S T A T E O F N E W Y O R K

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I N A S S E M B L Y

(PREFILED)

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Introduced by M. of A. DESTITO, SCHIMMINGER, MAGEE, CHRISTENSEN, RAMOS, GUNTHER -- Multi-Sponsored by -- M. of A. AUBRY, CAHILL, GALEF, GREENE, HOOPER, JOHN, KOON, V. LOPEZ, MAGNARELLI -- read once and referred to the Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the New York state urban development corporation act, in relation to providing for a regional economic development partnership program

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 3 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding six new subdivisions 30, 31, 32, 33, 34 and 35 to read as follows:

(30) "BUSINESS DEVELOPMENT PROJECT". A PROJECT INVOLVING AN INDUSTRIAL, MANUFACTURING, COMMERCIAL, RESEARCH AND DEVELOPMENT, HIGH TECHNOLOGY, TOURISM, AGRICULTURAL OR SERVICE COMPANY.

(31) "BUSINESS INFRASTRUCTURE PROJECT". A PROJECT INVOLVING AN INDUSTRIAL, MANUFACTURING, COMMERCIAL, RESEARCH AND DEVELOPMENT, HIGH TECHNOLOGY, TOURISM, AGRICULTURAL OR SERVICE COMPANY WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, BASIC SYSTEMS AND FACILITIES ON PUBLIC OR PRIVATELY OWNED PROPERTY INCLUDING DRAINAGE SYSTEMS, SEWER SYSTEMS, ACCESS ROADS, SIDEWALKS, DOCKS, WHARVES, WATER SUPPLY SYSTEMS, AND SITE CLEARANCE, PREPARATION, IMPROVEMENTS, AND DEMOLITION.

(32) "CHILD CARE ASSISTANCE PROJECT". A PROJECT FOR THE ESTABLISHMENT, EXPANSION, AND DEVELOPMENT OF LICENSED NOT-FOR-PROFIT CHILD DAY CARE CENTERS WHICH SERVE THE NEEDS OF SMALL AND MEDIUM-SIZED COMMERCIAL, INDUSTRIAL, SERVICE AND OTHER SMALL AND MEDIUM-SIZED BUSINESSES, HEALTH-RELATED BUSINESSES AND DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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(33) "INFRASTRUCTURE INVESTMENT PROJECT". A PROJECT CONSISTING SOLELY OF CLEARANCE AND/OR PREPARATION OF A SITE AND/OR DEMOLITION OF A BUILDING LOCATED ON A SITE.

(34) "SKILLS TRAINING ASSISTANCE". A PROJECT RELATED TO THE PROVISION OF FIRM-SPECIFIC OR INDUSTRY-SPECIFIC EMPLOYEE RETRAINING, SKILLS UPGRADING, AND PRODUCTIVITY ENHANCEMENT, INCLUDING ASSESSMENT AND TRAINING RELATED TO THE IMPLEMENTATION OF HIGH-PERFORMANCE WORK ORGANIZATION STRATEGIES.

(35) "TOURISM DESTINATION". A LOCATION OR FACILITY WHICH IS LIKELY TO ATTRACT A SIGNIFICANT NUMBER OF VISITORS FROM OUTSIDE THE REGION.

S 2. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 9-g to read as follows:

S 9-G. REGIONAL ECONOMIC DEVELOPMENT PARTNERSHIP PROGRAM. 1. (A) THE CORPORATION MAY MAKE LOANS AND GRANTS FOR REGIONAL STRATEGIC PLANNING, REGIONAL ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS, BUSINESS DEVELOPMENT PROJECTS, BUSINESS INFRASTRUCTURE AND INFRASTRUCTURE INVESTMENT PROJECTS, SKILLS TRAINING ASSISTANCE PROJECTS, AND CHILD CARE ASSISTANCE PROJECTS, THAT CREATE OR RETAIN PERMANENT PRIVATE-SECTOR JOBS. SUCH PROJECTS AND PROGRAMS:

(I) MUST BE CONSISTENT WITH A REGIONAL STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT, AS COORDINATED BY THE CHAIRMAN OF THE CORPORATION AND APPROVED BY THE DIRECTOR OF THE BUDGET, WITH COPIES FILED WITH THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE;

