

resident youths ages 16–24 from public housing communities to develop and expand their entrepreneurial skills to help them open businesses in and out of their communities which will provide opportunities leading to self-sufficiency.

#### *Eligible Program Participants*

Eligible program participants must be public housing residents, and in accordance with Youthbuild:

(1) Participants must be very low-income individuals aged 16 to 24 years, who are high school dropouts. An exception allows for 25 percent of the participants to be individuals who do not meet the program's income or educational requirements but who have educational needs despite attainment of a high school diploma or its equivalency.

(2) Any eligible individual selected for full-time participation in this program may be offered full-time participation for a period of not less than 6 months and not more than 24 months unless the Youth Entrepreneurial Demonstration Program extends beyond this time frame.

(3) Programs must be structured so that 50 percent of the time spent by participants in the program is devoted to educational services and activities. All educational programs and activities supported with funds from the demonstration program must be consistent with applicable State and local educational standards. Standards and procedures for academic credit and certifying educational attainment must be consistent with applicable State and local educational standards.

(4) Wages and benefits, labor standards, and nondiscrimination requirements shall apply under this program as they would under the Youthbuild program. Housing authorities participating in this demonstration program may not be prevented from using funds from non-Federal sources to increase wages and benefits under the program, if appropriate.

#### *Eligible Activities*

Eligible activities under these grants are the following:

(1) Policy Recommendations. Develop policy recommendations regarding the Public Housing Youth Entrepreneurial Demonstration Program's operation for HUD and the two public housing authorities to further their goals of economic empowerment and drug prevention for youth who reside in public and Indian housing.

(2) Training Curriculum. The PHA will customize and supplement the

training curriculum provided by EDTEC to meet the needs of the youth in their communities.

(3) Entrepreneurship Course. The PHA will deliver the entrepreneurship program provided by EDTEC and customized by the PHA.

(4) On Site Technical Assistance. As youth put their businesses together, the grantee must be able to provide technical assistance to youth operated businesses including but not limited to the following areas: legal, accounting, marketing, etc. This assistance should be available for a sufficient amount of time to insure success.

(5) Wages, benefits and stipends for participants.

(6) Mentorship. Develop and implement a mentoring program as an integral and critical ongoing component of the Public Housing Youth Entrepreneur Demonstration Program. The objective of this effort is to afford the participants the opportunity to learn from others' strengths and limitations, and to benefit from others' experiences in building enterprises which are highly prosperous in creating economic development opportunities in the inner cities to help public housing youth have an economic alternative to drugs. Housing Authorities (HAs) named above and EDTEC will obtain input and cooperation in the form of technical assistance, guidance and additional financial resources to be used for micro enterprise start up and operation, from but not limited to the following types of organizations: Resident Councils (RCs), Resident Management Corporations (RMCs), neighborhood schools, other neighborhood service organizations, private corporations, university business school students, and volunteer mentors.

(7) Supportive Services. Provide supportive services which will enable participants to attend and fully participate in the Institute's activities, (i.e. transportation, childcare, stipends, etc.).

(8) Financing/Loan Fund. Develop a strategy with the Institute for establishing a revolving micro loan fund for youth seeking business start up funds.

(9) Clearinghouse. Collect, assemble and develop materials on youth entrepreneurship in and out of public housing for the distribution by the Office of Community Relations and Involvement (OCRI) Clearinghouse. Develop model program briefs on successful youth entrepreneurial models emphasizing the "how to" of the project and clearly defining the obstacles and how they were overcome. Video studies

may be done on several of the most successful models.

(10) Reports. Produce quarterly reports that reflect the current status of the project. These reports will be used to determine whether or not this initiative is on target relative to a specified timetable (time to be technically determined later) and meeting the stated objective of the institutes and tracking specific outcome measures agreed to by HUD and the contractor.

(11) Final Report/Evaluation. Produce and submit a final report which shall be an evaluation of technical assistance, the resources required to meet the objective of the institutes, including an assessment of the strategies used to implement the project, and any recommendations. The contractor shall also make recommendations regarding the replication of this project or the development of any future entrepreneurial institutes.

#### *Restrictions*

No more than 15 percent of the total grant amount may be used for administrative costs.

#### *Reports*

Each PHA receiving a grant shall submit to HUD a *quarterly and an annual* progress report (in a format to be provided by HUD) regarding the implementation of this program and the effectiveness of the Youth Entrepreneur Demonstration Program in meeting its purpose.

#### *Proposal Requirements*

In order to receive the funding proposed in this notice, each PHA must submit a proposal describing its program in detail. Proposals are not limited to but must include:

(1) A copy of the agreement between the PHA, EDTEC and the private organization providing mentorship that meets the requirement of the program;

(2) A description of how eligible participants will be recruited;

(3) An accompanying implementation schedule and budget;

(4) A description of training and placement activities under the demonstration and how training activities will prepare the participants for entrepreneurial opportunities;

(5) A description of resident involvement in the program's planning and implementation;

(6) A description of efforts to provide business development, business start-up and business operation for successful program participants;

(7) A description of how program success will be measured, describing the