



# Federal Register

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**Thursday,  
July 19, 2001**

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**Part VI**

## **Department of Housing and Urban Development**

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**Notice Inviting Applications: Third Round  
Designation of Seven Urban  
Empowerment Zones; Notice**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4663-N-02]

### Notice Inviting Applications: Third Round Designation of Seven Urban Empowerment Zones

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice inviting applications.

**SUMMARY:** The Community Renewal Tax Relief Act of 2000 authorizes the designation of nine Round III Empowerment Zones (EZs). Seven of the Round III EZs are to be designated in urban areas by the Secretary of HUD. The remaining two Round III EZs are to be designated in rural areas by the Secretary of Agriculture. This Notice invites applications for designation of nominated areas as Empowerment Zones. The designation of the new Empowerment Zones will be made in accordance with the designation process described in this Notice.

*Application Due Date:* Completed applications (one original and 2 copies) must be submitted no later than September 28, 2001. See below for specific procedures governing the form of application submission (e.g., mailed application or hand delivery). No facsimile (FAX) applications will be accepted for consideration by HUD.

*Delivered Applications.* Completed applications (one original and two copies) must be submitted no later than 5:00 p.m. eastern time, on September 28, 2001. Up until 5:00 p.m. on the deadline date, completed applications will be accepted at the address and room number specified below.

*Mailed Applications.* Applications will be considered timely if postmarked on or before September 28, 2001.

*Applications Sent by Overnight Delivery.* Overnight delivery items will be considered filed on time if received on or before September 28, 2001.

#### Electronic Submission of Application Information

Information submitted electronically using the RC/EZ On-Line Application System must be submitted not later than 5 pm, Eastern Time on September 28, 2001. This is done by hitting the "Submit" button at each appropriate location in the software. The system will not be available after the deadline.

**ADDRESSES:** *Address for submitting applications.* Completed paper applications (one original and two copies) should be submitted to: Department of Housing and Urban Development, Office of Community

Planning and Development, c/o Processing and Control Unit, Room 7255, 451 7th Street, SW, Washington, DC 20410, by mail or hand delivery.

*For Application and Other Materials.* For a copy of the EZ Round III Application Guidebook, which includes the Nomination Forms and the EZ Round III rule at 24 CFR part 598 (which also implemented EZ Round II), please call the Community Connections Information Clearinghouse at (800) 998-9999. Round III publications are also available on the HUD web site at: <http://www.hud.gov/offices/cpd/ezec>. Requests for application materials should be made immediately to insure sufficient time for application preparation. Hearing-or speech-impaired persons should use the Federal Information Relay Service telephone number, (800) 877-8339, to obtain application materials.

The Round III publications consist of:

- Urban Application Guide for Empowerment Zones Round III (Application Guide and Nomination forms);

- The Round II and Round III Rule at 24 CFR part 598;

- Tax Incentive Guide for Businesses in Renewal Communities, Empowerment Zones and Enterprise Communities; and

- Federal Programs Guide.

**FOR FURTHER INFORMATION CONTACT:** For technical questions, contact Lisa Hill, Empowerment Zone/Enterprise Community Initiative, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7130, Washington, DC 20410, (202) 708-6339. Hearing-or speech-impaired individuals may call (800) 877-8339 (the Federal Information Relay Service—TTY).

#### SUPPLEMENTARY INFORMATION:

##### I. Summary

###### A. Purpose and Authority

The Community Renewal Tax Relief Act of 2000 (CRTR Act) authorizes, among other things, the designation of nine Round III Empowerment Zones (EZs). Seven of the Round III EZs are to be designated in urban areas by the Secretary of HUD. The remaining two Round III EZs are to be designated in rural areas by the Secretary of Agriculture. The CRTR Act also conforms and enhances the tax incentives for Round I and Round II EZs, and makes the new Round III EZs eligible for these incentives. The availability of the tax incentives is extended to December 31, 2009 for all EZs.

Section 111 of the CRTR Act adds a new subsection (h), which authorizes the designation of nine additional EZs, to section 1391 of Subchapter U of Chapter 1 of the Internal Revenue Code of 1986. Subchapter U governs the designation and treatment of Empowerment Zones, Enterprise Communities, and Rural Development Investment Areas, and provided authorization by separate legislative enactments for the designation of Round I EZs in 1993, and Round II EZs in 1997.

