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2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. PAULIN, CASTRO, SCHIMEL, COOK, GUNTHER -- Multi-Sponsored by -- M. of A. MARKEY, MILLMAN, TITONE -- read once and referred to the Committee on Economic Development

AN ACT to amend the New York state urban development corporation act, in relation to blighted property and blighted areas; and to repeal certain provisions of such act relating thereto

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

1 Section 1. Section 2 of section 1 of chapter 174 of the laws of 1968,
2 constituting the New York state urban development corporation act, the
3 ninth undesignated paragraph as added by chapter 280 of the laws of 1984
4 and the tenth undesignated paragraph as amended by chapter 747 of the
5 laws of 2005, is amended to read as follows:
6 S 2. Statement of legislative findings and purposes. It is hereby
7 found and declared that there exists in [urban] SOME areas of this state
8 a condition of substantial and persistent unemployment and underemploy-
9 ment which causes hardship to many individuals and families, wastes
10 vital human resources, increases the public assistance burdens of the
11 state and municipalities, impairs the security of family life, contrib-
12 utes to the growth of crime and delinquency, prevents many of our youth
13 from finishing their [educations] EDUCATION, impedes the economic and
14 physical development of municipalities and adversely affects the welfare
15 and prosperity of all the people of the state. [Many existing indus-
16 trial, manufacturing and commercial facilities in such urban areas are
17 obsolete and inefficient, dilapidated, and without adequate mass trans-
18 portation facilities and public services. Many of such facilities are
19 underutilized or in the process of being vacated, creating additional
20 unemployment. Technological advances and the provision of modern, effi-
21 cient facilities in other states will speed the obsolescence and aban-
22 donment of existing facilities causing serious injury to the economy of

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

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1 the state. Many existing and planned industrial, manufacturing and
2 commercial facilities are, moreover, far from or not easily accessible
3 to the places of residence of substantial numbers of unemployed persons.
4 As a result, problems of chronic unemployment are not being alleviated
5 but are aggravated. New industrial, manufacturing and commercial facili-
6 ties are required to attract and house new industries and thereby to
7 reduce the hazards of unemployment. The unaided efforts of private
8 enterprise have not met and cannot meet the needs of providing such
9 facilities due to problems encountered in assembling suitable building
10 sites]

11 IT IS FURTHER FOUND AND DECLARED THAT THE UNAIDED EFFORTS OF PRIVATE
12 INDUSTRIAL, MANUFACTURING AND COMMERCIAL BUSINESSES ARE NEGATIVELY
13 AFFECTED BY AGING AND INEFFICIENT FACILITIES, DIFFICULTIES IN FINDING
14 SUITABLE BUILDING SITES FOR NEW FACILITIES, lack of adequate public
15 services, the unavailability of private capital for development [in such
16 urban areas], and the inability of private enterprise alone to plan[,]
17 AND finance DEVELOPMENT and TO coordinate [industrial and commercial
18 development] SUCH DEVELOPMENT with [residential developments for persons
19 and families of low income and with] AFFORDABLE HOUSING DEVELOPMENT,
20 COMMUNITY DEVELOPMENT PROGRAMS, public services and mass transportation
21 facilities.

22 It is further found and declared that there exist in many munici-
23 palities within this state [residential, nonresidential, commercial,
24 industrial or vacant areas, and combinations thereof, which are slum or
25 blighted, or which are becoming slum or blighted areas because of
26 substandard, insanitary, deteriorated or deteriorating conditions,
27 including obsolete and dilapidated buildings and structures, defective
28 construction, outmoded design, lack of proper sanitary facilities or
29 adequate fire or safety protection, excessive land coverage, insuffi-
30 cient light and ventilation, excessive population density, illegal uses
31 and conversions, inadequate maintenance, buildings abandoned or not
32 utilized in whole or substantial part, obsolete systems of utilities,
33 poorly or improperly designed street patterns and intersections, inade-
34 quate access to areas, traffic congestion hazardous to the public safe-
35 ty, lack of suitable off-street parking, inadequate loading and unload-
36 ing facilities, impractical street widths, sizes and shapes, blocks and
37 lots of irregular form, shape or insufficient size, width or depth,
38 unsuitable topography, subsoil or other physical conditions, all of]
39 BLIGHTED PROPERTIES AND BLIGHTED AREAS, WHICH ARE CHARACTERIZED BY PREM-
40 ISES UNFIT FOR HUMAN HABITATION AND DANGEROUS TO LIFE AND PROPERTY, AND
41 which hamper or impede proper and economic development of such areas and
42 which impair or arrest the sound growth of the area, community or muni-
43 cipality, and the state as a whole.

