

Memorandum

CDBG Policy Guidance

Date: April 25, 2011

Policy: 11-02

SC Department of Commerce, Grants Administration, 1201 Main Street, Suite 1600, Columbia, SC 29201
www.sccommerce.com

Subject: CDBG Environmental Reviews
Resource: CDBG Implementation Manual, Chapter 2

This month, HUD's Office of Environment and Energy (OEE) issued an e-mail confirming that it is HUD policy to not allow bids for choice-limiting actions (such as construction, demolition, etc.) before the environmental review is complete. HUD indicated that their policy is consistent with CEQ NEPA regulations at 40 CFR 1501.2 that require Agencies to "integrate the NEPA process with other planning at the earliest possible time to insure that planning and decisions reflect environmental values, to avoid delays later in the process, and to head off potential conflicts." The environmental review must be completed before bidding in order to allow for an unprejudiced decision about the action – and to allow for any modifications or project cancellation based upon the environmental review.

HUD indicated that they will update their website in the future to include some FAQs and/or guidance to address HUD's policies regarding what actions are prohibited before the environmental review is complete.

The Implementation Manual has been updated to reflect HUD's policy. If you have any questions, please call Dick Scott or Lisa Kalsbeck.

This policy memorandum updates the Community Development Block Grant Program and becomes effective immediately unless otherwise stated. The program documents located on the SC Department of Commerce website have the most up to date policies of the CDBG program.

<http://sccommerce.com/cdbg-forms-and-documents>
