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

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I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sens. PERKINS, DIAZ, HASSELL-THOMPSON, PARKER -- 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 establishing an urban and community development program

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

Section 1. Statement of legislative findings and purpose. The legislature finds that the recent shift in emphasis toward state/local economic development partnerships and state support of regional and local economic development activities requires a clear articulation of strategic objectives, a delineation of respective state/local roles, and a responsive state mechanism for delivering assistance and services.

The legislature further finds that New York state has a broad network of community-based, not-for-profit economic development organizations with a knowledge of community conditions, needs, strengths and priorities and which possess an on-the-scenes knowledge of local business conditions and experience in providing technical assistance to small businesses, managing business retention programs, and providing a variety of other services.

The legislature further finds and declares that the core areas of communities throughout the state, composed of central business districts or commercial strips and their adjacent, surrounding areas, are suffering from deterioration and decline that have negatively affected the abilities of these communities, as a whole, to retain and attract both residents and jobs.

The legislature further finds that the revitalization of central business districts and commercial strips can result in increased property values, an expanded tax base, the development of new businesses, and an enhanced ability to attract and retain industry, tourism and residents

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

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in central business districts and commercial strips and their surrounding areas.

The legislature further finds that state efforts to revitalize such core areas in distressed communities must be coordinated, strengthened and improved to restore the health of those communities.

Therefore, the legislature declares that it is in the interest of the economic vitality of the state to support local efforts to revitalize the core business areas of economically distressed communities through a comprehensive program of management support, technical assistance and targeted project support.

S 2. 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 nine new subdivisions 31, 32, 33, 34, 35, 36, 37, 38 and 39 to read as follows:

(31) "BUSINESS IMPROVEMENT DISTRICT" SHALL MEAN A SPECIAL ASSESSMENT DISTRICT ESTABLISHED PURSUANT TO ARTICLE NINETEEN-A OF THE GENERAL MUNICIPAL LAW.

(32) "BUSINESS DISTRICT" SHALL MEAN THE CENTRAL DISTRICT OF A MUNICIPALITY OR NEIGHBORHOOD AREA TRADITIONALLY USED FOR COMMERCIAL PURPOSES.

(33) "COMMERCIAL REVITALIZATION ACTIVITIES" SHALL MEAN ANY ACTIVITY WHICH CONTRIBUTES TO THE ENHANCEMENT OF AN URBAN OR RURAL BUSINESS DISTRICT OR SURROUNDING AREA. SUCH ACTIVITIES MAY INCLUDE, BUT NOT BE LIMITED TO:

(A) THE ACQUISITION, MAINTENANCE, REPAIR, REHABILITATION OR OTHER IMPROVEMENTS TO VACANT OR OCCUPIED COMMERCIAL, SERVICE OR INDUSTRIAL FACILITIES;

(B) PHYSICAL IMPROVEMENTS TO PUBLIC AREAS SUCH AS STREET FURNITURE, LIGHTING, INFORMATION KIOSKS, TRASH RECEPTACLES, AND OTHER AMENITIES;

(C) PROGRAMS PROVIDING ASSISTANCE FOR SECURITY, JOB PLACEMENT, MARKETING AND PROMOTION, ENERGY CONSERVATION, ARCHITECTURAL DESIGN STUDIES, GENERAL BUSINESS SERVICES AND THE FORMATION OF BUSINESS IMPROVEMENT DISTRICTS.

(34) "COMMERCIAL STRIP" SHALL MEAN A PREDOMINANTLY COMMERCIAL AREA TRADITIONALLY USED FOR COMMERCIAL PURPOSES IN A MAJOR URBAN AREA WHICH MAY NOT BE THE PRIMARY BUSINESS DISTRICT AND WHICH IS ONE OF SEVERAL COMMERCIAL DISTRICTS IN THE MUNICIPALITY IN WHICH IT IS LOCATED.

