prior to disbursement of Federal funds; any grant amount provided will not substantially reduce the amount of non-Federal financial support for the activity; not more than a reasonable rate of return on investment is provided to the owner; and, that grant funds used for the project will be disbursed on a pro rata basis with amounts from other sources. In addition, it must be established that the project is financially feasible and that it has a reasonable chance of success.

§ 1003.303 Project rating.

Each project included in an application that meets the threshold requirements shall be competitively rated within each Area ONAP’s jurisdiction under the five following rating factors. Additional details regarding the rating factors will be provided in the periodic NOFAs.

(a) Capacity. This factor will address the applicant’s organizational resources necessary to successfully implement the proposed activities in a timely manner.

(b) Need/Extent of the problem. This factor will address the extent to which there is a need for the proposed project to address a documented problem among the intended beneficiaries.

(c) Soundness of Approach. This factor will address the quality and cost effectiveness of the proposed project, the commitment to sustain the proposed activities, and the degree to which the proposed project provides other benefits to community members.

(d) Leveraging of resources. This factor will address the level of tribal resources and resources from other entities that are used in conjunction with ICDBG funds to support the proposed project. HUD will evaluate the level of non-ICDBG resources based on the percentage of non-ICDBG resources provided relative to project costs.

(e) Comprehensiveness and coordination. This factor will address the extent to which the applicant’s proposed activities are consistent with the strategic plans or policy goals of the community and further on-going priorities and activities of the community.

§ 1003.304 Funding process.

(a) Notification. Area ONAPs will notify applicants of the approval or disapproval of their applications. Grant amounts offered may reflect adjustments made by the Area ONAPs in accordance with §1003.100(b)(2).

(b) Grant award. (1) As soon as the Area ONAP determines that the applicant has complied with any pre-award requirements and absent information which would alter the threshold determinations under §1003.302, the grant will be awarded. The regulations become part of the grant agreement.

(2) All grants shall be conditioned upon the completion of all environmental obligations and approval of release of funds by HUD in accordance with the requirements of part 58 of this title and, in particular, subpart J of part 58 of this title, except as otherwise provided in part 58 of this title.

(3) HUD may impose other grant conditions where additional actions or approvals are required before the use of funds.

(Approved by the Office of Management and Budget under OMB Control No. 2577–0191)

§ 1003.305 Program amendments.

(a) Grantees shall request prior HUD approval for program amendments which will significantly change the scope, location, objective, or class of beneficiaries of the approved activities, as originally described in the application.

(b) Amendment requests of $100,000 or more shall include all application components required by the NOFA published for the last application cycle; those requests of less than $100,000 do not have to include the components which address the selection criteria.

(c) Approval of an amendment request is subject to the following:

(1) A rating equal to or greater than the lowest rating received by a funded project during the most recent funding competition must be attained by the amended project if the request is for $100,000 or more;

(2) Demonstration by the grantee of the capacity to promptly complete the modified or new activities;