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

4019

2011-2012 Regular Sessions

I N S E N A T E

March 14, 2011

Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the New York state urban development corporation act, in relation to the planning and development of urban and regional farmers' markets facilities

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

Section 1. Section 16-n of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by chapter 428 of the laws of 2006, is renumbered section 16-u.

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 16-v to read as follows:

S 16-V. URBAN AND REGIONAL FARMERS' MARKETS FACILITIES CONSTRUCTION PROGRAM. 1. DEFINITIONS. FOR PURPOSES OF THIS SECTION:

(A) "URBAN OR REGIONAL FARMERS' MARKET CONSTRUCTION PROJECT" SHALL MEAN A PROJECT FOR THE ESTABLISHMENT, EXPANSION AND DEVELOPMENT OF A YEAR-ROUND URBAN OR REGIONAL FARMERS' MARKET PRIMARILY LEASING SPACE TO FARMERS, FARMER/PROCESSORS AND CRAFT BUSINESSES FROM WITHIN THE REGION OF THE GREENMARKET TO SELL DIRECTLY TO CUSTOMERS.

(B) "NOT-FOR-PROFIT CORPORATION" SHALL MEAN AGRICULTURAL COOPERATIVES, REGIONAL MARKET AUTHORITIES, CORPORATION BUSINESS IMPROVEMENT DISTRICTS AND REGIONAL AND COMMUNITY DEVELOPMENT ORGANIZATIONS ORGANIZED UNDER THE PROVISIONS OF THE NOT-FOR-PROFIT CORPORATION LAW OR OTHER STATE LAW PROVIDING FOR NONPROFIT CORPORATIONS.

(C) "HIGHLY DISTRESSED" SHALL HAVE THE SAME MEANING AS PROVIDED FOR IN SECTION SIXTEEN-D OF THIS ACT.

(D) "ECONOMICALLY DISTRESSED AREAS" SHALL HAVE THE SAME MEANING AS PROVIDED FOR IN SECTION SIXTEEN-D OF THIS ACT.

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

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2. THE CORPORATION SHALL, FROM APPROPRIATIONS MADE AVAILABLE FOR THE PURPOSE, ESTABLISH AN URBAN AND REGIONAL FARMERS' MARKETS FACILITIES CONSTRUCTION PROGRAM WHICH SHALL OFFER CONSTRUCTION GRANTS PURSUANT TO PARAGRAPHS (A) AND (B) OF SUBDIVISION 3 OF THIS SECTION AND REVOLVING LOANS AND LOAN GUARANTEES PURSUANT TO PARAGRAPHS (C) AND (D) OF SUBDIVISION 3 OF THIS SECTION.

3. TO THE EXTENT THAT MONIES ARE APPROPRIATED FOR THE URBAN AND REGIONAL FARMERS' MARKETS FACILITIES CONSTRUCTION PROGRAM, THE CORPORATION SHALL PROVIDE FINANCING FOR URBAN OR REGIONAL FARMERS' MARKET FACILITIES CONSTRUCTION PROJECTS FOR THE ESTABLISHMENT, EXPANSION AND DEVELOPMENT OF URBAN AND REGIONAL FARMERS' MARKETS FACILITIES WHICH ARE INTENDED TO SERVE THE NEEDS OF THE REGIONAL AGRICULTURAL COMMUNITY AND THE COMMUNITY REVITALIZATION OF THE HOST CITY. THE CORPORATION, IN CONSULTATION WITH THE DEPARTMENT OF ECONOMIC DEVELOPMENT, SHALL DEVELOP A JOINT REQUEST FOR APPLICATIONS WITH THE DEPARTMENT OF AGRICULTURE AND MARKETS' COMMENTS ON SOLICITING POTENTIAL APPLICANTS SEEKING ASSISTANCE FOR THE DEVELOPMENT OF URBAN AND REGIONAL FARMERS' MARKETS FACILITIES. AN APPLICANT MUST BE A NOT-FOR-PROFIT CORPORATION, MUNICIPAL CORPORATION OR PUBLIC BENEFIT CORPORATION. IN DETERMINING AWARD RECIPIENTS, THE CORPORATION SHALL CONSIDER, AMONG OTHER FACTORS, THE DEPARTMENT OF AGRICULTURE AND MARKETS' COMMENTS ON THE APPLICATIONS. SUCH FINANCING SHALL CONSIST OF GRANTS, REVOLVING LOANS AND LOAN GUARANTEES FOR THE ESTABLISHMENT, EXPANSION, AND DEVELOPMENT OF URBAN AND REGIONAL FARMERS' MARKETS FACILITIES.