44 It is further found and declared that there is a serious need through-
45 out the state for adequate educational, recreational, cultural and other
46 community facilities, the lack of which threatens and adversely affects
47 the health, safety[, morals] and welfare of the people of the state.

48 It is further found and declared that there continues to exist
49 throughout the state a seriously inadequate supply of [safe and sani-
50 tary] ACCEPTABLE dwelling accommodations for persons and families of low
51 income. This condition is contrary to the public interest and threatens
52 the health, safety, welfare, comfort and security of the people of the
53 state. The ordinary operations of private enterprise cannot provide an
54 adequate supply of safe and sanitary dwelling accommodations [at
55 rentals] which persons and families of low income can afford.

1 It is hereby declared to be the policy of the state to promote a
2 vigorous and growing economy, to prevent economic stagnation and to
3 encourage the creation of new job opportunities in order to protect
4 against the hazards of unemployment, reduce the level of public assist-
5 ance to now indigent individuals and families, increase revenues to the
6 state and to its municipalities and to achieve stable and diversified
7 local economies. In furtherance of these goals, it is the policy of the
8 state to retain existing industries and to attract new industries
9 through the acquisition, construction, FINANCING, reconstruction and
10 rehabilitation of industrial and manufacturing plants and commercial
11 facilities, and to develop sites for new industrial and commercial
12 building. It is further declared to be the policy of the state to
13 promote the development of such plants and facilities, reasonably acces-
14 sible to residential facilities, in those areas where substantial unem-
15 ployment or underemployment exists, to the end that the industrial and
16 commercial development [of our urban areas] will proceed in sound fash-
17 ion and in coordination with development of housing, mass transportation
18 and public services, and that job opportunities will be available in
19 those areas where people lack jobs.

20 IT IS FURTHER FOUND AND DECLARED THAT THERE IS AN URGENT NEED TO
21 PROTECT AND ENHANCE THE QUALITY OF THE NATURAL ENVIRONMENT, TO ENCOURAGE
22 THE DEVELOPMENT AND EXPANSION OF EXISTING AND ALTERNATIVE SOURCES OF
23 ENERGY AND THE CONSERVATION OF ENERGY, AND TO ABATE AND PREVENT THE
24 GENERATION OF HAZARDOUS WASTE, TOXIC BY-PRODUCTS, AND OTHER TYPES OF
25 ENVIRONMENTAL POLLUTION.