(II) MUST CREATE OR RETAIN SUBSTANTIAL, PERMANENT PRIVATE-SECTOR JOBS OR, IN THE CASE OF A CHILD CARE ASSISTANCE PROJECT AND AS DETERMINED BY THE CORPORATION, WILL IMPROVE OR MAINTAIN THE PRODUCTIVITY OF THE SPONSORING COMPANY OR COMPANIES;

(III) MUST HAVE OBTAINED SUFFICIENT PRIVATE OR PUBLIC COMMITMENTS TO CARRY OUT OR FINANCE THE PROJECT, EXCEPT WHERE OTHERWISE SPECIFICALLY PROVIDED HEREIN;

(IV) MUST BE UNABLE TO OBTAIN FINANCING ON REASONABLE TERMS FROM OTHER PUBLIC OR PRIVATE SOURCES; AND

(V) MUST DEMONSTRATE AN INABILITY TO OCCUR WITHOUT FINANCIAL ASSISTANCE FROM THE CORPORATION.

(B) INELIGIBLE PROJECTS, EXCEPT AS OTHERWISE PROVIDED IN REGULATIONS OF THE CORPORATION FILED WITH THE DIRECTOR OF THE BUDGET, THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE, SHALL INCLUDE RETAIL BUSINESSES, INDUSTRIAL PARKS, OVERNIGHT LODGING FACILITIES, DEBT REFINANCING, OR THE RELOCATION OF A BUSINESS FROM ONE MUNICIPALITY WITHIN THE STATE TO ANOTHER MUNICIPALITY, PROVIDED, HOWEVER, THAT SUCH A PROJECT SHALL NOT BE DEEMED INELIGIBLE IF ALL MUNICIPALITIES FROM WHICH SUCH BUSINESS WILL BE RELOCATED ARE NOTIFIED IN WRITING OF THE CORPORATION'S APPROVAL OF SUCH FUNDING AND THE GOVERNING BODIES OF THE MUNICIPALITIES DO NOT OBJECT TO THE CORPORATION IN WRITING WITHIN A PERIOD OF TWENTY DAYS OF RECEIPT OF THE NOTIFICATION.

(C) SECTION TEN AND SUBDIVISION TWO OF SECTION SIXTEEN OF THIS ACT SHALL NOT APPLY TO GRANTS AND PROJECTS FUNDED PURSUANT TO THE PROVISIONS OF THIS SECTION.

2. (A) BUSINESS DEVELOPMENT PROJECT LOANS MADE BY THE CORPORATION:

(I) MAY BE FOR WORKING CAPITAL, THE PURCHASE OR LEASING OF EQUIPMENT AND MACHINERY, LAND ACQUISITION, AND THE ACQUISITION, RENOVATION OR CONSTRUCTION OF FACILITIES;

(II) EXCEPT IN SPECIAL SITUATIONS AS DEEMED APPROPRIATE BY THE CORPORATION, SHALL NOT EXCEED ONE-THIRD OF THE TOTAL PROJECT COST OR FIVE HUNDRED THOUSAND DOLLARS, WHICHEVER IS LESS; AND

(III) SHALL BE AT INTEREST RATES THAT ARE NECESSARY TO MAKE THE PROJECT FEASIBLE, AS DETERMINED BY THE CORPORATION.

(B) NOTWITHSTANDING SECTION FIVE OF THIS ACT, NO MORE THAN TWENTY PERCENT OF THE FUNDS AVAILABLE FOR BUSINESS DEVELOPMENT PROJECTS SHALL BE GRANTS LIMITED TO:

(I) INTEREST SUBSIDIES TO REDUCE COSTS OF FINANCING PROJECTS THAT DEMONSTRATE AN INABILITY TO OCCUR WITHOUT SUBSIDY, WHICH SHALL NOT EXCEED ONE-THIRD OF PROJECT COST OR FOUR HUNDRED THOUSAND DOLLARS, WHICHEVER IS LESS, EXCEPT IN SPECIAL SITUATIONS AS DEEMED APPROPRIATE BY THE CORPORATION; AND

(II) FEASIBILITY STUDIES OF THE TRANSFER OF OWNERSHIP TO LOCAL INTERESTS OF A JOB INTENSIVE COMPANY WHICH SHALL NOT EXCEED FORTY THOUSAND DOLLARS, EXCEPT IN SPECIAL SITUATIONS AS DEEMED APPROPRIATE BY THE CORPORATION.

