

(3) *Property to be acquired.* If the property is to be acquired by the mortgagor and the purchase price is to be financed with a part of the insured mortgage, the mortgage shall not exceed 90 percent of the total of the following:

(i) The Commissioner's estimate of the cost of substantial rehabilitation, plus

(ii) The actual purchase price of the land and improvements or HUD's estimate (prior to substantial rehabilitation) of the fair market value of such land and improvements, whichever is the lesser. * * *

(c) *Cash equity.* * * *. A private nonprofit or public mortgagor, but not a proprietary mortgagor, at the mortgagee's option and subject to 24 CFR 242.49, may provide any such required equity in the form of a letter of credit.

Subpart C—Mortgage Requirements

■ 5. Revise § 242.33 to read as follows:

§ 242.33 Covenant for malpractice, fire, and other hazard insurance.

The mortgage shall contain a covenant binding the mortgagor to maintain adequate liability, fire, and extended coverage insurance on the property. The mortgage shall also contain a covenant binding the mortgagor to maintain adequate malpractice coverage. All coverage shall be acceptable to the mortgagee or HUD.

■ 6. Revise § 242.35(d) to read as follows:

§ 242.35 Mortgage lien certifications.

(d) The mortgagor has notified HUD in writing of all unpaid obligations in connection with the mortgage transaction, the purchase of the mortgaged property, the construction or substantial rehabilitation of the project, or the purchase of the equipment financed with mortgage proceeds.

Subpart E—Construction

■ 7. Revise the second sentence of § 242.50 to read as follows:

§ 242.50 Funds and finances: off-site utilities and streets.

* * * Where such assurance is required, it shall be in the form of a cash escrow deposit, a letter of credit, the retention of a specified amount of mortgage proceeds by the mortgagee, or a combination thereof.

■ 8. Revise § 242.52(a) to read as follows:

§ 242.52 Construction contracts.

(a) *Awarding of contract.* A contract for the construction or substantial

rehabilitation of a hospital shall be entered into by a mortgagor, with a builder selected by a competitive bidding procedure acceptable to HUD.

Subpart G—Regulatory Agreement, Accounting and Reporting, and Financial Requirements

■ 9. Amend § 242.56 by adding a new sentence at the end of the section to read as follows:

§ 242.56 Form of regulation.

* * * In those cases in which the hospital facility is leased as permitted by § 242.72, the provisions of this section also shall apply to the lessee.

■ 10. Revise § 242.58(c)(1) and add a new paragraph (h) to read as follows:

§ 242.58 Books, accounts, and financial statements.

(c) * * * (1) Not-for-profit and state and local governments shall conduct audits in accordance with the Consolidated Audit Guide for Audits of HUD Programs (Handbook 2000.04) and OMB Circular A-133 (Audits of states, local governments, and nonprofit organizations). * * *

(h) In those cases in which the hospital facility is leased as permitted by § 242.72, the requirements pertaining to the mortgagor in § 242.58 (a) through (g) also shall pertain to the lessee.

■ 11. Revise § 242.61(a) to read as follows:

§ 242.61 Management.

* * * (a) *Contract Management of Hospital.* The mortgagor shall not execute a management agreement or any other contract for management of the hospital without HUD's prior written approval. (Management of the hospital, which requires HUD's prior written approval, refers to management of the hospital not management of components within the hospital such as the hospital cafeteria or hospital pharmacy.) Any management agreement or contract for management of the hospital shall contain a provision that it shall be subject to termination without penalty and with or without cause, upon written request by HUD addressed to the mortgagor and management agent.

Subpart H—Miscellaneous Requirements

■ 12. Revise § 242.90(a) to read as follows:

§ 242.90 Eligibility of mortgages covering hospitals in certain neighborhoods.

(a) A mortgage financing the repair, substantial rehabilitation, or construction of a hospital located in an older declining urban area shall be eligible for insurance under this subpart, subject to compliance with the additional requirements of this section.

Dated: June 16, 2008.

Brian D. Montgomery,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. E8-14131 Filed 6-24-08; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket No. USCG-2008-0163]

RIN 1625-AA08

Special Local Regulations for Marine Events; Marine Events in San Diego Harbor

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce the special local regulations in 33 CFR 100.1101 during the Coronado 4th of July Fireworks Display, to be held 8:30 p.m. to 10 p.m. on July 4, 2008, on the waters of San Diego Bay, San Diego, California. These special local regulations are necessary to provide for the safety of the participants, crew, spectators, sponsor vessels of the race, and general users of the waterway. Persons and vessels are prohibited from entering into, transiting through, or anchoring within this safety zone unless authorized by the Captain of the Port, or his designated representative.

