

described in more detail in the notice published in the **Federal Register** for each funding competition:

- (a) Capability.
- (b) Need.
- (c) Program quality and feasibility.
- (d) Program resources.
- (e) Housing program priority points (Implementation only).
- (f) *Other factors*: HUD may use additional factors to rate an application as defined in the NOFA for an individual competition.

§ 585.105 Support of other Federal, State, local or private entities.

Applicants are encouraged to use existing housing programs administered by HUD or other Federal, State, local or private housing programs as part of their Youthbuild programs. Use of other Federal, State, local or private funds for vocational, adult and bilingual education programs or for job training under the JTPA Act and the Family Support Act of 1988 is also encouraged. The selection process for Youthbuild grants described in a NOFA provides for applicants to receive points where grant applications contain evidence of proposed plans to finance, in whole or in part, Youthbuild activities from other Federal, State, local, or private sources.

§ 585.106 Selection process.

(a) *Clarification of Application Information*: Procedures for clarifying application information or curing deficiencies in technical information that does not affect an applications' score will be explained in the notice of funds availability. For implementation applications such deficiencies include, but are not limited to:

- (1) Failure to structure the proposed Youthbuild program so that fifty percent of the time spent by program participants is devoted to educational services and activities and fifty percent to on-site training;
- (2) Failure to target the outreach and recruitment efforts to be used by the program to disadvantaged young adults between the ages of 16 and 24 years;
- (3) Failure to identify the housing to be used for the on-site training;
- (4) Incomplete documentation showing that the applicant has obtained access to the housing site(s) if the applicant does not own the site(s).
- (5) Failure to designate the housing to be produced in conjunction with the program for the use of the homeless and low- and very low-income families.

(b) *Potential environmental disqualification*: HUD reserves the right to disqualify an implementation application where one or more environmental thresholds are exceeded

and it is determined that the environmental review cannot be conducted and satisfactorily completed by HUD within the HUD review period. (Refer to § 585.307, Environmental procedures and standards, for further information.)

(c) *Selecting applicants*. HUD will rank applications according to total points assigned. Applications will be selected for funding from the rank order. However, HUD reserves the right to select lower rated applications if necessary to achieve geographic diversity.

(d) *Breaking tie scores*. The NOFA for the funding round will indicate which selection criteria will be used to break a tie if two or more applications receive the same number of points and sufficient funds are not available to fund all such applications.

(e) *Reduction in requested grant amount*. HUD will approve an application for an amount lower than the amount requested or adjust line items in the proposed budget within the amount requested (or both) if it determines that:

- (1) The amount requested for one or more eligible activities is not supported in the application or is unreasonable related to the service or activity proposed for the population to be served or the housing to be provided;
- (2) An activity proposed for funding does not qualify as an eligible activity;
- (3) The amount requested exceeds the cost limitation established for a Youthbuild grant; or
- (4) There are insufficient funds remaining to fund the applicant's original grant request.

(f) *Notification of approval or disapproval*. After completion of the ranking and selection of applications, but no later than four months after the date applications are due under the applicable NOFA, HUD will notify the selected applicants and the applicants that have not been selected. HUD's notification to the applicant of the grant award amount, based on the approved application, will constitute a preliminary approval by HUD, subject to HUD and recipient execution of a grant agreement to initiate program activities.

§ 585.107 Prohibition of disclosure.

The selection process for assistance under this part is subject to the prohibition of disclosure of covered information regarding the selection process, as described in 24 CFR part 4. Applicants for or recipients of assistance who have received covered selection information may be subject to appropriate sanctions.

Subpart C—Youthbuild Planning Grants.

§ 585.201 Purpose.

HUD will award Youthbuild planning grants to eligible applicants for the purpose of developing Youthbuild programs in accordance with subtitle D of title IV of the National Affordable Housing Act. Applications will be selected in a national competition in accordance with the selection process described in the current NOFA.

§ 585.202 Award limits.

Maximum awards. The maximum amount of a Youthbuild planning grant is \$150,000 unless a lower amount is established in the NOFA. HUD may for good cause approve a grant in a higher amount.

§ 585.203 Grant term.

Funds awarded for planning grants are expected to be used within 12 months of the effective date of the planning grant agreement. The award of a Youthbuild planning grant does not obligate HUD to fund the implementation of the program upon completion of the approved planning activities (unless the companion implementation grant was submitted as a combined application and funded in the implementation grant competition).

§ 585.204 Locational considerations.

HUD will not approve multiple applications for planning grants in the same jurisdiction unless it determines that the jurisdiction is sufficiently large to justify approval of more than one application.

§ 585.205 Eligible activities.

Planning grant activities to develop a Youthbuild program may include:

- (a) The undertaking of studies and research efforts to determine the feasibility and need for a Youthbuild program in a selected location including whether a proposed program can meet the education and training needs of young adults, aid in the expansion of affordable housing to meet the needs of the community, and achieve financial feasibility;
- (b) The formation and establishment of a consortium among Federal, State, or local training and education programs, service providers, housing programs and providers including but not limited to homeless providers, housing owners, developers, and other organizations necessary for the establishment of a Youthbuild program;
- (c) The preliminary identification and potential selection of housing for the Youthbuild program including an assessment of the type of housing