(C) THE CORPORATION MAY MAKE LOANS OR GRANTS FOR BUSINESS DEVELOPMENT PROJECTS IN ECONOMICALLY DISTRESSED AREAS AND IN OTHER AREAS; PROVIDED, HOWEVER, THAT IN THE CASE OF OTHER AREAS, THE PROJECT FURTHERS:

(I) BUSINESS DEVELOPMENT BY WOMEN, MINORITIES, OR UNEMPLOYED PERSONS;

(II) MODERNIZATION AND PRODUCTIVITY IMPROVEMENTS BY ELIGIBLE FIRMS;

(III) DIVERSIFICATION OF THE ECONOMIC BASE OF A COMMUNITY DEPENDENT ON A SINGLE INDUSTRY;

(IV) CREATION OF SUBSTANTIAL, PERMANENT PRIVATE-SECTOR JOBS FOR DISLOCATED WORKERS, PUBLIC ASSISTANCE RECIPIENTS, DISADVANTAGED YOUTH, OR LONG-TERM UNEMPLOYED PERSONS;

(V) PREVENTION OF THE LOSS OF A PRIMARY EMPLOYER WHICH WILL HAVE A MAJOR ADVERSE IMPACT ON THE ECONOMIC CONDITION OF A COMMUNITY; OR

(VI) FURTHERS THE DEVELOPMENT OF A TOURISM DESTINATION.

3. (A) THE CORPORATION MAY MAKE LOANS AND GRANTS TO MUNICIPALITIES AND LOCAL DEVELOPMENT CORPORATIONS DESIGNATED BY LOCAL GOVERNMENTS FOR SPECIFIC BUSINESS INFRASTRUCTURE PROJECTS DIRECTLY RELATED AND ESSENTIAL TO SPECIFIC BUSINESS DEVELOPMENTS.

(B) GRANTS AND LOANS FOR INFRASTRUCTURE PROJECTS MAY BE MADE IN AREAS ENCOMPASSED BY EMPIRE ZONES ESTABLISHED PURSUANT TO ARTICLE EIGHTEEN-B OF THE GENERAL MUNICIPAL LAW AND IN OTHER AREAS, EXCEPT THAT IN THE CASE OF OTHER AREAS, A PROJECT LOAN OR GRANT FOR A BUSINESS INFRASTRUCTURE PROJECT MUST BE FOR ONE OF THE PURPOSES AUTHORIZED FOR BUSINESS DEVELOPMENT PROJECTS IN SUCH AREAS PURSUANT TO PARAGRAPH (C) OF SUBDIVISION TWO OF THIS SECTION, AND SHALL BE AVAILABLE ONLY WHERE THERE IS A FIRM COMMITMENT BY A COMPANY TO CARRY OUT A RELATED BUSINESS DEVELOPMENT TO CREATE OR RETAIN SUBSTANTIAL PERMANENT PRIVATE-SECTOR JOBS.

(C) ASSISTANCE FOR BUSINESS INFRASTRUCTURE PROJECTS SHALL NOT EXCEED FORTY-NINE PERCENT OF THE TOTAL PROJECT COST OR SEVEN HUNDRED FIFTY THOUSAND DOLLARS, WHICHEVER IS LESS. LOANS FOR SUCH PROJECTS SHALL BE AT INTEREST RATES DETERMINED BY THE CORPORATION, THAT ARE NECESSARY TO MAKE THE PROJECT FEASIBLE.

(D) NO MORE THAN FORTY PERCENT OF FUNDS AVAILABLE FROM THE CORPORATION FOR ANY INFRASTRUCTURE PROJECT NOT LOCATED IN AN EMPIRE ZONE, AND NO MORE THAN SIXTY PERCENT OF THE FUNDS AVAILABLE FROM THE CORPORATION FOR ANY INFRASTRUCTURE PROJECT LOCATED IN AN EMPIRE ZONE SHALL BE DISBURSED AS A GRANT.

