)

[Guidance for Documenting the Environmental Review for CPF Grants](#)

[Request for Release of Funds \(RROF\) Point-of-Contact for CPF Grants](#)

[Ask A Question \(AAQ\) Help Desk for CPF](#)

[Sample MOA between a Responsible Entity and CPF Non-profit Grantee](#)

General Environmental Review Resources:

[24 CFR Part 58: Procedures for Entities Assuming HUD Environmental Responsibilities](#)

[HEROS - HUD Environmental Review Online System](#)

[HUD Environmental Review Landing Page](#)

HUD's Nationwide Part 50 Programmatic Environmental Review for CPF Soft Costs:

[Part 50 CPF-Soft-Costs-Nationwide-Programmatic ERR](#)