26 It is further declared to be the policy of the state to promote the
27 safety, health[, morals] and welfare of the people of the state and to
28 promote the sound growth and development of our municipalities through
29 the [correction of such substandard, insanitary, blighted, deteriorated
30 or deteriorating conditions, factors and characteristics by the clear-
31 ance, replanning, reconstruction, redevelopment, rehabilitation, resto-
32 ration or conservation of such areas,] REDEVELOPMENT OF BLIGHTED AREAS
33 and [of areas reasonably accessible thereto] the undertaking of public
34 and private improvement programs [related thereto], including the
35 provision of educational, recreational and cultural facilities, and the
36 encouragement of participation in these programs by private enterprise.
37 IN FURTHERANCE OF THESE GOALS, IT IS THE POLICY OF THE STATE TO ENGAGE
38 AND EMPOWER THE PUBLIC THROUGH EDUCATIONAL PROGRAMS, COMMUNITY OUTREACH,
39 AND AN OPEN AND INCLUSIVE REDEVELOPMENT PLANNING PROCESS; TO COORDINATE
40 REDEVELOPMENT PROJECTS AND IMPROVEMENT PROGRAMS WITH LOCAL GOVERNMENT
41 PLANNING GOALS; TO RESPECT COMMUNITIES' EXISTING SOCIAL AND CULTURAL
42 FABRIC AND TO LIMIT RESIDENTIAL AND BUSINESS DISPLACEMENT TO THE MAXIMUM
43 EXTENT POSSIBLE; TO REUSE EXISTING RESOURCES AND INFRASTRUCTURE AND
44 RECYCLE MATERIALS AND STRUCTURES; TO ENCOURAGE ENERGY EFFICIENCY AND
45 SUSTAINABLE BUILDING; TO CONSERVE UNDEVELOPED LAND AND ENCOURAGE INFILL
46 AND BROWNFIELD DEVELOPMENT; TO IMPROVE OR RESTORE NATURAL SYSTEMS SUCH
47 AS STREAMBEDS, DRAINAGE COURSES, WETLANDS, RIVERS, AND OTHER ECOLOGICAL
48 FEATURES, AND TO ENCOURAGE THE CREATION OF PUBLICLY AVAILABLE OPEN SPAC-
49 ES; TO ENSURE THAT ENVIRONMENTAL POLLUTION DOES NOT DISPARATELY AFFECT
50 AREAS WITH A SUBSTANTIAL NUMBER OF MINORITY OR LOW INCOME HOUSEHOLDS; TO
51 INCORPORATE CULTURAL RESOURCES AND LANDSCAPES INTO PROJECT DESIGNS BY
52 PRESERVING AND REHABILITATING BUILDINGS WITH CULTURAL, HISTORICAL OR
53 ARCHITECTURAL SIGNIFICANCE, ENCOURAGING ADAPTIVE REUSE AS AN ALTERNATIVE
54 TO DEMOLITION AND NEW CONSTRUCTION, AND ENCOURAGING COMPATIBLE DESIGN OF
55 NEW CONSTRUCTION; TO ENCOURAGE THE RETENTION AND CONSTRUCTION OF AFFORD-
56 ABLE HOUSING THROUGH INCENTIVES, LOANS, AND OTHER PROGRAMS; TO ENCOURAGE

1 DEVELOPMENT THAT IS ACCESSIBLE AND INVITING TO PEDESTRIANS, BICYCLISTS
2 AND TRANSIT USERS, AND TO DISCOURAGE DEVELOPMENT THAT IS RELIANT ON
3 PERSONAL AUTOMOBILE TRANSPORTATION; TO INCREASE OPPORTUNITIES FOR
4 PRIVATE ENTERPRISE, ESPECIALLY FOR SMALL BUSINESSES, LOCAL BUSINESSES,
5 AND BUSINESSES OWNED BY MINORITIES AND WOMEN, THROUGH PROCEDURES THAT
6 ARE FAIR, OPEN, EQUITABLE, TRANSPARENT, AND DEMONSTRATED TO BE THE BEST
7 CHOICE FOR THE PUBLIC INTEREST; TO PROVIDE SUFFICIENT SAFEGUARDS AND
8 PROTECTIONS IN THE EVENT THAT PRIVATE DEVELOPERS WITHDRAW FROM PARTIC-
9 IPATION IN A REDEVELOPMENT PROJECT OR IMPROVEMENT PROGRAM; TO INCREASE
10 EMPLOYMENT OPPORTUNITIES FOR LOCAL RESIDENTS, ESPECIALLY LOW INCOME
11 RESIDENTS, AND PERSONS WITH OTHER BARRIERS TO EMPLOYMENT, THROUGH JOB
12 TRAINING, LOCAL HIRING AND OTHER ASSISTANCE PROGRAMS; AND TO ENCOURAGE
13 THE CREATION OF QUALITY JOBS.

14 It is further declared to be the policy of the state to promote the
15 safety, health[, morals] and welfare of the people of the state through
16 the provision of adequate, safe and sanitary dwelling accommodations and
17 facilities incidental or appurtenant thereto for persons and families of
18 low income.

