Airspace to incorporate routine coordinate adjustments. This amendment updates the coordinates of LAYDN IAF, Miami, FL, to lat. 25°38′22″ N, long. 80°31′28″ W; the coordinates of Pompano Beach Airpark, Pompano Beach, FL, to lat. 26°14′50″ N, long. 80°06′40″ W; and the coordinates of North Perry Airport, Hollywood, FL, to lat. 26°00′05″ N, long. 80°14′26″ W. The adjustments to the coordinates are nominal and do not result in regulatorily significant changes to airspace boundaries. These changes also impose no additional requirements on users of the airspace. Accordingly, as these are administrative changes only, the FAA finds good cause that recirculating the NPRM for public notice and comment is unnecessary.

Regulatory Notices and Analyses

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

The FAA has determined that this action qualifies for categorical exclusion under the National Environmental Policy Act in accordance with FAA Order 1050.1G, *FAA National Environmental Policy Act Implementing Procedures,* paragraph B–2.5a. This airspace action is not expected to cause any potentially significant environmental impacts, and no extraordinary circumstances exist that warrant the preparation of an environmental assessment.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order JO 7400.11K, Airspace Designations and Reporting Points, dated August 4, 2025, and effective September 15, 2025, is amended as follows:

* * * * *

Paragraph 5000 Class D Airspace.

* * * * *

ASO FL D Miami, FL [Amended]

Miami Executive Airport, FL
(Lat. 25°38′51″ N, long. 80°26′00″ W)

That airspace extending upward from the surface to and including 2,500 feet MSL within a 4.3-mile radius of the Miami Executive Airport, and within 1.2 miles each side of the 267° bearing from the airport reference point extending from the 4.3-mile radius to 5.9 miles west of the airport reference point, excluding that airspace within the Miami, FL, Class B airspace area. This Class D airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Chart Supplement.

* * * * *

Paragraph 6002 Class E Airspace Areas Designated as Surface Areas.

* * * * *

ASO FL E2 Miami, FL [Amended]

Miami Executive Airport, FL
(Lat. 25°38′51″ N, long. 80°26′00″ W)

Within a 5-mile radius of Miami Executive Airport. This Class E airspace is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Chart Supplement.

* * * * *

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

ASO FL E5 Miami, FL [Amended]

Miami International Airport, FL
(Lat. 25°47′43″ N, long. 80°17′24″ W)
Homestead ARB
(Lat. 25°29′19″ N, long. 80°23′01″ W)
Miami Opa-Locka Executive Airport
(Lat. 25°54′27″ N, long. 80°16′42″ W)
Fort Lauderdale-Hollywood International Airport
(Lat. 26°04′18″ N, long. 80°08′59″ W)
Miami Executive Airport
(Lat. 25°38′51″ N, long. 80°26′00″ W)
LAYDN IAF
(Lat. 25°38′22″ N, long. 80°31′28″ W)
Fort Lauderdale Executive Airport
(Lat. 26°11′50″ N, long. 80°10′15″ W)
Pompano Pompano Beach Airpark
(Lat. 26°14′50″ N, long. 80°06′40″ W)
North North Perry Airport
(Lat. 26°00′05″ N, long. 80°14′26″ W)

That airspace extending upward from 700 feet above the surface within a 7-mile radius of Miami International Airport, Homestead ARB, Miami Opa-Locka Executive Airport, Fort Lauderdale-Hollywood International Airport, and Miami Executive Airport, and within 2.4 miles each side of the 267° bearing from the LAYDN IAF extending from the 7-mile radius to 7 miles west of the IAF, and within a 6.5-mile radius of Fort Lauderdale Executive Airport, Pompano Beach Airpark and North Perry Airport.

* * * * *

Issued in College Park, Georgia, on February 10, 2026

Patrick Young,

Manager, Airspace & Procedures Team North, Eastern Service Center, Air Traffic Organization.

[FR Doc. 2026–02919 Filed 2–12–26; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 75

[Docket No. FR–6085–N–05]

Section 3 Project Threshold Updates for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses

AGENCY: Office of the Assistant Deputy Secretary for Field Policy and Management, HUD.

ACTION: Notification of Section 3 Project Funding Threshold Updates.

SUMMARY: The Section 3 rule ''Enhancing and Streamlining the Implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses'' published in the **Federal Register** on September 29, 2020, includes a requirement that the HUD Secretary update Section 3 project thresholds ''not less than once every 5 years based on a national construction cost inflation factor through **Federal Register** notice not subject to public comment.'' This notice serves as an update of the 2020 version of the final rule, discusses the establishment of a national construction cost inflation factor for Section 3 projects, and

establishes new Section 3 project thresholds.