(A) GRANTS SHALL BE USED FOR GENERAL PROJECT DEVELOPMENT COSTS, INCLUDING, BUT NOT LIMITED TO:

(I) THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT OR RENOVATION OF THE SITE; AND

(II) THE PURCHASE OF NECESSARY EQUIPMENT.

(B) FOR THE PURPOSES OF THIS SUBDIVISION GRANTS SHALL NOT EXCEED EIGHTY PERCENT OF THE TOTAL PROJECT COST IN HIGHLY DISTRESSED COMMUNITIES; SHALL NOT EXCEED SEVENTY PERCENT OF THE TOTAL PROJECT COST IN ECONOMICALLY DISTRESSED AREAS; AND SHALL NOT EXCEED SIXTY PERCENT OF THE TOTAL PROJECT COST IN NON-ECONOMICALLY DISTRESSED AREAS.

(C) URBAN AND REGIONAL FARMERS' MARKET FACILITY CONSTRUCTION REVOLVING LOAN AND LOAN GUARANTEES. THE CORPORATION SHALL PROVIDE REVOLVING LOANS AND LOAN GUARANTEES FOR THE ESTABLISHMENT BY NOT-FOR-PROFIT CORPORATIONS, MUNICIPAL CORPORATIONS OR PUBLIC BENEFIT CORPORATIONS OF URBAN AND REGIONAL FARMERS' MARKET FACILITIES. SUCH REVOLVING LOANS AND LOAN GUARANTEES SHALL BE FOR CONSTRUCTION COSTS, INCLUDING, BUT NOT LIMITED TO THE DESIGN, CONSTRUCTION, IMPROVEMENT OR RENOVATION AND MAY INCLUDE INTERIM FINANCING.

(D) URBAN AND REGIONAL FARMERS' MARKET FACILITY CONSTRUCTION REVOLVING LOAN AND LOAN GUARANTEE FUND. FOR THE PURPOSES OF THIS SUBDIVISION, THE CORPORATION SHALL ESTABLISH AN URBAN AND REGIONAL FARMERS' MARKET FACILITY CONSTRUCTION REVOLVING LOAN AND LOAN GUARANTEE FUND ACCOUNT. THE CORPORATION SHALL DETERMINE THE TERMS AND INTEREST RATES OF SUCH LOANS TO NOT-FOR-PROFIT CORPORATIONS, MUNICIPAL CORPORATIONS OR PUBLIC BENEFIT CORPORATIONS, EXCEPT THAT NO LOAN SHALL EXCEED EIGHTY PERCENT OF THE TOTAL PROJECT COST IN HIGHLY DISTRESSED COMMUNITIES; SEVENTY PERCENT OF THE TOTAL PROJECT COST IN ECONOMICALLY DISTRESSED AREAS; AND SIXTY PERCENT OF THE TOTAL PROJECT COST IN NON-ECONOMICALLY DISTRESSED AREAS. IN INSTANCES WHERE AN OTHERWISE QUALIFIED APPLICANT LACKS EQUITY IN A PROJECT, EQUITY PARTICIPATION MAY INCLUDE ANY COMMITMENT FOR GRANTS. PAYMENTS CONSISTING OF THE REPAYMENT OF THE PRINCIPAL AMOUNT OF THE LOAN AND INTEREST SHALL BE DEPOSITED BY THE CORPORATION INTO THE URBAN AND

REGIONAL FARMERS' MARKET FACILITY CONSTRUCTION REVOLVING LOAN FUND ACCOUNT FROM WHICH THE LOAN WAS MADE.

4. FINANCING FOR URBAN AND REGIONAL FARMERS' MARKETS FACILITIES CONSTRUCTION PROJECTS AUTHORIZED PURSUANT TO THIS SUBDIVISION, SHALL ONLY BE MADE UPON A DETERMINATION BY THE CORPORATION, IN CONSULTATION WITH THE DEPARTMENT OF ECONOMIC DEVELOPMENT, AND THE DEPARTMENT OF AGRICULTURE AND MARKETS THAT SUCH A FACILITY WILL IMPROVE THE AGRICULTURAL AND URBAN ECONOMIES. SUCH REVOLVING LOANS, LOAN GUARANTEES AND GRANTS SHALL ONLY BE MADE FOR FACILITIES WHERE THERE ARE INADEQUATE AGRICULTURAL DIRECT MARKETING FACILITIES. SUCH CENTERS SHALL DEMONSTRATE THE POTENTIAL TO OBTAIN, FROM APPROPRIATE GOVERNMENTAL AGENCIES, ALL NECESSARY APPROVALS, LICENSES, AND OTHER SUPPORTS REQUIRED TO OPERATE THE FACILITY.

S 3. This act shall take effect immediately.