19 For these purposes, there should be created a corporate governmental
20 agency to be known as the "New York state urban development corporation"
21 which, through issuance of bonds and notes to the private, investing
22 public, by encouraging maximum participation by the private sector of
23 the economy, including the sale or lease of the corporation's interest
24 in projects at the earliest time deemed feasible, and through partic-
25 ipation in programs undertaken by the state, its agencies and subdivi-
26 sions, and by municipalities and the federal government, may provide or
27 obtain the capital resources necessary to acquire, construct, recon-
28 struct, rehabilitate or improve such industrial, manufacturing, commer-
29 cial, educational, recreational and cultural facilities, and housing
30 accommodations for persons and families of low income, and facilities
31 incidental or appurtenant thereto, and to carry out the [clearance,
32 replanning, reconstruction and rehabilitation of such substandard and
33 insanitary] REDEVELOPMENT OF BLIGHTED areas.

34 It is further declared to be the policy of New York state to encourage
35 the development of research and development facilities and high technol-
36 ogy industrial incubator space at institutions of higher education
37 located in this state and authorized to confer degrees by law or by the
38 board of regents, or on lands in reasonable proximity to such insti-
39 tutions provided that (i) in the case of research and development facil-
40 ities such facilities are for the cooperative use of one or more such
41 institutions and one or more business corporations, research consortia
42 or other industrial organizations involved in research, development,
43 demonstration, or other technologically oriented industrial activities;
44 and (ii) in the case of high technology industrial incubator space, such
45 space shall be for rental to business concerns which are in their form-
46 ative stages and which are involved in high technology activities,
47 including but not limited to business concerns initiated by students,
48 employees of such institution, including faculty members and other
49 persons or firms academically associated with such institution.

50 It is hereby declared that the acquisition, construction, FINANCING,
51 reconstruction, rehabilitation or improvement of such industrial, manu-
52 facturing and commercial facilities, and of such cultural, educational
53 and recreational facilities including but not limited to facilities
54 identified as projects and called for to implement a state designated
55 heritage area management plan as provided in title G of the parks,
56 recreation and historic preservation law; the [clearance, replanning,

reconstruction and rehabilitation of such substandard and insanitary] REDEVELOPMENT OF BLIGHTED areas; and the provision of adequate, safe and sanitary housing accommodations for persons and families of low income and such facilities as may be incidental or appurtenant thereto are public uses and public purposes for which public money may be loaned and private property may be acquired and tax exemption granted, and that the powers and duties of the New York state urban development corporation as hereinafter prescribed are necessary and proper for the purpose of achieving the ends here recited.

S 2. Subdivision 12 of section 3 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is REPEALED and a new subdivision 12 is added to read as follows:

(12) "BLIGHTED PROPERTY OR BLIGHTED AREA." BLIGHTED PROPERTY OR BLIGHTED AREA MEANS PROPERTY THAT IS DECLARED BLIGHTED. (A) A SINGLE PROPERTY MAY BE DECLARED BLIGHTED IF IT MEETS ANY OF THE FOLLOWING CONDITIONS:

1. IS UNFIT FOR HUMAN HABITATION. THIS MEANS A PREMISE WHICH HAS IDENTIFIABLE CONDITIONS THAT ENDANGER THE LIFE, HEALTH AND SAFETY OF THE OWNERS, OCCUPANTS, OR THE PUBLIC. CONDITIONS RENDERING THE PROPERTY UNFIT FOR HUMAN HABITATION INCLUDE, BUT ARE NOT LIMITED TO, SUBSTANTIAL STRUCTURAL DEFECTS, DILAPIDATION OR DETERIORATIONS, VERMIN INFESTATION, LACK OF NECESSARY UTILITIES AND FIRE HAZARDS.

2. HAS DETERIORATED TO THE POINT WHERE SUCH PREMISES:

(A) IS STRUCTURALLY UNSOUND OR POSES AN IMMEDIATE THREAT TO LIFE OR OTHER PROPERTY, OR

(B) THE COST OF REHABILITATION SIGNIFICANTLY EXCEEDS THE POST-REHABILITATION MARKET VALUE; AND

3. THE OWNER FAILS TO REMEDY THE PROBLEMS WITHIN A REASONABLE TIME AFTER RECEIVING NOTICE OF VIOLATION BY THE APPROPRIATE GOVERNING BODY REQUIRING THE OWNER TO:

(A) REHABILITATE THE BUILDING TO CONFORM TO MINIMUM CODE HABITABILITY REQUIREMENTS; OR

(B) DEMOLISH THE BUILDING FOR HEALTH AND SAFETY REASONS.