HUD promulgated Round I EZ regulations at 24 CFR part 597 in 1994, and Round II EZ regulations at 24 CFR part 598 in 1998. Separate Round I and Round II regulations were issued because although many of the Round I and II submission requirements, such as the strategic plan, were similar, there were some differences in the authorizing statutes for each Round. For example, the legislation authorizing the Round II designations changed the eligibility and selection criteria from the Round I requirements. Two specific changes in the Round II eligibility criteria were an increase in the size of zones and elimination of the requirement that at least half of the nominated area consist of census tracts with poverty rates of 35 percent. Round II designations were also permitted to except up to three "developable sites"—parcels that may be developed for commercial or industrial purposes—from satisfying the two poverty rate criteria that otherwise would be applicable, but the size of the area given this special poverty rate treatment was restricted to a total of 2,000 acres.

Unlike the differences in Round I and Round II, the eligibility and selection criteria for the Round III EZs are the same as the criteria that applied to the Round II EZs. HUD, therefore, implemented Round III by making only conforming changes to include references to Round III in part 598. The regulation at 24 CFR part 598 will apply for Round III designations for urban areas as it did for Round II, and this Notice Inviting Applications for Round III urban EZ designation uses the same procedures as the Round II notice published on April 16, 1998 (63 FR 19162), with only the distribution of point values adjusted to reflect HUD's experience in administering the program. The designation of rural areas as EZs will continue to be implemented separately by the Department of Agriculture.

###### B. Available Resources

The tax benefits that apply to EZs are the following: Tax-exempt bond financing, Empowerment Zone

employment tax credit, welfare-to-work tax credit, work opportunity tax credit, roll over capital gain from the sale or exchange of any "original zone asset" where assets are used to purchase a "replacement zone asset," environmental cleanup cost deduction ("brownfields" tax incentive), and up to \$35,000 of additional section 179 (accelerated depreciation) expensing.

## II. Application Preparation

### A. Notice of Intent To Participate

Applicants should submit a Notice of Intent to Participate form as soon as possible. The Notice should be submitted on the form provided in the EZ Application Guide or on HUD's RC/EZ On-Line Application System. Instructions for gaining access to the system appear on HUD's web page at: [www.hud.gov/offices/cpd/ezec](http://www.hud.gov/offices/cpd/ezec). Submission of the Notice of Intent to Participate is not mandatory, but it will ensure that an applicant receives updated information. The Notice of Intent to Participate may be mailed, or submitted by facsimile (FAX). The address for submitting the Notice of Intent to Participate is: U.S. Department of Housing and Urban Development, Ms. Lisa Hill, EZ/EC Team, Room 7130, 451 Seventh St., SW, Washington, D.C. 20410.

The facsimile number is (202) 708-3363 or (202) 401-7615.

### B. Application Requirements

1. The application must include an original and two copies of the items listed below. To facilitate review, please submit applications in such a form that they can be taken apart. Loose leaf binders are preferable.

2. The application submitted on behalf of a nominated urban area shall include:

a. Nomination Form Parts I through IV, with the required certifications and written assurances, including assurances that the nominating governments will administer the Empowerment Zone program in a manner which affirmatively furthers fair housing on the bases of race, color, national origin, religion, sex, disability, and familial status (presence of children);

b. A strategic plan which meets the requirements of the 24 CFR part 598, especially the content specified in § 598.215 of the rule; and

c. 1990 census maps showing:

(i) The boundaries of the local government(s); and

(ii) The boundaries of the nominated area, including developable sites, if any.

3. Preferably, the Strategic Plan will contain no more than 75 pages excluding attachments.

4. The application should contain only the necessary documentation. Appendices or additional information extraneous to evaluation components will not be reviewed. Examples of such extraneous information include: Meeting sign-in sheets, and copies of applications for other programs or funds.

### C. Strategic Plan Requirements

The Strategic Plan shall conform to the requirements set forth in 24 CFR 598.215, and the criteria stated in this Notice. Requirements set forth in 24 CFR part 598 will be used in the evaluation process.

## III. Designation Process

### A. General

HUD will accept for processing those nominations meeting the submission deadline stated in this Notice, and the Eligibility Requirements listed in Subpart B of 24 CFR part 598. Nominating procedures are described in Subpart C of 24 CFR part 598.

