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ENVIRONMENTAL RELEASE OF FUNDS

Introduction

A Grantee may not incur program costs for a Department of Local Affairs (DOLA) grant until there is a mutually executed contract *and* the DOLA has issued an Environmental Release of Funds (ROF) letter. HUD regulations contained at 24 CFR Part 58, Section 58.22, prohibit a recipient and any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, from committing HUD assistance until DOLA has approved the recipient's request for release of funds (RROF) and related certification from the Grantee.

Contract activities **may not** be obligated prior to an executed contract. Grantees should become familiar with the environmental review guidelines section of the CDBG Guidebook. All of the necessary forms and instructions are found on the DOLA website at www.dola.state.co.us/LGS/FA/CDBG/CDBG-guidebook.htm.

The ROF Process

During the application process, the Grantee should consult with CDOH Developer to determine the level of environmental review required for development. Grantee will fill out applicable form from DOLA CDBG handbook and submit to their local certifying official. This document will then be sent to Tamra Hooper, Environmental Compliance Officer at DOLA tamra.hooper@state.co.us, who will then review and draft DOLA's ROF letter.

Type of ROF process required	Specific activity & Classification	DOLA form(s)	Publication required
Exempt	<ul style="list-style-type: none"> CHDO Operating Program Administration Housing Needs Assessments Housing counseling Relocation 	Exhibit IV-A Finding of Exemption http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-A.pdf	Not required
Categorically Excluded Projects Not Subject to CFR 58.5	<ul style="list-style-type: none"> Homeownership/Downpayment Assistance Tenant-based rental assistance (TBRA) Relocation Pre-development costs including: legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact. 	Exhibit IV-A-1 Finding of exemption of categorical excluded activities not subject to CFR 58.5 http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF07ENVEXH-A-1.pdf Exhibit IV-M Individual Housing Unit Final Environmental Clearance Form <i>(grantee to keep a copy in project file, but does not need to submit to DOLA)</i> http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-M.pdf	Not required

Type of ROF process required	Specific activity & Classification	DOLA form(s)	Publication required
Categorically Excluded Projects Subject to CFR 58.5	<ul style="list-style-type: none"> • Single Family Owner-Occupied Rehabilitation • Acquisition • Rehabilitation • New construction (for a 1-4 family dwelling or an individual action on a project of 5 or more units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four units on any one site.) 	<p>Exhibit IV-B Categorically Excluded Projects, Statutory Checklist http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-B.pdf</p> <p>Exhibit IV-C Instruction and Information on Completion of the Statutory Checklist http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-C.pdf</p> <p>Exhibit IV-M Individual Housing Unit Final Environmental Clearance Form (grantee to keep a copy in project file, but does not need to submit to DOLA) http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-M.pdf</p>	No publication necessary for Categorically Excluded projects (unless something is triggered in checklist)
Full Environmental Assessment (EA)	<ul style="list-style-type: none"> • New construction (5+ units) • Extensive rehabilitation that will substantially increase size and capacity of dwelling, and will require a change in land use 	<p>Exhibit IV-H Environmental Assessment Form http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-H.pdf</p> <p>Exhibit IV-I Environmental Assessment Checklist http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-I.pdf</p> <p>Exhibit IV-J Environmental Assessment Instructions http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-J.pdf</p> <p>Exhibit IV-K Combined Notice of Finding of No Significant Impact and Intent to Request Release of Funds Samples for Publication http://dola.colorado.gov/dlg/fa/cdbg/docs/guidebook/PF05ENVEXH-k.pdf</p>	<p>After EA is completed, grantee must publish a Combined Notice</p> <p>Publication of Combined Notice is followed by a 30-day comment period (15 day local + 15day statewide)</p>