4. IS AN ABANDONED PROPERTY. ABANDONED PROPERTY MEANS:

(A) UNOCCUPIED PROPERTY WHICH HAS BEEN TAX DELINQUENT FOR AT LEAST TWO YEARS; OR

(B) A BUILDING THAT:

(I) IS UNOCCUPIED BY THE OWNER OR TENANTS; AND

(II) IS UNFIT FOR HUMAN HABITATION; AND

(III) HAS DETERIORATED TO THE POINT WHERE:

A. THE BUILDING IS STRUCTURALLY UNSOUND OR POSES AN IMMEDIATE THREAT TO LIFE OR OTHER PROPERTY; OR

B. THE COST OF REHABILITATION SIGNIFICANTLY EXCEEDS THE POST-REHABILITATION MARKET VALUE; AND

C. THE OWNER IS UNKNOWN OR THE OWNER FAILS TO RESPOND WITHIN SIX MONTHS TO A VIOLATION NOTICE FROM THE APPROPRIATE GOVERNING BODY REQUIRING THE OWNER TO:

(1) REHABILITATE THE BUILDING TO CONFORM TO MINIMUM HABITABILITY REQUIREMENTS; OR

(2) DEMOLISH THE BUILDING FOR HEALTH AND SAFETY REASONS.

5. A VACANT LOT ON WHICH A BUILDING HAS BEEN DEMOLISHED AND FOR WHICH A MUNICIPAL LIEN FOR DEMOLITION COSTS REMAINS UNPAID FOR SIX MONTHS.

6. IS ENVIRONMENTALLY CONTAMINATED REQUIRING REMEDIATION FOR CURRENT OR FUTURE USE UNDER STATE OR FEDERAL LAW, IF THE OWNER FAILS TO ESTABLISH A PLAN TO REMEDY THE PROBLEM WITHIN SIX MONTHS OF RECEIVING NOTICE

1 OF VIOLATION FROM THE APPROPRIATE GOVERNING BODY AND HAS TAKEN STEPS TO
2 REMEDY THE VIOLATION.

3 7. BECAUSE OF CONDITION OR USE, IS REGARDED AS A PUBLIC NUISANCE OR AN
4 ATTRACTIVE NUISANCE AT COMMON LAW OR HAS BEEN DECLARED A PUBLIC NUISANCE
5 OR AN ATTRACTIVE NUISANCE UNDER A NEW YORK STATUTE OR AN APPLICABLE
6 MUNICIPAL CODE, AND THE OWNER FAILS TO ABATE THE NUISANCE WITHIN SIX
7 MONTHS OF RECEIVING NOTICE OF VIOLATION FROM THE APPROPRIATE GOVERNING
8 BODY.

9 8. DEFECTIVE OR UNUSUAL CONDITIONS OF TITLE THAT MAKE THE FREE TRANS-
10 FER OR ALIENATION OF THE PROPERTY IMPOSSIBLE.

11 9. THAT HAS TAX DELINQUENCIES EXCEEDING THE VALUE OF THE PROPERTY
12 WHERE THE PROPERTY IS OCCUPIED OR UNOCCUPIED.

13 (B) PROPERTY SHALL IN NO CASE BE DECLARED BLIGHTED IF IT MEETS EITHER
14 OF THE FOLLOWING CRITERIA:

15 1. VACANT AND UNIMPROVED PROPERTY LOCATED IN ANY RURAL OR SUBURBAN
16 AREA WHICH IS NOT SERVED BY EXISTING UTILITIES.

17 2. PROPERTY WHICH SATISFIES THE DEFINITION OF "FARM WOODLAND", "LAND
18 USED IN AGRICULTURAL PRODUCTION", "UNIQUE AND IRREPLACEABLE AGRICULTURAL
19 LAND", OR "VIABLE AGRICULTURAL LAND", AS THOSE TERMS ARE DEFINED IN
20 SECTION THREE HUNDRED ONE OF THE AGRICULTURE AND MARKETS LAW.

21 (C) FOR PURPOSES OF THIS SUBDIVISION, A BUILDING CONTAINING MULTIPLE
22 UNITS SHALL BE TREATED AS A SINGLE PROPERTY.