4. GRANTS MAY BE MADE BY THE CORPORATION FOR UP TO FOUR HUNDRED THOUSAND DOLLARS OR EIGHTY PERCENT OF THE TOTAL PROJECT COST, WHICHEVER IS LESS, FOR INFRASTRUCTURE INVESTMENT PROJECTS WHICH:

(A) MEET HIGHLY ECONOMICALLY DISTRESSED AREA CRITERIA ESTABLISHED BY THE CORPORATION; AND

(B) ARE PART OF AN OVERALL ECONOMIC DEVELOPMENT OR URBAN RENEWAL PLAN TO ATTRACT, RETAIN OR PERMIT THE EXPANSION OF AN INDUSTRIAL, MANUFACTURING, RESEARCH AND DEVELOPMENT, HIGH-TECHNOLOGY, SERVICE, FOOD PROCESSING OR DISTRIBUTION COMPANY; AND

(C) ARE OWNED BY A MUNICIPALITY, LOCAL DEVELOPMENT CORPORATION, URBAN RENEWAL AGENCY OR INDUSTRIAL DEVELOPMENT AGENCY DESIGNATED BY A MUNICIPALITY; AND

(D) ARE LOCATED IN AN AREA THAT IS ZONED INDUSTRIAL OR COMMERCIAL.

5. (A) THE CORPORATION MAY MAKE BUSINESS DEVELOPMENT AND BUSINESS INFRASTRUCTURE LOANS AND GRANTS FOR TOURISM DESTINATION PROJECTS, PROVIDED HOWEVER, THAT SUCH PROJECTS MUST SATISFY THE CRITERIA FOR ELIGIBLE PROJECTS SET FORTH IN PARAGRAPH (C) OF SUBDIVISION TWO OF THIS SECTION. ADDITIONALLY, SUCH PROJECTS MUST:

(I) INVOLVE THE DEVELOPMENT OF A RECREATIONAL, EDUCATIONAL, CULTURAL OR HISTORICAL FACILITY;

(II) SIGNIFICANTLY CONTRIBUTE TO THE DEVELOPMENT OF A TOURISM DESTINATION; AND

(III) EITHER (A) INVOLVE CONSTRUCTION OF A NEW FACILITY THAT WILL ENCOURAGE INVESTMENT IN AN AREA WHERE A SHORTAGE OF TOURISM-RELATED FACILITIES, ATTRACTIONS OR SERVICES HAS DETERRED BUSINESS GROWTH AND WHERE THE PROPOSED FACILITY WOULD SIGNIFICANTLY INCREASE OVERALL BUSINESS ACTIVITY AND THE MARKETABILITY OF THE LOCATION AS A TOURISM DESTINATION; OR (B) IMPROVE AN EXISTING RECREATIONAL, EDUCATIONAL, OR CULTURAL OR HISTORICAL FACILITY WHERE THE PROPOSED IMPROVEMENT WOULD SIGNIFICANTLY INCREASE OVERALL BUSINESS ACTIVITY AND THE MARKETABILITY OF THE LOCATION AS A TOURISM DESTINATION.

(B) (I) PREFERENCE SHALL BE GIVEN TO TOURISM DESTINATION PROJECTS WHICH ATTRACT A SIGNIFICANT NUMBER OF VISITORS FROM OUTSIDE THE STATE, PROVIDED, HOWEVER, THAT FUNDING PRIORITY SHALL BE GIVEN TO TOURISM DESTINATION PROJECTS IN RURAL AREAS OF THE STATE.

(II) NO ASSISTANCE SHALL BE PROVIDED PURSUANT TO THIS SUBDIVISION TO FINANCE A TOURISM DESTINATION PROJECT CONSISTING SOLELY OF OVERNIGHT LODGING FACILITIES OR RETAIL BUSINESSES. PROVIDED, HOWEVER, THAT NOTHING CONTAINED HEREIN SHALL PROHIBIT THE CORPORATION FROM PROVIDING ASSISTANCE TO A TOURISM DESTINATION PROJECT WHICH INCLUDES SUCH FACILITIES OR BUSINESSES.

6. (A) THE CORPORATION MAY MAKE GRANTS OR CONTRACTS TO ASSIST IN THE PREPARATION OF STRATEGIC PLANS FOR THE ECONOMIC DEVELOPMENT OF THE REGION AND FOR THE EVALUATION OF PROJECTS.