### B. Exceptions

The Secretary may waive a non-statutory provision of 24 CFR part 598 for good cause where it is determined that the application of the provision would result in undue hardship to the applicant.

### C. Application Review

A threshold review will be conducted to ensure the application requirements in Section II.B. of this Notice are satisfied, and the applicant meets the eligibility requirements listed below. Applications determined eligible will receive a technical review under the rating factors described in Section IV of this Notice. Specific maximum point scores for each rating factor are listed in Section IV. Applications will be evaluated against the rating factors, then placed in rank order. Evaluation and ranking of applications will be made relative to other applications received.

To review and rate applications, the Department may establish panels including employees of other Federal agencies to obtain certain expertise and outside points of view.

#### 1. Eligibility Requirements

a. To be considered for designation, a nominated urban area, with the exception of areas described below in the Special Rules, must meet all of the eligibility requirements of 24 CFR 598.100.

The only sources of census data that will be used in determining the eligibility of an area are: The 1990 Decennial Census, and information published by the Bureau of Census and the Bureau of Labor Statistics. The boundary of an urban area nominated for designation as an Empowerment Zone must coincide with the boundaries of census tracts. Census tract means a census tract as the term is used by the Bureau of the Census, or, if and only if census tracts are not defined for the area, a block numbering area.

b. A nominated urban area, with the exception of areas described below in the Special Rules, must demonstrate poverty, unemployment and general distress, as described in 24 CFR 598.110. In addition, each nominated area must satisfy the specific poverty rate criteria in 24 CFR 598.115.

c. *Special Rules.* (i) A nominated area in Alaska or Hawaii is deemed to satisfy the criteria of distress, size, and poverty rate detailed in 24 CFR 598.100(b), (c), (d), and (f), and § 598.110 if, for each census tract or block numbering area within the nominated 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).

(ii) An area within an Indian reservation (as defined in section 168(j)(6) of the Internal Revenue Code) may be included in an area nominated as an Empowerment Zone by State and local governments. An area completely within an Indian reservation may be nominated by the reservation governing body, and in that case, the area is treated as if it also were nominated by a State and a local government. Where two or more governing bodies have joint jurisdiction over an Indian reservation, the nomination of a reservation area must be a joint nomination.

(iii) 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 a local government.

#### 2. Technical Review

a. *General.* The technical review will evaluate the quality of the application against the following rating factors:

(i) Quality of the Strategic Plan; and  
(ii) Quality of the Commitments made in connection with the Strategic Plan.

The criteria against which HUD will measure these factors, and the maximum points that will be awarded for each factor are described below in Section IV. An application may receive up to 100 total points.

b. *Corrections to Deficient Applications.* HUD will notify an applicant in writing, or by FAX, of any technical deficiencies in the application, and HUD will maintain a log of such communications.

The notification will specify the date by which HUD must receive the applicant's correction of all technical deficiencies, which shall be within 14 calendar days from the date of HUD's notification. If the fourteenth day falls on a Saturday, Sunday, or holiday, the correction must be received by HUD on the next business day. The date and time of receipt of corrections by HUD shall be determined in the same way as the receipt of the application.

Technical deficiencies relate to items that:

- (i) Are not necessary for HUD review under the rating factors; and
  - (ii) Would not improve the substantive quality of the proposal.
- Examples of technical deficiencies would be a failure to submit proper certifications or failure to submit an application containing an original signature by an authorized official.

If any of the items identified in HUD's written notification of technical deficiencies are not corrected and submitted within the correction period, the application will be ineligible for further consideration.

c. *Clarification of Application and Request for Additional Information.* The Department may contact an applicant to obtain clarification of information submitted in an application. Clarification may include, for example, a request for an applicant to submit additional information to ensure HUD's understanding of the terms of a submitted application. In obtaining clarifying information, the Department may contact an applicant by telephone or in person. The Department will conduct all requests for clarification from an applicant according to uniform procedures and will document all requests.

In addition, the Department reserves the right to conduct independent site inspections of proposed EZ/EC sites to accurately rate and rank an applicant's application under the selection criteria provided in this Notice. Should HUD decide to conduct site visits, it will visit sites according to uniform procedures. The Department will document site visit findings.

