Date: November 2, 2012

To: CDBG Certified Administrators and Local Government Officials

From: Lara Huskey, CRD Director, Nebraska Department of Economic Development

RE: Environmental Review Process for Projects Funded with Local CDBG Economic Development Revolving Loan Funds

Effective January 1, 2013, all Local Governments carrying out projects funded in whole or in part by a local CDBG Economic Development Revolving Loan Fund that are classified as Categorically Excluded Subject To (CEST) or require the completion of an Environmental Assessment (EA) per the HUD regulations must-publish the Notice of Intent to Request Release of Funds (NOI-RROF) and Finding of No Significant Impact or Combined Notice (if applicable). After the expiration of the publication period(s), Grantees must-submit the following to DED:

- the Request for Release of Funds/Certification Form;
- A copy of the Combined Notice Publication (NOI-RROF and FONSI notice) or a Notice of intent to Request Release of Funds publication and a separate Finding of No Significant Impact Notice (if applicable);
- the Affidavit of Publication.

Receipt of all these documents by DED will begin the 15 day HUD objection period. Documents should be sent to the Nebraska Department of Economic Development, ATTN: Local CDBG ED RLF Environmental Clearance, PO Box 94666, Lincoln, NE 68509.

Unless DED receives any objections, at the end of the 15 day HUD objection period, DED will provide environmental clearance, using a DED-developed Authority to Use Grant Funds Form, to the Local Government for the project. Local Governments should not obligate any funds, nor undertake any choice limiting actions, prior to receiving environmental clearance.

DED is not requiring the Local Government to submit the Environmental Review Record. DED is not reviewing the Environmental Review Record for completeness prior to giving environmental clearance. Environmental clearance is based only on the review of the Request for Release of Funds/Certification form; the NOI-RROF/FONSI notice; and the Affidavit of Publication. DED will review the Environmental Review Record for completeness and compliance with the Department of Housing and Urban Development (HUD) regulations, as well as verify the validity of the RROF/Certification, at the time of the DED monitoring review of the CDBG ED RLF.