(B) THE CORPORATION MAY MAKE GRANTS OR CONTRACTS FOR ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS, CONSISTENT WITH THE REGIONAL PLANS FUNDED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, THAT BENEFIT THE REGION, INCLUDING, BUT NOT LIMITED TO:

(I) ANALYSIS OF INDUSTRIAL SECTORS;

(II) PRODUCTIVITY ASSISTANCE TO MATURE INDUSTRIES;

(III) COMMERCIAL AND INDUSTRIAL SITE SURVEYS TO DEVELOP A DATABASE ON AVAILABILITY OR POTENTIAL AVAILABILITY OF SUCH SITES;

(IV) EXPORT ASSISTANCE;

(V) MANAGEMENT AND PROCUREMENT ASSISTANCE TO SMALL BUSINESS, INCLUDING MINORITY AND WOMEN-OWNED BUSINESSES;

(VI) REGIONAL MARKETING, TO MARKET STATE ECONOMIC DEVELOPMENT PROGRAMS TO AREAS UNDERSERVED IN THOSE PROGRAMS;

(VII) ASSISTANCE IN THE TRAINING OF COMMUNITY AND ECONOMIC DEVELOPMENT STAFF TO ASSIST COMMUNITIES TO BUILD CAPACITY TO ENGAGE IN ECONOMIC DEVELOPMENT; AND

(VIII) TO ENCOURAGE THE CREATION OF BUSINESS IMPROVEMENT DISTRICTS IN HIGHLY DISTRESSED AREAS.

(C) IN AWARDING GRANTS OR CONTRACTS PURSUANT TO THIS SUBDIVISION, PREFERENCE SHALL BE GIVEN TO PROGRAMS THAT:

(I) ARE LOCATED IN DISTRESSED AREAS;

(II) MEET A SUBSTANTIAL REGIONAL NEED;

(III) COMPLEMENT LOCAL PROGRAMS OR PROVIDE SERVICES NOT READILY AVAILABLE FROM UNITS OF LOCAL GOVERNMENT OR THE PRIVATE SECTOR;

(IV) PROVIDE A LOCAL MATCH; AND

(V) FOSTER SMALL BUSINESS AND MINORITY BUSINESS DEVELOPMENT.

7. (A) FUNDS MAY BE AVAILABLE FOR EXPENDITURE RELATED TO THE PROVISIONS OF SKILLS TRAINING ASSISTANCE WHEN UTILIZED IN CONJUNCTION WITH OTHER PUBLIC OR PRIVATE DEVELOPMENT FUNDS FOR THE PURPOSES OF THE PREVENTION OF WORKER DISLOCATION OR THE CREATION OF NEW EMPLOYMENT OPPORTUNITIES.

(B) (I) WHEN SUCH EXPENDITURES INCLUDE THE ACQUISITION OF EQUIPMENT OR CONSTRUCTION/RENOVATION OF FACILITIES, ALL FUNDING BY THE CORPORATION SHALL BE IN THE FORM OF LOANS.

(II) TO THE EXTENT THAT TRAINING EXPENDITURES INVOLVE CLASSROOM OR ON-THE-JOB TRAINING, ALL FUNDING BY THE CORPORATION SHALL BE IN THE FORM OF GRANTS OR CONTRACTS WITH EMPLOYERS MATCHING FIFTY PERCENT OF THE COST OF TRAINING.

(III) ALLOWABLE TRAINING EXPENDITURES MAY INCLUDE EXPENSES FOR CLASSROOM INSTRUCTION AND ON-THE-JOB TRAINING.

(C) NO SKILLS TRAINING ASSISTANCE SHALL BE PROVIDED BY THE CORPORATION UNLESS AND UNTIL THE DEPARTMENT OF ECONOMIC DEVELOPMENT HAS REVIEWED AND APPROVED EACH PROJECT.

(D) (I) FOR THOSE PROJECTS FUNDED PURSUANT TO THE PROVISIONS OF THIS SUBDIVISION, THE CORPORATION SHALL SUBMIT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE CHAIR OF THE COMMISSION ON SKILLS DEVELOPMENT AND VOCATIONAL EDUCATION A REPORT OF THE TRAINING ASSISTANCE PROVIDED BY SUCH PROJECTS TO BE SUBMITTED NOT LATER THAN SEPTEMBER FIRST OF EACH YEAR.

