Completing Environmental Reviews (CENST and CEST/Limited Scope)

# Overview

The environmental review process in Santa Clara County consists of a partnership between HUD grantees and OSH as the responsible entity. Grantees must conduct environmental reviews in compliance with [24 CFR Part 58](https://www.law.cornell.edu/cfr/text/24/part-58). This resource page covers Categorically Excluded Not Subject to 58.5 (CENST) and limited scope CEST reviews and is an extension of the environmental review training posted on the CoC website.

For tenant-based rental assistance projects (TBRA), the process is very simple: the units are CENST— exempt and not subject to review. This [HUD FAQ](https://www.hudexchange.info/faqs/1494/what-level-of-environmental-review-is-required-for-tenant-based-rental/) explains: For purposes of conducting an environmental review, “tenant-based rental assistance” is defined as rental assistance that is attached to the program participant and not the unit (meaning that the program participant would be free to select their own unit). The exemption must be documented, however.

Additionally, projects that consist only of leasing or rental assistance activities require only a “limited scope” environmental review (CEST) according to the following [HUD FAQ](https://www.hudexchange.info/faqs/1480/is-an-environmental-review-required-for-each-new-participant/). Responsible Entities conducting a limited scope review need only analyze certain environmental laws and authorities and may document that the project is in compliance with others without analysis. **A limited scope review is appropriate only if the project consists entirely of leasing or rental assistance activities in existing residential buildings without any associated physical impacts, including repairs, rehabilitation, or new construction.**

# Performing an Environmental Review

### CENST Format

This CoC CENST Format is used for tenant-based leasing or rental assistance activities without any associated repairs, rehabilitation, new construction, or other activities with physical impacts funded under the Continuum of Care (CoC) program.

The bulk of the form consists of a compliance checklist pursuant to [58.5](https://www.law.cornell.edu/cfr/text/24/58.5) and [58.6](https://www.law.cornell.edu/cfr/text/24/58.6) laws and authorities. Projects must specify whether formal compliance steps or mitigation is required to comply with each statute and provides a space for compliance determinations.

The last section of the form includes a space for final determination on whether the project meets requirements for exemption, and further steps on how to address projects that do not meet these requirements. It is signed by the preparer (grantee) and responsible entity agency official (OSH).

If after the review of the leasing program, there are no circumstances which require mitigation for compliance with any of the above-listed laws and authorities, then the program becomes exempt from 24 CFR 58.5 and funds may be committed and drawn down. Otherwise, if formal consultation or mitigation is required, extra [public notice requirements](https://www.law.cornell.edu/cfr/text/23/771.119) may apply.

### CEST Format

This CoC Limited Scope Review Format is used for project-based leasing or project-based rental assistance activities without any associated repairs, rehabilitation, new construction, or other activities with physical impacts funded under the Continuum of Care (CoC) program.

The [Limited Scope Environmental Review Instructions](https://files.hudexchange.info/resources/documents/Limited-Scope-Environmental-Review-Instructions-CoC.pdf)provides guidance on how to complete a limited scope review form. In short, CEST environmental reviews must do the following on the CoC limited scope review [format](https://www.hud.gov/sites/dfiles/CPD/documents/Limited-Scope-Environmental-Review-Format-CoC.pdf):

* Document compliance with each environmental law and authority listed in 24 CFR 58.5 and 58.6,
* Include necessary attachments, and
* Make a final environmental finding. Most CEST reviews will have the following finding:
	+ This project converts to exempt per Section 58.34(a)(12), because it does not require any mitigation for compliance with any listed statutes or authorities.
		- If this is your finding, funds may be committed and drawn down for this (now) exempt project once the environmental review has been signed by the preparer and RE Agency Official. This project does not require public notice or a Request for Release of Funds and Certification (RROF).

A finding of extraordinary circumstances would be unusual for a project that consists solely of leasing. Examples of a leasing project where extraordinary circumstances apply include projects where contamination could significantly endanger the residents of a building or where area residents have raised substantial environmental justice concerns.

#### Attachments

Identifying site contamination: [24 CFR 58.5(i)(2)](https://www.law.cornell.edu/cfr/text/24/58.5) and [24 CFR Part 50.3(i)](https://www.law.cornell.edu/cfr/text/24/50.3) outline general HUD policy regarding site contamination and environmental reviews. Further guidance regarding how to ensure and document if there were any on-site or nearby toxic, hazardous, or radioactive substances found that could affect the health and safety of project occupants or conflict with the intended use of the property was issued on HUD Exchange. HUD's resource on [site contamination](https://www.hudexchange.info/programs/environmental-review/site-contamination/) calls out three sites of concern when identifying nearby environmental hazards:

"Sites known or suspected to be contaminated by toxic chemicals or radioactive materials include but are not limited to sites: *(i) listed on an EPA Superfund National Priorities or CERCLA List, or equivalent State list; (ii) located within 3,000 feet (.57 mi) of a toxic or solid waste landfill site; or (iii) with an underground storage tank."*

The recipient completing the environmental review can use the [NEPAssist tool](https://nepassisttool.epa.gov/nepassist/help/help.html%22%20%5Ct%20%22_blank)to record map features, including sites that apply to Contamination & Toxic Substances. According to the HUD guidance above, the environmental review record should include the following EPA facilities within a .57 mi radius:

* Hazardous Waste (RCRAInfo)
* Toxic Releases (TRI)
* Superfund (NPL)
* Brownfields (ACRES)
* Toxic Substances Control Act (TSCA)

Applicable HUD memos: If a site is determined to be exempt, applicants may attach the [HUD memo](https://files.hudexchange.info/resources/documents/HUD-Memo-No-Potential-to-Cause-Effects-Historic-Properties-CoC.pdf) “Determination that Continuum of Care (CoC) Leasing and Rental Assistance with no associated physical building activities have "No Potential to Cause Effects".

Additionally, the Santa Clara Office of Supportive Housing (OSH) provides templates for CEST and CENST reviews on their [CoC forms](https://osh.sccgov.org/continuum-care/coc-forms) page.

# Where to view examples

The [HUD Environmental Review Records page](https://www.hudexchange.info/programs/environmental-review/environmental-review-records/) houses environmental reviews made publicly available through the HUD Environmental Review Online System (HEROS). This includes environmental assessments, CEST reviews, and CEST reviews that converted to exempt.

# Resources

**HUD resources**

[24 CFR Part 58](https://www.law.cornell.edu/cfr/text/24/part-58)

[CoC Program Environmental Review Flow Chart](https://files.hudexchange.info/resources/documents/CoC-Program-Environmental-Review-Flow-Chart.pdf)

[Environmental Review Records](https://www.hudexchange.info/programs/environmental-review/environmental-review-records/)

[CoC program environmental review resources](https://www.hudexchange.info/resource/4045/coc-program-environmental-review-flow-chart/)

**CENST**

[CENST format](CENST%20format)

**CEST**

[CEST HUD exchange instructions](https://www.hudexchange.info/resource/3800/limited-scope-environmental-review-coc/)

[CEST format](https://www.hudexchange.info/resource/3139/part-58-environmental-review-cest-format/)

[Leasing Project FAQ](https://www.hudexchange.info/faqs/1480/is-an-environmental-review-required-for-each-new-participant/)