HUD employees involved in the review of applications and the making of designation decisions will refrain from providing advance information to any person (other than an authorized employee of HUD) concerning designation decisions, or from otherwise

giving any applicant an unfair competitive advantage.

*D. Designation Announcements*

Designations will be made before January 1, 2002. The nominated urban areas designated as Empowerment Zones will be published in the **Federal Register**.

**IV. Designation Rating Factors**

In choosing among nominated areas eligible for designation, HUD will consider the following factors:

- Quality of the Strategic Plan; and
- Quality of Commitments made in connection with the Strategic Plan.

The following chart identifies the points that will be assigned to each rating factor. The criteria HUD will use to rate the applications on the factors follow the chart.

RATING FACTORS

	Points
<i>Strategic plan</i>	
Vision/Values .....	5
Community Assessment .....	5
Goals/Strategies .....	10
<i>Implementation Plan</i>	
Projects & Programs .....	10
Tax Incentive Utilization Plan .....	30
Developable Sites (optional)	
Governance Plan .....	5
Community Performance Assessment .....	5
Strategic Planning Process .....	5
<b>Total</b> .....	<b>75</b>
<i>Quality of Commitments</i>	
Resources leveraged and documented .....	25
<b>Total</b> .....	<b>100</b>

*A. Quality of the Strategic Plan (Maximum Points: 75)*

The strategic plan must be developed in accordance with four key principles, described in 24 CFR 598.215: Strategic vision for change, community-based partnerships, economic opportunity, and sustainable community development. The elements required in the strategic plan reflect the key principles. Innovation and creativity are encouraged in fulfilling all elements of the plan.

**1. Vision and Values (Maximum Points: 5)**

This process should articulate a vision for the future and include a graphic representation for the future physical appearances, land use patterns, and qualities of the community. To improve the quality of the visioning process, the community should reach

out to local citizens and encourage participation in the visioning process. Explain how the vision creates economic opportunity, encourages self-sufficiency, and promotes sustainable community development. HUD will consider the extent to which this element:

- a. States a clear vision for the future;
- b. Develops the foundation upon which the goals are established and specific projects and programs are based;
- c. Demonstrates collaboration of the community's diverse stakeholders in arriving at its vision and values statement;
- d. Provides an effective vision for the community's long-term transformation; and
- e. Exhibits innovation and creativity.

**2. Community Assessment (Maximum Points: 5)**

a. *Assessment of problems and opportunities:* In order to be considered for Empowerment Zone status the nominated area must be one of pervasive poverty, unemployment and general distress as prescribed by 24 CFR 598.110. The general rule is that 90% of the area's census tracts must have a poverty rate of at least 25%. In addition to meeting the minimum criteria for designation, a full account of community and regional assets and problems should be made. Baseline data should be collected to which outcomes can be compared and success measured. One important area to document is the state of local infrastructure. This includes housing, roads, transportation, water, sewer, solid waste, sidewalks, street lights, drainage, open space, and bandwidth. The state of local services is also crucial such as schools, police, fire, child care, health care, and other social services. The state of human and economic development should be documented, and barriers noted.

b. *Resource analysis:* An assessment of the resources available to the community should be made, including potential resources outside the nominated area, to address identified problems and needs and maximize opportunities that exist within the community. Such resources may include financial, technical, human, cultural, educational, leadership, volunteerism, communications, transportation and commerce centers, rail and mass transit linkages, redevelopable land, public space, infrastructure, and other community and regional assets that form the basis for the formulation and implementation of the strategic plan. (2000 acres of

developable sites outside the zone can be included.)

### 3. Goals (Maximum Points: 10)

This element describes the comprehensive set of goals to be achieved over the program period, along with the strategies that will be used. In evaluating this element, HUD will consider the extent to which:

- a. The goals serve as the framework for specific strategies;
  - b. The strategies proposed to achieve the strategic plan goals have been effectively described, and demonstrate the link between the goals and proposed projects and programs; and
  - c. The goals are designed to move the community toward its desired future.
- d. *Strategies:* Applicants will be asked to describe how the local plan will be coordinated with regional planning and regional growth management. The plan should include a strategy for re-development with minimal displacement of local residents, and if displacement occurs, how it will be mitigated. Strategies should include how land use and urban design will utilize transportation hubs, incorporate mixed and flexible land use, promote the development of economically mixed and geographically dispersed affordable housing, encourage community land trusts, and promote urban green parks. A strategy is recommended for remodeling and rehabilitation of existing buildings, including modifying existing building, fire, historical preservation, and zoning code requirements if necessary. The plan should explain a process for evaluating the fiscal impact of every project, including a measurement of costs and impacts, compared to revenues and benefits to the community.