(II) THE REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, A DESCRIPTION OF THE TRAINING ACTIVITY PROVIDED, EVIDENCE OF LINKAGES WITH OTHER PUBLICLY FUNDED TRAINING PROGRAMS, SPECIFICATION OF OUTCOMES ACHIEVED INCLUDING NUMBER OF JOB PLACEMENTS, JOBS RETAINED, JOBS CREATED, OR A MEASURE OF PRODUCTIVITY IMPROVEMENT, THE TYPES OF BUSINESSES SERVED BY SIZE AND SECTOR, AND FUNDS PROVIDED FOR THE CONSTRUCTION/RENOVATION OF FACILITIES OR PURCHASE OF EQUIPMENT FOR TRAINING PURPOSES.

8. (A) THE CORPORATION SHALL PROVIDE FINANCING UP TO TWO MILLION DOLLARS FOR CHILD CARE ASSISTANCE PROJECTS FOR THE ESTABLISHMENT, EXPANSION AND DEVELOPMENT OF NOT-FOR-PROFIT CHILD DAY CARE CENTERS WHICH SERVE THE NEEDS OF SMALL AND MEDIUM-SIZED COMMERCIAL, INDUSTRIAL, SERVICE AND OTHER SMALL AND MEDIUM-SIZED BUSINESSES, AND OF HEALTH-RELATED BUSINESSES AND DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION.

(B) SUCH FINANCING MAY CONSIST OF:

(I) GRANTS FOR THE ESTABLISHMENT OF LICENSED, NOT-FOR-PROFIT CHILD DAY CARE CENTERS DEVELOPED IN CONJUNCTION WITH SMALL AND MEDIUM-SIZED BUSINESSES, HEALTH-RELATED BUSINESSES AND DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION. SUCH GRANTS SHALL NOT EXCEED FORTY PERCENT OF THE TOTAL PROJECT COST, MAY BE IN AMOUNTS UP TO ONE HUNDRED THOUSAND DOLLARS AND MAY BE USED FOR GENERAL PROJECT DEVELOPMENT COSTS, INCLUDING, BUT NOT LIMITED TO:

(A) STUDIES TO ASSESS THE FEASIBILITY OF, OR PRELIMINARY PLANNING FOR, THE DEVELOPMENT OF CHILD DAY CARE CENTERS SPONSORED BY A NOT-FOR-PROFIT PROVIDER OR A CONSORTIA OF FIRMS;

(B) THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT OR RENOVATION OF THE CHILD DAY CARE CENTER; AND

(C) THE PURCHASE OF PERMANENTLY INSTALLED MACHINERY AND EQUIPMENT NECESSARY TO ESTABLISH OR EXPAND A CHILD DAY CARE CENTER.

(II) LOANS FOR COSTS ASSOCIATED WITH THE DEVELOPMENT OR EXPANSION OF CHILD DAY CARE CENTERS TO A NOT-FOR-PROFIT CHILD CARE PROVIDER, OR A SMALL OR MEDIUM-SIZED BUSINESS, CONSORTIA OF SUCH FIRMS OR HEALTH-RELATED BUSINESS OR DEGREE-GRANTING INSTITUTION OF HIGHER EDUCATION THAT HAS CONTRACTED WITH A NOT-FOR-PROFIT CHILD CARE PROVIDER TO SUPPLY CHILD CARE SERVICES, PROVIDED, HOWEVER, THAT:

(A) SUCH LOANS MAY BE USED FOR THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT OR RENOVATION OF A CHILD DAY CARE CENTER AT THE PROJECT SITE AND/OR FOR THE PURCHASE OF PERMANENTLY INSTALLED MACHINERY AND EQUIPMENT IN CONNECTION THEREWITH, OR FOR THE PROVISION OF WORKING CAPITAL TO SUCH CENTER; AND

(B) THE CORPORATION SHALL DETERMINE THE TERMS AND INTEREST RATES OF SUCH LOANS, EXCEPT THAT NO LOAN SHALL EXCEED SIXTY PERCENT OF THE TOTAL PROJECT COST, OR TWO HUNDRED FIFTY THOUSAND DOLLARS, WHICHEVER IS LESS.