(35) "ECONOMICALLY DISTRESSED AREAS" SHALL MEAN AREAS DETERMINED BY THE COMMISSIONER OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT ON THE BASIS OF CRITERIA INDICATIVE OF ECONOMIC DISTRESS, INCLUDING POVERTY RATES, NUMBERS OF PERSONS RECEIVING PUBLIC ASSISTANCE, UNEMPLOYMENT RATES, RATE OF EMPLOYMENT DECLINE, POPULATION LOSS, RATE OF PER CAPITA INCOME CHANGE, DECLINE IN ECONOMIC ACTIVITY AND PRIVATE INVESTMENT, AND SUCH OTHER INDICATORS AS THE COMMISSIONER DEEMS APPROPRIATE. ECONOMICALLY DISTRESSED AREAS MAY INCLUDE CITIES, MUNICIPALITIES, BLOCK NUMBERING AREAS, AND CENSUS TRACTS.

(36) "HIGHLY DISTRESSED" SHALL MEAN SUFFERING FROM SEVERE ECONOMIC DISTRESS AS DETERMINED BY THE CORPORATION USING CRITERIA SIMILAR TO THOSE SET FORTH IN ARTICLE EIGHTEEN-B OF THE GENERAL MUNICIPAL LAW FOR DETERMINING ELIGIBILITY FOR EMPIRE ZONE STATUS.

(37) "IN-KIND SERVICES" SHALL MEAN THE DONATION OF QUANTIFIABLE GOODS AND SERVICES INCLUDING BUT NOT LIMITED TO PROFESSIONAL SERVICES AND TIME, EQUIPMENT, MATERIAL AND OFFICE SPACE FOR USE BY AN APPLICANT FOR AN URBAN AND COMMUNITY DEVELOPMENT PROGRAM GRANT IN FURTHERANCE OF ITS STATED PURPOSES OR PROVIDED ON BEHALF OF SUCH APPLICANT BY OTHERS FOR SUCH PURPOSES AND FOR WHICH THERE IS NO MONETARY REMUNERATION.

(38) "NOT-FOR-PROFIT CORPORATION" SHALL MEAN A CORPORATION ORGANIZED UNDER THE PROVISIONS OF THE NOT-FOR-PROFIT CORPORATION LAW.

(39) "SURROUNDING AREA" OR "CONTIGUOUS AREA" SHALL MEAN AN AREA CONTIGUOUS WITH A BUSINESS DISTRICT.

S 3. 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 COMMUNITY DEVELOPMENT PROGRAM. (1) PROGRAM CREATED. THERE IS HEREBY CREATED AN URBAN AND COMMUNITY DEVELOPMENT PROGRAM CONSISTING OF THE FOLLOWING:

(A) AN URBAN AND COMMUNITY MAIN STREET REVITALIZATION PROGRAM PURSUANT TO SUBDIVISION FOUR OF THIS SECTION.

(B) AN URBAN AND COMMUNITY DEVELOPMENT ASSISTANCE GRANTS PROGRAM PURSUANT TO SUBDIVISION FIVE OF THIS SECTION.

(C) AN URBAN AND COMMUNITY PROJECT DEVELOPMENT PROGRAM PURSUANT TO SUBDIVISION SIX OF THIS SECTION.

(D) AN URBAN AND COMMUNITY TRAINING AND TECHNICAL ASSISTANCE PROGRAM PURSUANT TO SUBDIVISION SEVEN OF THIS SECTION.

(2) APPLICATIONS. APPLICATIONS FOR SUPPORT UNDER THIS PROGRAM SHALL BE MADE IN A FORM AND MANNER AS DETERMINED BY THE CORPORATION AND APPLICANTS SHALL BE REQUIRED TO MEET THE CRITERIA AND REQUIREMENTS ESTABLISHED BY THE CORPORATION, INCLUDING BUT NOT LIMITED TO:

(A) FACTORS OF ECONOMIC DISTRESS;

(B) THE ABILITY OF THE APPLICANT TO OBTAIN FINANCIAL AND OTHER SUPPORT, WHERE REQUIRED, FROM PUBLIC OR PRIVATE SOURCES, OTHER THAN THE STATE;

(C) THE EXTENT OF SUPPORT FOR, AND INVOLVEMENT IN, THE PROGRAM OR PROJECT OF UNITS OF LOCAL GOVERNMENT, THE LOCAL BUSINESS COMMUNITY AND LOCAL ECONOMIC DEVELOPMENT PROFESSIONALS;

(D) SUCH OTHER REQUIREMENTS AND CRITERIA AS SET FORTH BY THE CORPORATION.