DATES: *Effective Date:* March 16, 2026.

FOR FURTHER INFORMATION CONTACT: Ashley E. Mendoza, Director of Strategic Initiatives, Office of Field Policy and Management, Department of Housing and Urban Development, 451 7th Street SW, Room 7118–21, Washington, DC 20410; telephone 202–372–8530 (this is not a toll-free number). General email inquiries regarding Section 3 may be sent to: *OfficeofFieldPolicyandManagement@hud.gov.* HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

SUPPLEMENTARY INFORMATION:

I. Background

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (Section 3) contributes to the establishment of stronger, more sustainable communities by ensuring that employment and other economic opportunities generated by Federal financial assistance for housing and community development programs are, to the greatest extent feasible, directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. HUD is statutorily charged with the authority and responsibility to implement and enforce Section 3 through regulation, which HUD has done through the final rule titled ''Enhancing and Streamlining the Implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses,'' published on September 29, 2020 in the **Federal Register** at 85 FR 61524 (''Section 3 final rule''), which amended, among others, 24 CFR part 75.

Applicability is covered in 24 CFR 75.3, where the regulation establishes that Section 3 requirements apply to ''public housing financial assistance and Section 3 projects.'' Public housing does not have a threshold for financial assistance and any dollar amount of public housing financial assistance provided to grantees will trigger Section 3 compliance requirements. Therefore, this notice does not apply to public housing financial assistance, which is subsequently defined at 24 CFR 75.3(a)(1).

A ''Section 3 project'' on the other hand is a unique term that is subject to financial assistance thresholds and is defined in 24 CFR 75.3(a)(2)(i) to mean *. . . housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of $200,000. The threshold is $100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs, as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 or 1701z–2), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.); and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.). The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.*

HUD's Section 3 final rule requires at 24 CFR 75.3(a)(2)(ii) that ''[t]he Secretary must update the thresholds provided in paragraph (a)(2)(i) not less than once every 5 years based on a national construction cost inflation factor through **Federal Register** notice not subject to public comment.''

II. Research and Methodology

The final rule indicates that updates to the established financial assistance thresholds for Section 3 projects must be based on a ''national construction cost inflation factor.'' The determination of how to calculate the national construction cost inflation factor is left to the discretion of HUD as the term is undefined in the final rule and comments.

The current definition of Section 3 projects requires Section 3 compliance if a housing rehabilitation, housing construction, or other public construction project receives more than $200,000 of HUD housing and community development financial assistance or receives more than $100,000 from Lead Hazard Control and Healthy Homes programs. This means that the thresholds that need to be adjusted for construction cost inflation are $200,000 and $100,000 respectively.

The first step in establishing this ''national construction cost inflation factor'' (hereafter Construction Inflation Factor) is defining ''construction.'' ''Construction'' is left undefined in the Section 3 regulations, so analysis requires additional sources. The original drafters of 24 CFR part 75 considered Bureau of Labor Statistics (BLS) publications when first determining the threshold levels for housing and community development projects, so it makes sense to look to the BLS for additional guidance around this analysis.

The North American Industry Classification System (NAICS), originally developed by the Office of Management and Budget (OMB), is the standard used by Federal statistical agencies, including BLS, in classifying businesses for collecting, analyzing, and publishing statistical data related to U.S. businesses. The NACIS uses two- to six-digit codes to classify different sectors and subsectors of the U.S. business economy, and NAICS 23 broadly covers the construction sector. The NAICS defines Sector 23—Construction as comprising ''establishments primarily engaged in the construction of buildings or engineering projects.'' It also establishes that ''Construction work done may include new work, additions, alterations, or maintenance and repairs.'' As Section 3 projects are defined as ''housing rehabilitation, housing construction, and other public construction projects,'' [1] NAICS 23 clearly encompasses the type of work that is performed on Section 3 projects.

With ''construction'' defined for purposes of this analysis, the next step is to evaluate and determine what data elements should be considered in developing the ''Factor.'' When initially determining the threshold, HUD looked at BLS data on labor share for construction projects as part of the calculations. While this analysis does not seek to recreate the same formula that was used in that initial determination of the threshold, which also analyzed CDBG, HOME, and lead hazard grant amounts, it will continue the precedent of using BLS data to estimate cost shares as part of the formula.[2]

The BLS Office of Productivity and Technology (OPT) defines five different cost shares that represent a portion of and aggregate to the total cost of construction:

1. Capital Share
2. Labor share
3. Energy share*
4. Materials share*
5. Services share*

Each of these shares are defined by OPT as ''the proportion of current-dollar

[1] 24 CFR 75.3(a)(2).