DATES: 33 CFR 100.1101 will be enforced on July 4, 2008 from 8:30 p.m. until 10 p.m.

FOR FURTHER INFORMATION CONTACT: Petty Officer Kristen Beer, USCG, c/o U.S. Coast Guard Captain of the Port, at (619) 278-7277.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce special local regulations (SLR) on the navigable waters of Glorietta Bay in support of the Coronado July 4th Fireworks Show on July 4, 2008, from 8:30 p.m. until 10 p.m. These SLR will encompass a 100-foot radius around and under each fireworks barge while the fireworks

barge is towed to its firing position. Once the barge is in position for the fireworks show, the SLR will be increased to a 500-yard radius around the barge. In order to ensure the safety of participants, spectators and transiting vessels, 33 CFR 100.1101 will be enforced for the duration of the event. Under provisions of 33 CFR 100.1101, vessels would be prohibited from entering into, transiting through or anchoring within the SLR without permission of the Coast Guard Patrol Commander.

In addition to this notice, the maritime community will be provided extensive advance notification via the Local Notice to Mariners allowing mariners to adjust their plans accordingly.

Dated: June 10, 2008.

C.V. Strangfeld,

Captain, U.S. Coast Guard, Captain of the Port, Sector San Diego.

[FR Doc. E8-14351 Filed 6-24-08; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG-2008-0463]

RIN 1625-AA00

Safety Zone: Founder's Day Fireworks Event, Chesapeake Bay, Hampton, VA

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a 350-foot radius safety zone on the Chesapeake Bay in Hampton, VA, to support the Founder's Day Fireworks Event. This action is intended to restrict vessel traffic movement to protect mariners from the hazards associated with fireworks displays.

DATES: This rule is effective from 9 p.m. to 10 p.m. on July 9, 2008.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket USCG-2008-0463 and are available online at www.regulations.gov. They are also available for inspection or copying in two locations: The Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays;

and the Sector Hampton Roads, Norfolk Federal Building, 200 Granby St., 7th Floor, Norfolk, VA 23510 between 9 a.m. and 2 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary rule, call LT Bill Clark, Chief Waterways Management Division, Sector Hampton Roads at (757) 668-5580. If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

SUPPLEMENTARY INFORMATION:

Regulatory Information

The Coast Guard is issuing this temporary final rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are "impracticable, unnecessary, or contrary to the public interest." Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because any delay encountered in this regulation's effective date by publishing a NPRM would be contrary to public interest since immediate action is needed to provide for the safety of life and property on navigable waters.

Additionally, this temporary safety zone will only be enforced for 1 hour on July 09, 2008, and should have minimal impact on vessel transits due to the fact that vessels can safely transit through the zone when authorized by the Captain of the Port or his Representative and that they are not precluded from using any portion of the waterway except the safety zone area itself. For the same reasons above, under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**.

Background and Purpose

On July 09, 2008, the City of Hampton, VA, will sponsor a fireworks display on the Chesapeake Bay shoreline centered on position 37°02'23.27" N/076°17'22.54" W (NAD 1983). Due to the need to protect mariners and spectators from the hazards associated with the fireworks display, access will be temporarily restricted within 350 feet of the fireworks launch site.

Discussion of Rule

The Coast Guard is establishing a safety zone on the navigable waters of the Chesapeake Bay within 350 feet of position 37°02'23.27" N/076°17'22.54" W (NAD 1983). This safety zone will be established in the vicinity of the Buckroe Beach Park, Pier One in Hampton, VA, from 9 p.m. to 10 p.m. on July 9, 2008. In the interest of public safety, access within the safety zone will be restricted during the specified date and times. Except for participants and vessels authorized by the Coast Guard Captain of the Port or his representative, no person or vessel may enter or remain in the regulated area.

Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on 13 of these statutes or executive orders.

Regulatory Planning and Review

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order. Although this regulation restricts access to the safety zone, the effect of this rule will not be significant because: (i) The safety zone will be in effect for a limited duration; (ii) the safety zone is of limited size; and (iii) the Coast Guard will make notifications via maritime advisories so mariners can adjust their plans accordingly.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601-612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

This rule may affect the following entities, some of which may be small entities: The owners or operators of vessels intending to transit or anchor in this portion of the Chesapeake Bay between 9 p.m. and 10 p.m. on July 9, 2008.