23 (D) FOR PURPOSES OF ACQUIRING MULTIPLE UNITS OF PROPERTY BY EMINENT
24 DOMAIN, AN AREA MAY BE DECLARED BLIGHTED ONLY IF:

25 1. AN AREA IS LOCATED IN AN URBAN OR SUBURBAN AREA GENERALLY SERVED BY
26 UTILITIES AND INFRASTRUCTURE; AND

27 2. SIXTY PERCENT OF THE INDIVIDUAL PARCELS IN THE AREA ARE DECLARED
28 BLIGHTED UNDER PARAGRAPH (A) OF THIS SUBDIVISION AND REPRESENT A MAJORI-
29 TY OF THE GEOGRAPHICAL AREA OF THE PROJECT.

30 (E) A CONDEMNOR MAY USE EMINENT DOMAIN TO ACQUIRE ANY UNIT OF PROPERTY
31 WITHIN A BLIGHTED PROJECT AREA.

32 (F) PROPERTIES OWNED BY A DEVELOPER OR CONDEMNOR INVOLVED IN A REDE-
33 VELOPMENT PROJECT MAY BE INCLUDED IN ANY BLIGHTED PROJECT AREA DETERMI-
34 NATION.

35 (G) FOR PURPOSES OF THIS SUBDIVISION IF A DEVELOPER, CONDEMNOR OR
36 AGENCY INVOLVED IN A REDEVELOPMENT PROJECT HAS CAUSED OR BROUGHT ABOUT
37 BY ACTION OR INACTION OR MAINTAINED FOR MORE THAN SEVEN YEARS A CONDI-
38 TION LISTED IN SUBPARAGRAPH ONE OF PARAGRAPH (A) OF THIS SUBDIVISION
39 WITHIN THE PROPOSED PROJECT AREA, THAT CONDITION MAY NOT BE USED IN THE
40 DETERMINATION OF BLIGHT.

41 (H) FOR PURPOSES OF THIS SUBDIVISION, IF PROPERTY LOCATED IN AN URBAN-
42 IZED AREA GENERALLY SERVED BY MUNICIPAL INFRASTRUCTURE AND UTILITIES
43 MEETS ONE OR MORE OF THE CONDITIONS LISTED IN SUBPARAGRAPH ONE OF PARA-
44 GRAPH (A) OF THIS SUBDIVISION DUE TO FAILURE ON THE PART OF THE APPRO-
45 PRIATE GOVERNING BODY TO PROVIDE NECESSARY UTILITY SERVICES AND/OR
46 INFRASTRUCTURE, THAT CONDITION MAY NOT BE USED IN THE DETERMINATION OF
47 BLIGHT.

48 (I) ANY DECLARATION MADE PURSUANT TO THIS SUBDIVISION SHALL BE VALID
49 FOR A PERIOD OF UP TO TEN YEARS.

50 S 3. Section 10 of section 1 of chapter 174 of the laws of 1968,
51 constituting the New York state urban development corporation act,
52 subdivision (d) as amended by chapter 847 of the laws of 1971, subdivi-
53 sions (e) and (f) as added and subdivisions (g) and (h) as relettered by
54 chapter 839 of the laws of 1987, is amended to read as follows:

55 S 10. Findings of the corporation. Notwithstanding any other provision
56 of this act, the corporation shall not be empowered to undertake the

1 acquisition, construction, reconstruction, rehabilitation or improvement
2 of a project unless the corporation finds:

3 (a) in the case of a residential project:

4 (1) That there exists, in the area in which the project is to be
5 located, or in an area reasonably accessible to such area, a need for
6 safe and sanitary housing accommodations for persons or families of low
7 income, which the operations of private enterprise cannot provide;

8 (2) That the project has been approved as a project of a housing
9 company pursuant to the provisions of the private housing finance law.