### 4. Implementation Plan (Maximum Points: 55)

This element contains a detailed plan of how the community will implement its strategic plan. The components of the Implementation Plan are: Projects and Programs, Tax Incentive Utilization Plan, a Governance Plan, Community Performance Assessment, and the Strategic Planning Process. These components must provide detailed information for the first 2 years of designation.

- a. *Projects and Programs (maximum points: 10).* Due to the lack of grant funding in Round III, this category receives less weight than in Round II, since project will result largely from marketing of tax incentives, and leveraged commitments. Zones should detail how they will leverage local and State funds for specific projects. This

element describes the specific projects and programs to be implemented during the first two years of the designation. Timelines and budgets must be provided for the 2-year plan. HUD will evaluate this component considering the extent to which:

- (i) The narrative clearly outlines the specific projects and programs that will be implemented, including use of any developable sites, and demonstrates that the projects and programs will result in the achievement of the community's goals;
- (ii) Proposed timelines for implementing identified projects and programs are appropriate for the 2-year plan;
- (iii) The lead implementing entities are identified;
- (iv) Innovative partnerships that ensure maximum community participation and project sustainability are identified;
- (v) Proposed budgets are identified for each project or program, and costs and sources of funding are realistic;
- (vi) Baselines and proposed measurable outputs and outcomes are provided; and
- (vii) The component exhibits innovation and creativity.

b. *Tax Incentive Utilization Plan (maximum points: 30).* This element addresses a significant aspect of the EZ initiative—the use of the business tax incentives available to designated Empowerment Zones to support economic revitalization. EZs need to provide a strong marketing and technical assistance plan to encourage businesses to take advantage of these benefits. If the applicant includes developable sites, this element must include a statement of how developable sites will maximize the use of tax incentives. In evaluating this element, HUD will consider the extent to which the plan:

- (i) Provides an effective strategy for integrating the new business tax incentives into the nominated area's business development efforts. The Round III business tax incentives include: Tax-Exempt Bond Financing, Empowerment Zone Employment Tax Credit, Increased Section 179 Deduction, Welfare-to-Work Credit, Environmental Cleanup Cost Deduction (i.e. "Brownfields Tax Incentive"), and the Work Opportunity Tax Credit. For a description of the tax incentives see the Round III publication, "Tax Incentive Guide for Businesses in Renewal Communities, Empowerment Zones and Enterprise Communities."
- (ii) Addresses the involvement of all appropriate segments of the community and the extent to which their

participation will maximize the use of the business tax incentives;

- (iii) Provides a realistic strategy for marketing the incentives; and
- (iv) Exhibits innovation and creativity.

c. *Governance Plan (Maximum Points: 5).* This element describes how the strategic plan will be implemented. A leadership development program should be included here, as leadership is extremely important to the success of EZs. Other capacity building plans could be included here as well. A plan for mediation of disputes should also be included. HUD will evaluate the extent to which:

- (i) The proposed lead implementing entity, has or will have, the legal status and authority to receive and administer Federal funds;
- (ii) The Governance Plan demonstrates that both the lead implementing entity and other key organizations participating in the implementation of the strategic plan have the capacity to implement the plan;
- (iii) The proposed composition of governance boards, advisory boards, commissions or similar bodies that will manage strategic plan implementation is representative of the EZ area. The representation of residents and businesses, and the method of selecting members of such boards should provide a clear picture of the use of partnerships;
- (iv) The relationships between the governance structure created and local governments, and other major community or regional organizations, such as a metropolitan planning organization, will strengthen the implementation of the strategic plan;
- (v) The Governance Plan includes methods by which stakeholders within the Zone will be kept informed about Zone activities and progress in implementing the strategic plan, including an explanation of how the Governance Board will conduct its meetings in accordance with applicable open meetings acts. The community should utilize modern communication techniques and incorporate the Internet in order to enhance the communication and access to information among all stakeholders and participants;
- (vi) The Governance Plan will ensure continuing community and grassroots participation in the implementation of the strategic plan and the governance of the Zone's activities; and
- (vii) The plan exhibits innovation and creativity.