[2] When the original threshold calculations were made, HUD used 2017 BLS data as it was most recent available data. Thus, this analysis will use 2017 data as the baseline for the calculation of the construction cost increase and new thresholds. At the time of writing, the most recent available data for cost shares is 2023 data.

output attributed to the use of [the applicable factor].'' [3] The final three shares are identified with an asterisk because the BLS also publishes data on ''intermediate inputs,'' which is an aggregate data point for all energy, materials, and services that are used in the production of other goods and services for final consumption. So, the data related to energy, materials, and services can be combined and represented in the aggregate as ''intermediate inputs,'' but, for the purposes of this analysis, these three categories will be discussed independently to illustrate the methodology more clearly. This also allows for a more granular investigation of the changes in construction costs over time. Additionally, OPT publishes their cost shares as fractional shares represented by a decimal to the thousandth place (three decimal places). The published shares are displayed as a percentage to the tenth place (one decimal place) for simplicity, and calculated percentages will be displayed the same way for the sake of consistency.[4]

Table 1 below shows the cost shares (as a percentage of the total construction cost) for each of the components in 2017 and 2023 with the percentage changes over that time period indicated. The percentage change for each category is calculated by finding the difference between the 2023 share and the 2017 share and then dividing that difference by the baseline 2017 value. A decrease in a category's share is reflected as a negative percentage change. As illustrated by the data, these five cost share percentages have either increased or decreased by different amounts over the identified period of time, so this analysis will need to consider these changes in calculating the new threshold levels. If these changes in cost shares are not considered, the new thresholds may over- or undervalue certain categories of construction projects and yield a less representative calculation.

TABLE 1

	% of construction cost (2017)	% of construction cost (2023)	% Change
Capital Share	10.4	12.8	23.1
Labor Share	42.8	39.4	−7.9
Energy Share	2.4	2.1	−12.5
Materials Share	35.3	35.2	−0.3
Services Share	9.1	10.5	15.4

Subdividing into those same five categories, BLS also publishes data on construction cost per component of construction:

1. Capital costs
2. Labor costs
3. Energy costs*
4. Materials costs*
5. Services costs*

Each of these costs is defined by OPT as ''the payments to purchase [applicable factor] for use in the production of goods and services.'' [5] Again, like with component shares, BLS aggregates energy, materials, and services costs into ''intermediate input'' cost, but this analysis will use each of the individual component costs.

Table 2 below shows the BLS data on costs for each component of construction from both 2017 and 2023 with the percentage changes included for each. The percentage change for each cost category is calculated by finding the difference between the 2023 cost and the 2017 cost and then dividing that difference by the baseline 2017 cost.[6]

TABLE 2

	2017 Cost in billions (2017)	Cost in billions (2023)	% Change
Capital Cost	$163.653	$298.578	82.4
Labor Cost	674.710	919.092	36.2
Energy Cost	37.992	49.116	29.3
Materials Cost	556.730	821.047	47.5
Services Cost	142.764	244.623	71.3

In order to determine how much the overall cost of construction has increased over the identified time period (2017–2023), calculation is first required to find how much each category individually has contributed to the overall cost change. This can be done by multiplying the category's current cost share percentage by the percentage change in construction which will result in the fractional (or percentage) contribution of that category's cost changes to the overall change in total construction cost.

Variables:

If:

- S_x = the share of total construction cost at a given time for a single category of construction with the subscript X serving as a placeholder (expressed as a decimal)
- ΔC_x = the percentage change in cost for a single category of construction with the subscript X serving as a placeholder (expressed as a decimal)

[3] BLS Productivity Glossary (*https://www.bls.gov/productivity/glossary.htm*).

[4] All calculated values are displayed to the tenth place to match BLS data, but the calculated values themselves were not rounded in the process of the calculations.

[5] BLS Productivity Glossary (*https://www.bls.gov/productivity/glossary.htm*).

[6] The calculated change is displayed as a percentage to the tenth place (one decimal) to match the display of published BLS data. These values were not rounded during the process of the calculation.

Then the calculation can be written as,

- $S_x \times \Delta C_x$

The result of this formula tells us how much the total construction cost has changed due to the change in a single category's cost, as a percentage of the overall cost (expressed as a decimal). Stated differently, it is the fractional (or percentage) impact on total construction cost due to a single category's cost change. The final equation for impact (represented by I_X) of the construction category can therefore be written as:

$$I_X = S_x \times \Delta C_x$$

Single Category Example

To more clearly illustrate this concept, one can plug values into the formula. This example will use the category of labor simply because it is the largest cost share of the five. Calculations for the other categories will follow later in this analysis.