10 (b) in the case of an industrial project:

11 (1) That the area in which the project is to be located is [a
12 substandard or insanitary area, or is in danger of becoming a substand-
13 ard or insanitary area, wherein] FOUND TO BE BLIGHTED AND there exists a
14 condition of substantial and persistent unemployment or underemployment;

15 (2) That the acquisition or construction and operation of such project
16 will prevent, eliminate or reduce unemployment or underemployment in
17 such area;

18 (3) That such project shall consist of a building or buildings which
19 are suitable for manufacturing, warehousing or research or other indus-
20 trial, business or commercial purposes[.];

21 (4) That adequate provision has been, or will be made for the payment
22 of the cost of the acquisition, construction, operation, maintenance and
23 upkeep of such project[.];

24 (5) That the acquisition and construction, proposed leasing, operation
25 and use of such project will aid in the development, growth and prosper-
26 ity of the state and the area in which such project is located;

27 (6) That the plans and specifications assure adequate light, air,
28 sanitation and fire protection.

29 (c) in the case of a land use improvement project:

30 (1) That the area in which the project is to be located is [a
31 substandard or insanitary area, or is in danger of becoming a substand-
32 ard or insanitary area] FOUND TO BE BLIGHTED and tends to impair or
33 arrest the sound growth and development of the municipality;

34 (2) That the project consists of a plan or undertaking for the clear-
35 ance, replanning, reconstruction and rehabilitation of such area and for
36 recreational and other facilities incidental or appurtenant thereto;

37 (3) That the plan or undertaking affords maximum opportunity for
38 participation by private enterprise, consistent with the sound needs of
39 the municipality as a whole.

40 (d) in the case of a civic project:

41 (1) That THE AREA IN WHICH THE PROJECT IS TO BE LOCATED IS A BLIGHTED
42 AREA WHEREIN there exists [in the area in which the project is to be
43 located,] a need for the educational, cultural, recreational, community,
44 municipal, public service or other civic facility to be included in the
45 project;

46 (2) That the project shall consist of a building or buildings or other
47 facilities which are suitable for educational, cultural, recreational,
48 community, municipal, public service or other civic purposes;

49 (3) That such project will be leased to or owned by the state or an
50 agency or instrumentality thereof, a municipality or an agency or
51 instrumentality thereof, a public corporation, or any other entity which
52 is carrying out a community, municipal, public service or other civic
53 purpose, and that adequate provision has been, or will be, made for the
54 payment of the cost of acquisition, construction, operation, maintenance
55 and upkeep of the project;

1 (4) That the plans and specifications assure or will assure adequate
2 light, air, sanitation and fire protection.

3 (e) in the case of an industrial effectiveness project:

4 (1) That a feasibility study or productivity assessment exists demon-
5 strating the potential for future profitability of the firm requesting
6 financial assistance and such study or assessment has been reviewed and
7 approved by the commissioner of economic development;

8 (2) That for loans to implement a corporate restructuring or turn-
9 around plan, the management of the industrial firm requesting assistance
10 is capable and the firm has a sound business development plan that
11 includes measures to ensure labor and management cooperation and to
12 effect changes required to continue as a successful business;

13 (3) That the requested financial assistance is not available from
14 other public or private financing sources; and

15 (4) That the area in which the project is to be located is [a
16 substandard or insanitary area, or is in danger of becoming a substand-
17 ard or insanitary area, wherein] FOUND TO BE BLIGHTED AND there exists a
18 condition of substantial and persistent unemployment or underemployment.

19 (f) in the case of a small and medium-sized business assistance
20 project:

21 (1) That the area in which the project will be located is [a substand-
22 ard or insanitary area, or is in danger of becoming a substandard or
23 insanitary area, wherein] FOUND TO BE BLIGHTED AND there exists a condi-
24 tion of substantial and persistent unemployment or underemployment;

25 (2) That the project demonstrates market, management and financial
26 feasibility and has a clear likelihood of success;

27 (3) That the [industrial] firm provides at least a ten percent equity
28 contribution and such contribution is not derived from other govern-
29 mental sources;

30 (4) That the requested financial assistance is not available from
31 other public or private financing sources on terms compatible with the
32 successful completion of the project;

