

economic opportunities generated by HUD assisted housing and community development programs shall, to the greatest extent feasible, be directed toward section 3 residents and business concerns.

(e) *Anti-lobbying.* In accordance with the disclosure requirements and prohibitions of section 319 of the Department of Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (The Byrd Amendment) and the implementing regulations at 24 CFR part 87, applicants for and recipients of assistance exceeding \$100,000 must certify that no Federal funds have been or will be spent on lobbying activities in connection with the assistance. Applicants and recipients must also disclose where non-appropriated funds have been spent or committed for lobbying activities if those activities would be prohibited if paid with appropriated funds. Substantial monetary penalties may be imposed for failure to file the required certification or disclosure.

(f) *Relocation assistance and real property acquisition.* A certification that the applicant will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR part 24 and HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition. See § 585.308.

(g) *Use of housing.* A certification that the housing to be produced in conjunction with the Youthbuild program is to be provided for the homeless and low- and very low-income families.

(h) *Lead-based paint.* A certification that the applicant will comply with the requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title.

(i) *State and local standards.* A certification that all educational programs and activities supported with funds provided under this subtitle shall be consistent with applicable State and local educational standards. Standards and procedures with respect to the

awarding of academic credit and certifying educational attainment in such programs shall be consistent with applicable State and local educational standards.

(j) *Labor standards.* A certification that the applicant and related parties will comply with the provisions of the Davis-Bacon Act, as amended (40 U.S.C. 276a through 276a-5), the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333), and HUD Handbook 1344.1, Revision 1, Federal Labor Standards in Housing and Community Development Programs, as applicable, available from the Office of Assistant to the Secretary for Labor Relations, room 7118, 451 Seventh Street, SW., Washington, DC 20410; Telephone (202) 708-0370; FAX, (202) 619-8022; TDD, (202) 708-1455. (These are not toll-free numbers).

(Approved by the Office of Management and Budget under control number 2506-0142)

[60 FR 9737, Feb. 21, 1995, as amended at 64 FR 50227, Sept. 15, 1999]

§ 585.503 Conflict of interest.

(a)(1) In addition to the conflict of interest requirements in 24 CFR parts 84 and 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or cooperating entity named in the application and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter, except that a resident of an eligible property may acquire an ownership interest.

(2) *Exception.* HUD may grant an exception to the exclusion in paragraph (a)(1) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Youthbuild program. An exception may be considered only after the applicant or recipient has provided

a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict, a description of how the public disclosure was made, and an opinion of the applicant's or recipient's attorney that the interest for which the exception is sought would not violate State or local law. In determining whether to grant a requested exception, HUD will consider the cumulative effect of the following factors, where applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the Youthbuild program that would otherwise not be available;

(ii) Whether an opportunity was provided for open competitive bidding or negotiation;

(iii) Whether the person affected is a member of a group or class intended to be the beneficiaries of the activity and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process, with respect to the specific activity in question;

(v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (a)(2) of this section;

(vi) Whether undue hardship will result either to the applicant, recipient, or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vii) Any other relevant considerations.

(b) [Reserved]

§ 585.504 Use of debarred, suspended, or ineligible contractors.

The provisions of 24 CFR part 24 apply to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.

PART 586—REVITALIZING BASE CLOSURE COMMUNITIES AND COMMUNITY ASSISTANCE—COMMUNITY REDEVELOPMENT AND HOMELESS ASSISTANCE

Sec.

586.1 Purpose.

586.5 Definitions.

586.10 Applicability.

586.15 Waivers and extensions of deadlines.

586.20 Overview of the process.

586.25 HUD's negotiations and consultations with the LRA.

586.30 LRA application.

586.35 HUD's review of the application.

586.40 Adverse determinations.

586.45 Disposal of buildings and property.

AUTHORITY: 10 U.S.C. 2687 *note*; 42 U.S.C. 3535(d).

SOURCE: 62 FR 37479, July 11, 1997, unless otherwise noted.

§ 586.1 Purpose.

This part implements the Base Closure Community Redevelopment and Homeless Assistance Act, as amended (10 U.S.C. 2687 *note*), which instituted a new community-based process for addressing the needs of the homeless at base closure and realignment sites. In this process, Local Redevelopment Authorities (LRAs) identify interest from homeless providers in installation property and develop a redevelopment plan for the installation that balances the economic redevelopment and other development needs of the communities in the vicinity of the installation with the needs of the homeless in those communities. The Department of Housing and Urban Development (HUD) reviews the LRA's plan to see that an appropriate balance is achieved. This part also implements the process for identifying interest from State and local entities for property under a public benefit transfer. The LRA is responsible for concurrently identifying interest from homeless providers and State and local entities interested in property under a public benefit transfer.

§ 586.5 Definitions.

As used in this part:

CERCLA. Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 *et seq.*).