(C) FINANCING FOR CHILD CARE ASSISTANCE PROJECTS AUTHORIZED PURSUANT TO THIS SUBDIVISION, SHALL ONLY BE MADE UPON A DETERMINATION BY THE CORPORATION THAT SUCH CENTER WILL APPROVE OR MAINTAIN THE PRODUCTIVITY OF THE SPONSORING COMPANY OR COMPANIES. SUCH LOANS AND GRANTS SHALL ONLY BE MADE FOR CHILD CARE CENTERS WHERE ADEQUATE DAY CARE FACILITIES ARE NOT AVAILABLE FOR EMPLOYEES OF BUSINESSES WITHIN THE AREA OF THE PROPOSED CENTER. SUCH CENTERS SHALL:

(I) DEMONSTRATE AN ABILITY TO OBTAIN, FROM THE APPROPRIATE GOVERNMENTAL AGENCIES, ALL NECESSARY APPROVALS AND LICENSES REQUIRED TO OPERATE THE CENTER; AND

(II) DEMONSTRATE AN ABILITY TO PREVENT ACCESS BY CHILDREN TO ANY EQUIPMENT IN SUCH CENTERS WHICH COULD BE INJURIOUS TO THEIR HEALTH OR SAFETY.

(D) THE CORPORATION SHALL WORK CLOSELY WITH THE NEW YORK STATE JOB DEVELOPMENT AUTHORITY, THE NEW YORK STATE DEPARTMENT OF ECONOMIC DEVELOPMENT, THE NEW YORK STATE DEPARTMENT OF FAMILY ASSISTANCE, CHILD CARE RESOURCE AND REFERRAL CENTERS, AND OTHER SOURCES OFFERING ASSISTANCE FOR CHILD CARE IN THE STATE IN ORDER TO ASSURE COORDINATION OF SERVICES.

9. THE CORPORATION MAY MAKE GRANTS TO REGIONAL REVOLVING LOAN TRUST FUNDS ESTABLISHED PURSUANT TO SECTION SIXTEEN-A OF THIS ACT FOR THE PURPOSE OF RECAPITALIZING SUCH FUNDS. NO SUCH GRANT MAY EXCEED THREE HUNDRED THOUSAND DOLLARS.

10. (A) THE CORPORATION SHALL DEVELOP AND CONSIDER CRITERIA FOR DETERMINING ECONOMIC DISTRESS WITHIN THE AREAS OF THE STATE. FACTORS TO BE CONSIDERED IN DETERMINING ECONOMIC DISTRESS SHALL INCLUDE:

(I) UNEMPLOYMENT RATE;

(II) RATE OF EMPLOYMENT CHANGE;

(III) PERCENTAGES AND NUMBERS OF LOW-INCOME PERSONS;

(IV) RATE OF PER CAPITA INCOME CHANGE;

(V) POPULATION CHANGE; AND

(VI) SUCH OTHER INDICATORS OF DISTRESS AS THE CORPORATION SHALL DETERMINE.

(B) ECONOMICALLY DISTRESSED AREAS SHALL ALSO INCLUDE PARTS OF MUNICIPALITIES OTHERWISE NOT QUALIFYING, WHICH MEET UNEMPLOYMENT, INCOME AND OTHER CRITERIA ESTABLISHED BY THE CORPORATION.

11. THE CORPORATION SHALL DEVELOP AND USE A STANDARD PROJECT APPLICATION FORM. PROJECT APPLICATIONS SHALL BE COMPLETED, REVIEWED AND EVALUATED AT THE REGIONAL LEVEL PURSUANT TO ELIGIBILITY REQUIREMENTS AND CRITERIA PROMULGATED BY THE CORPORATION. THESE COMPLETED APPLICATIONS SHALL BE SUBMITTED TO THE CORPORATION WITH RECOMMENDATIONS FOR THE PROJECT RANKED IN PRIORITY ORDER. PROVIDED, HOWEVER, THAT AN APPLICANT MAY MAKE AN APPLICATION DIRECTLY TO THE CORPORATION FOR APPROVAL.

12. (A) NOTWITHSTANDING ANY PROVISIONS OF LAW TO THE CONTRARY, THE CORPORATION SHALL ESTABLISH WITHIN ITS TREASURY A REGIONAL ECONOMIC DEVELOPMENT ASSISTANCE REVOLVING LOAN ACCOUNT, SHALL PAY INTO SUCH ACCOUNT ANY MONEYS WHICH MAY BE MADE AVAILABLE TO THE CORPORATION FOR THIS PURPOSE FROM ANY SOURCE INCLUDING, BUT NOT LIMITED TO, MONEYS APPROPRIATED BY THE STATE AND ANY INCOME EARNED BY, OR INCREMENT TO, THE ACCOUNT DUE TO THE INVESTMENT THEREOF, OR ANY REPAYMENT OF PRINCIPAL AND INTEREST ON LOANS MADE BY THE CORPORATION FOR PROJECTS AUTHORIZED PURSUANT TO THIS SECTION. THE AMOUNTS DEPOSITED IN THE REGIONAL ECONOMIC DEVELOPMENT ASSISTANCE REVOLVING LOAN ACCOUNT MAY NOT BE INTERCHANGED WITH ANY OTHER ACCOUNT.