For this example, the subscript X will be replaced with subscript L to represent labor, and thus the equation can be rewritten as . . .

- $I_L = S_L \times \Delta C_L$

Where:

- S_L = Labor Share
- ΔC_L = the percentage change in Labor Cost over time
- I_L = Impact of labor costs on the overall construction cost change

This calculation will give us the fractional (or percentage) impact on total construction cost due to labor cost changes over the given time frame (in this case 2017–2023).

Using the percentages (expressed as decimals) provided in Tables 1 and 2 respectively, the formula becomes:

- $0.394 \times 0.362 = 0.143$

This means that the overall cost of a construction project went up by 14.3% from 2017 to 2023 as a result of the increase in labor costs over the same period.

Total Cost Increase Formula

As noted, the formula derived above only gives the percentage contribution of a single category to the overall change in total construction cost. To determine the overall percentage increase in total construction cost over time, the contribution of each category's cost increase must be calculated and then combined. This formula will follow the same logic and naming convention as demonstrated in the single category example with labor share.

- S_C = Capital Share
- S_L = Labor Share
- S_E = Energy Share
- S_M = Materials Share
- S_S = Services Share
- ΔC_C = the percentage change in Capital Cost over time
- ΔC_L = the percentage change in Labor Cost over time
- ΔC_E = the percentage change in Energy Cost over time
- ΔC_M = the percentage change in Materials Cost over time
- ΔC_S = the percentage change in Services Cost over time
- I_C = Impact of capital costs on the overall construction cost change
- I_L = Impact of labor costs on the overall construction cost change
- I_E = Impact of energy costs on the overall construction cost change
- I_M = Impact of materials costs on the overall construction cost change
- I_S = Impact of services on the overall construction cost change

This calculation can be expressed as five individual formulas (one for the impact of each category), as demonstrated in the labor example above, added together. Thus, the construction inflation factor (CIF) referenced in 24 CFR 75.3(a)(2)(ii) is defined as the total percentage increase in construction cost over a given time period, which can be expressed as:

$$\mathbf{CIF} = I_C + I_L + I_E + I_M + I_S$$

Or, if the respective equations for impact on overall construction cost are inserted, the equation can be rewritten:

$$\mathbf{CIF} = (S_C \times \Delta C_C) + (S_L \times \Delta C_L) + (S_E \times \Delta C_E) + (S_M \times \Delta C_M) + (S_S \times \Delta C_S)$$

Substituting percentages given in Tables 1 and 2 (expressed as decimals) results in the following calculation:

- $(0.128 \times 0.824) + (0.394 \times 0.362) + (0.021 \times 0.293) + (0.352 \times 0.475) + (0.105 \times 0.713)$

After solving for each category's contribution to the overall change in construction cost, the formula can be simplified and then solved:

- $0.106 + 0.143 + 0.006 + 0.167 + 0.075 = 0.496$

This means that, accounting for the contribution of each of the five categories, total construction cost increased by 49.6% from 2017 to 2023.[7]

Application to Section 3 Thresholds

With the national construction cost inflation factor defined, the formula can be applied to the existing Section 3 project funding thresholds. To determine the change (in dollars) to the threshold, first multiply the construction inflation factor times the current project threshold. In the formula, the construction inflation factor will be represented by CIF and the current threshold will be represented by T_C:

- $CIF \times T_C$

However, this result only shows the change in the threshold. In order to find the new threshold, the current threshold total must be added to the above formula, resulting in the equation for the new threshold (represented as T_N):

$$\mathbf{T_N} = T_C + (CIF \times T_C)$$

This equation can also be combined with the above CIF equation to give a single equation to determine the new Section 3 thresholds:

$$\mathbf{T_N} = T_C + ((I_C + I_L + I_E + I_M + I_S) \times T_C)$$

[7] Individual category contributions: Capital = 10.6%; Labor = 14.3%; Energy = 0.6%; Materials = 16.7%; Services = 7.5%

Or, if each of the individual equations is substituted for impact on total construction cost, the equation can be rewritten:

$$T_N = T_C + (((S_C \times \Delta C_C) + (S_L \times \Delta C_L) + (S_E \times \Delta C_E) + (S_M \times \Delta C_M) + (S_S \times \Delta C_S)) \times T_C)$$

