(1) Advising that the Secretary has determined that the nominating local government(s) and/or State(s) has:
   (i) Modified the boundaries of the area without written approval from HUD; or
   (ii) Is not complying substantially with, or has failed to make progress in implementing the strategic plan; and
   (2) Requesting a reply from the nominating entities within 90 days of the receipt of this letter of warning.

(c) Notice of revocation. To revoke the designation, the Secretary must issue a final notice of revocation of the designation of the urban area as an Empowerment Zone, after allowing 90 days from the date of receipt of the letter of warning for response, and after making a determination in accordance with paragraph (a) of this section.

(d) Notice to affected Federal agencies. HUD will notify all affected Federal agencies of which it is aware, of its determination to revoke any designation in accordance with this section.

(e) Effect of revocation. Upon revocation of an EZ’s designation, the designation and remaining benefits may be awarded to the next highest ranked Round II applicant.

(f) Publication. The final notice of revocation of designation will be published in the Federal Register, and the revocation will be effective on the date of publication.

§ 598.505 Governments.

If more than one State or local government seeks to nominate an urban area under this part, any reference to or requirement of this part applies to all such governments.

§ 598.510 Nominations by Economic Development Corporations or the District of Columbia.

Any urban area nominated by an Economic Development Corporation chartered by the State in which it is located or by the District of Columbia shall be treated as nominated by a State and local government.

§ 598.515 Alaska and Hawaii.

A nominated area in Alaska or Hawaii is deemed to satisfy the criteria of distress, size, and poverty rate detailed in §598.100(b), (c), (d), and (f), and §598.110 if, for each census tract or block numbering area within the area, 20 percent or more of the families have income that is 50 percent or less of the statewide median family income (as determined under section 143 of the Internal Revenue Code).

Subpart G—Empowerment Zone Grants

§ 598.600 Applicability.

This subpart applies to a project or activity proposed by an Empowerment Zone after January 14, 2008 to be undertaken with funds appropriated by Congress and made available by HUD specifically for use by the EZ. These funds are referred to as “HUD EZ Grant Funds.”