(B) ALL LOANS DISBURSED BY THE CORPORATION SHALL BE REPAID INTO SUCH ACCOUNT AND SUCH REPAYMENTS SHALL BE AVAILABLE TO THE CORPORATION FOR RELENDING AND UP TO ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS OF SUCH REPAYMENTS SHALL BE AVAILABLE FOR PROGRAM ADMINISTRATION DESIGNED TO EXPEDITE PROGRAM DISBURSEMENTS AND FOR OUTREACH IN HIGHLY DISTRESSED AREAS.

(C) AT LEAST ONE MILLION ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS, BUT NO MORE THAN TWO MILLION FIVE HUNDRED THOUSAND DOLLARS OF THE FUNDS APPROPRIATED TO EFFECTUATE THE PROVISIONS OF THIS SECTION SHALL BE AVAILABLE FOR TOURISM DESTINATION PROJECTS, AND FOR ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS WHICH FOCUS PRIMARILY ON TOURISM.

(D) NO MORE THAN 2.5 PERCENT OF THE FUNDS APPROPRIATED TO EFFECTUATE THE PROVISIONS OF THIS SECTION SHALL BE MADE AVAILABLE FOR REGIONAL STRATEGIC PLANNING.

(E) THE CORPORATION SHALL APPROVE PROJECT LOANS OR GRANTS ON AT LEAST A FOUR-MONTH CYCLE.

13. (A) IN APPROVING LOANS OR GRANTS AUTHORIZED PURSUANT TO THE PROVISIONS OF THIS SECTION, THE CORPORATION SHALL GIVE PRIORITY CONSIDERATION TO:

(I) THE NUMBER OF JOBS CREATED OR RETAINED, WITH PREFERENCE FOR PROJECTS THAT CREATE JOBS FOR PERSONS ELIGIBLE FOR BENEFITS UNDER THE PROVISIONS OF THE JOB TRAINING PARTNERSHIP ACT (P.L. 97-300); AND

(II) WHETHER A PROJECT IS LOCATED IN AN AREA OF ECONOMIC DISTRESS.

(B) OTHER FACTORS TO BE CONSIDERED BY THE CORPORATION SHALL INCLUDE:

(I) THE IMPACT OF THE PROJECT ON THE EMPLOYMENT AND ECONOMIC CONDITION OF THE COMMUNITY;

(II) THE COST PER JOB CREATED OR RETAINED BASED ON TOTAL PROJECT COST;

(III) THE PARTICIPATION OF MINORITY OR WOMEN-OWNED BUSINESSES;

(IV) THE AMOUNT OF PRIVATE INVESTMENT LEVERAGED;

(V) THE LEVEL OF LOCAL PUBLIC SUPPORT; AND

(VI) THE LIKELIHOOD OF ACCOMPLISHING THE PROJECT IN A TIMELY FASHION.

14. THE CHAIRMAN OF THE CORPORATION SHALL SUBMIT TO THE DIRECTOR OF THE BUDGET, THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE AN EVALUATION OF THE SUCCESS OF THE PROGRAM PREPARED BY AN ENTITY INDEPENDENT OF THE CORPORATION. SUCH EVALUATION SHALL DETERMINE WHETHER THE ASSISTANCE PROVIDED HAS ENHANCED THE ECONOMIC CONDITIONS OF ASSISTED BUSINESSES OR PROJECTS, AND SHALL MAKE RECOMMENDATIONS FOR IMPROVEMENTS WHICH WOULD MAKE THE PROGRAM MORE EFFECTIVE. SUCH EVALU-

ATION SHALL BE SUBMITTED BY SEPTEMBER FIRST, TWO THOUSAND TEN AND BY SEPTEMBER FIRST EVERY TWO YEARS THEREAFTER.

S 3. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.