III. Threshold Update

The final step is to plug in the numbers and find the new Section 3 funding thresholds. As was determined in the previous section, the CIF equation showed that the cost of construction increased by 49.6% [8] from 2017–2023. Using the current thresholds, one can then solve for T_N. There are currently different thresholds for general Housing and Community Development projects and Lead Hazard Control and Healthy Homes projects; therefore, we will solve for both. Housing and Community Development Threshold: [9]

- $T_N = 200{,}000 + (0.496 \times 200{,}000)$
- $T_N = \$299{,}200$

Lead Hazard Control and Healthy Homes Threshold [10]

- $T_N = 100{,}000 + (0.496 \times 100{,}000)$
- $T_N = \$149{,}600$

New Section 3 Thresholds

This analysis determines that the Section 3 project thresholds for Housing and Community Development projects and Lead Hazard Control and Healthy Homes projects should be about $299,200 and $149,600 respectively. These numbers were computed using the original threshold amounts of $200,000 and $100,000 and then using the newly defined national construction cost inflation factor to account for the nationwide increases in construction cost from 2017–2023.

However, it is not practical for compliance efforts to use such exact numbers. Therefore, HUD has decided to round these numbers to *$300,000 for Section 3 Projects that receive Housing and Community Development financial assistance and $150,000 where the assistance is from Lead Hazard Control and Healthy Homes programs* for ease of both external compliance and internal administration and monitoring. The proximity of the raw calculation results to these rounded numbers makes the decision to round very sensible, but it should not serve as a precedent for future calculations as HUD cannot anticipate the adjustments that may later be needed to best administer Section 3.

Joseph DeFelice,

Assistant Deputy Secretary for Field Policy and Management.

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BILLING CODE 4210–67–P

[8] This number is expressed as a percentage rounded to the tenth place for simplicity in the narrative, but it is not recommended to be rounded during the calculation. Rounding should only take place at the end of the entire calculation process to maintain accuracy.

[9] The total of $299,200 is found if the result of the equation for the CIF is rounded to three decimal places, 0.496 in this case. If the results are left unrounded throughout the equation, which is recommended, the total comes to a more accurate $299,284.11 (rounded to two decimals).

[10] The total of $149,600 is found if the result of the equation for the CIF is rounded to three decimal places, 0.496 in this case. If the results are left unrounded throughout the equation, which is recommended, the total comes to a more accurate $149,642.05 (rounded to two decimals).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 594

[Docket No. FR–6576–F–01]

Removal of Regulations for the John Heinz Neighborhood Development Program

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

ACTION: Final rule.

SUMMARY: This rule removes HUD's John Heinz Neighborhood Development Program regulations because the program has not been funded since 1998 and all grants have been closed out.

DATES: *Effective Date:* March 16, 2026.

FOR FURTHER INFORMATION CONTACT: Wesley Armstrong, Department of Housing and Urban Development, 451 7th Street SW, Room 7200, Washington, DC 20410; telephone number 202–402–2107 (this is not a toll-free number); email *Wesley.R.Armstrong@hud.gov.* HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

SUPPLEMENTARY INFORMATION:

I. Background

Section 832 of the Housing and Community Development Act of 1992 (Pub. L. 102–550, 106 Stat. 3852, codified at 42 U.S.C. 5318a) established the John Heinz Neighborhood Development Program as a permanent program of the Department. Previously, the program had been authorized and operated as a demonstration program, pursuant to section 123 of the Housing and Urban Rural Recovery Act of 1983 (42 U.S.C. 5318 note). The program's purpose was to assist communities to become more viable, by providing incentive funds to carry out neighborhood development activities that benefit low- and moderate-income families. The program funded eligible neighborhood development activities conducted by neighborhood development organizations, including, among others, creating permanent jobs, establishing or expanding businesses, improvements to housing stock, and promoting delivery mechanisms for essential services. The incentive funds were provided as matching funds with a particular emphasis on collaboration with private neighborhood development funding organizations and were available to neighborhood development organizations operating in neighborhoods that meet requirements under 42 U.S.C. 5318, were in enterprise zones under Federal or state law, or were considered qualified distressed communities under 12 U.S.C. 1834(b)(1). HUD published regulations implementing the program on March 29, 1995 (60 FR 16359).

II. This Final Rule

This rule is removing the John Heinz Neighborhood Development Program regulations from title 24 of the Code of Federal Regulations. HUD is removing these regulations because the John Heinz Neighborhood Development Program has run its course. The program was last funded in 1998 and all of its grants have been closed out as of 2025. As a result, all regulations in part 594 are no longer necessary. Removing these regulations would update HUD's regulations and provide clarity to grantees on what programs are actively being funded.