d. *Community Performance Assessment (maximum points: 5)* This element examines the methods the

community will use to assess its own performance in implementing the strategic plan, and the process it will use to continually review the plan and amend it as appropriate. This information is crucial to the continuing development of the EZ initiative, by learning from what works. It is crucial to measure outcomes as well as outputs. Comparing outcomes to baselines and benchmarks developed in the community assessment will provide a more objective measure of success. In evaluating community performance assessment, HUD will consider:

- (i) The process the applicant will use to periodically evaluate its performance;
- (ii) The process the applicant will use to modify its strategic plan based on the results obtained in (i);
- (iii) The participation of stakeholders in (i) and (ii) above.

#### 5. Strategic Planning Process Documentation (Maximum Points: 5).

This element provides a description of the process the community used to select the boundaries of the proposed Empowerment Zone, including any developable sites, and the process used to prepare the strategic plan. In evaluating this element, HUD will consider the extent to which the documentation:

- a. Fully explains how the community participated in choosing the area, including any developable sites; and how the area ultimately nominated was selected over other areas considered;
- b. Indicates the specific groups, organizations, and individuals that participated in the production of the plan, describes the history of these groups in the community, and describes their role in creating the plan;
- c. Explains how participants were selected and provides evidence that the participants, taken as a whole, broadly represent the racial, cultural, gender and economic diversity of the community; and
- d. Identifies two or three topics addressed in the plan that caused the most serious disagreements among participants, and a description of how those disagreements were resolved.

#### *B. Quality of Commitments Made in Connection With the Strategic Plan (Maximum Points: 25)*

In 24 CFR 598.210, nominated areas are required to provide written

assurances that the Strategic Plan will be implemented. In addition to the certification, it is essential that HUD is able to evaluate the breadth and quality of such commitments.

#### 1. Resources Leveraged (Maximum Points: 10)

In evaluating this element, HUD will consider the extent to which the applicant has leveraged resources, such as funding and/or in-kind services from governmental entities, business, faith-based organizations, non-profit organizations, foundations, educational institutions, and other entities to implement the strategic plan.

#### 2. Resource Commitments Documented (Maximum Points: 15).

The applicant must provide evidence of public and private sector commitments by including letters of commitment, memoranda of understanding or agreement, or other documentation indicating the nature of the participation and the financial and non-financial resources to be contributed. The letters or agreements must be signed by an official of the organization able to make such commitments.

3. Besides the leveraging of finances, EZs need to leverage many different types of commitments including tax and regulatory relief from other levels of government. This could include waivers or reductions in development fees including permit, license, inspection, impact, and utility connection fees. It could also include state and local abatements of taxes on wages, income, sales, personal property, and building improvements. Additional tax and regulatory incentives can be added to the marketing plan for the Tax Incentive Utilization Plan. This section should cover the resources that will be committed to perform cost-benefit studies, and to ensure coordination with regional growth management.

#### **V. Period of Designation**

The designation period will commence on the date of designation and will continue until December 31, 2009, except:

- 1. When the nominating entities have specified an earlier date; or
- 2. When the designation is revoked by the Secretary.

## **VI. Findings and Certifications**

### *A. Information Collection Requirements*

The information collection requirements contained in this Notice have been approved by the Office of Management and Budget and assigned control number 2506-0148. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

### *B. Catalog*

The Catalog of Federal Domestic Assistance Program number assigned to this program is 14.244.

### *C. Environmental Impact*

This Notice provides for EZ designations under, and does not alter the environmental requirements of, 24 CFR part 598. Accordingly, under 24 CFR 50.19(c)(5), this Notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321). The environmental review provisions of part 598 are set out in § 598.405.

### *D. Documentation and Public Access Policy*

HUD will ensure that documentation and other information regarding each application submitted pursuant to this Notice are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a 5-year period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations in 24 CFR part 15.

Dated: July 12, 2001.

**Donna M. Abbenante,**

*Acting General Deputy Assistant Secretary for Community Planning and Development.*  
[FR Doc. 01-18074 Filed 7-18-01; 8:45 am]

**BILLING CODE 4210-29-P**