33 (5) That the project will not result in the relocation of any [indus-
34 trial] firm from one municipality within the state to another munici-
35 pality, OR IN THE ABANDONMENT OF ONE OR MORE OF THE FIRMS' PLANTS OR
36 FACILITIES LOCATED WITHIN THE AREA, except under one of the following
37 conditions: (i) when [an industrial] A firm is relocating within a muni-
38 cipality with a population of at least one million where the governing
39 body of such municipality approves such relocation; [or] (ii) the corpo-
40 ration notifies each municipality from which such [industrial] firm will
41 be relocated and each municipality agrees to such relocation; OR (III)
42 THE CORPORATION SHALL DETERMINE ON THE BASIS OF THE APPLICATION BEFORE
43 IT THAT THE PROJECT IS REASONABLY NECESSARY TO DISCOURAGE THE FIRM FROM
44 RELOCATING TO A LOCATION OUTSIDE THE STATE AND TO PRESERVE THE COMPET-
45 ITIVE POSITION OF THE FIRM WITHIN ITS RESPECTIVE INDUSTRY; and

46 (6) That the project is not for the purpose of refinancing any portion
47 of the total project cost or other existing loans or debts of the
48 project sponsor or owner.

49 (g) in the case of all projects, that [there is a feasible method for
50 the relocation of families and individuals displaced from the project
51 area into decent, safe and sanitary dwellings] THE DISPLACEMENT OF RESI-
52 DENTS AND BUSINESSES IS LIMITED TO THE MAXIMUM EXTENT POSSIBLE, AND THAT
53 ALL DISPLACED RESIDENTS AND BUSINESSES WILL BE AFFORDED ADEQUATE COMPEN-
54 SATION AND/OR ASSISTANCE TO BE RELOCATED TO SUBSTANTIALLY COMPARABLE
55 PROPERTIES, which are or will be [provided] LOCATED in the project area
56 or in [other areas] AN AREA REASONABLY PROXIMATE TO THE PROJECT AREA AND

1 not generally less desirable in regard to public utilities and public
2 and commercial facilities, at SUBSTANTIALLY COMPARABLE rents or prices
3 [within the financial means of such families or individuals], and
4 reasonably accessible to their places of DWELLING AND/OR employment.
5 [Insofar as is feasible, the] THE corporation shall offer SUBSTANTIALLY
6 COMPARABLE housing accommodations to [such families and individuals]
7 DISPLACED RESIDENTS in [residential] projects [of the corporation] THAT
8 INCLUDE A RESIDENTIAL COMPONENT, AND INsofar AS IS FEASIBLE, THE CORPO-
9 RATION SHALL ASSIST IN FINDING SUBSTANTIALLY COMPARABLE INDUSTRIAL OR
10 COMMERCIAL ACCOMMODATIONS TO DISPLACED BUSINESSES IN PROJECTS THAT
11 INCLUDE AN INDUSTRIAL OR COMMERCIAL COMPONENT. The corporation may
12 render to business and commercial tenants and [to families or other
13 persons] displaced [from the project area,] RESIDENTS ANY OTHER such
14 assistance as it may deem [necessary to enable them to relocate] APPRO-
15 PRIATE.

16 (h) in the case of all projects, the corporation shall [state the
17 basis for its findings.]:

18 (1) IN THE CASE OF A SINGLE PROPERTY, MAKE WRITTEN FINDINGS IDENTIFY-
19 ING THE SPECIFIC CONDITIONS WHICH RENDER THE PROPERTY BLIGHTED UNDER
20 SUBDIVISION TWELVE OF SECTION THREE OF THIS ACT;

21 (2) IN THE CASE OF MULTIPLE PROPERTIES OR PROJECT AREAS, MAKE WRITTEN
22 FINDINGS DEMONSTRATING THAT THE REQUIREMENTS OF SUBDIVISION TWELVE OF
23 SECTION THREE OF THIS ACT HAVE BEEN MET. IN ORDER TO DEMONSTRATE THAT
24 SIXTY PERCENT OF THE PROPERTIES IN THE AREA ARE INDIVIDUALLY BLIGHTED
25 AND COMPRISE A MAJORITY OF THE GEOGRAPHICAL AREA OF THE PROJECT, EACH
26 BLIGHTED PROPERTY MUST BE IDENTIFIED AND THE SPECIFIC CONDITIONS RENDER-
27 ING IT BLIGHTED UNDER SUBDIVISION TWELVE OF SECTION THREE OF THIS ACT
28 MUST BE IDENTIFIED.

29 S 4. This act shall take effect immediately.