(3) PREFERENCE. PREFERENCE WILL BE GIVEN TO PROJECTS WHICH ARE LOCATED IN HIGHLY DISTRESSED COMMUNITIES, AND FOR WHICH OTHER PUBLIC OR PRIVATE FUNDING SOURCES ARE NOT AVAILABLE.

(4) URBAN AND COMMUNITY MAIN STREET REVITALIZATION PROGRAM. (A) THERE IS HEREBY ESTABLISHED WITHIN THE URBAN AND COMMUNITY DEVELOPMENT PROGRAM, AN URBAN AND COMMUNITY MAIN STREET REVITALIZATION PROGRAM WHICH SHALL BE USED TO PROVIDE MATCHING GRANTS TO URBAN AND RURAL COMMUNITIES INVOLVED IN COMMERCIAL REVITALIZATION ACTIVITIES IN CENTRAL BUSINESS DISTRICTS OR COMMERCIAL STRIPS TO SUPPORT THE MANAGEMENT OF SUCH ACTIVITIES.

(B) THE CORPORATION SHALL, WITHIN AVAILABLE APPROPRIATIONS, AWARD SUCH GRANTS TO LOCAL DEVELOPMENT CORPORATIONS, BUSINESS IMPROVEMENT DISTRICTS AND OTHER NOT-FOR-PROFIT ORGANIZATIONS INVOLVED IN COMMERCIAL REVITALIZATION ACTIVITIES ON A COMPETITIVE BASIS AND IN RESPONSE TO REQUESTS FOR PROPOSALS THAT SHALL BE DISTRIBUTED TO SUCH ORGANIZATIONS BY THE CORPORATION FOR THE PURPOSE OF SOLICITING APPLICATIONS.

(C) THE GRANTS AWARDED UNDER PARAGRAPHS (F) AND (G) OF THIS SUBDIVISION SHALL BE USED FOR THE ADMINISTRATIVE COSTS OF A COMMERCIAL REVITALIZATION PROGRAM CONDUCTED BY AN INDIVIDUAL, HEREINAFTER REFERRED TO AS THE BUSINESS DISTRICT COORDINATOR, WHOSE PURPOSE SHALL BE TO COORDINATE THE COMMERCIAL REVITALIZATION ACTIVITIES OF A CENTRAL BUSINESS DISTRICT OR COMMERCIAL STRIP.

(D) REQUESTS FOR PROPOSALS UNDER THIS SUBDIVISION SHALL SET FORTH SUCH CRITERIA AS THE CORPORATION DEEMS NECESSARY, INCLUDING THOSE SET FORTH

IN SUBDIVISION TWO OF THIS SECTION AND INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

(I) THE POTENTIAL IMPACT THE PROPOSED COMMERCIAL REVITALIZATION PROJECT WOULD HAVE ON ECONOMIC DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES IN THE MAIN STREET COMMUNITY AND THE REGION;

(II) DETERMINATION BY THE CORPORATION OF THE EXISTENCE OF SIGNIFICANT SUPPORT FOR SUCH ACTIVITIES FROM THE LOCAL BUSINESS COMMUNITY, LOCAL GOVERNMENT AND COMMUNITY ORGANIZATIONS WITHIN THE MAIN STREET COMMUNITY, INCLUDING THE COMMITMENT OF FINANCIAL RESOURCES; AND

(III) THE POTENTIAL FOR THE COMMUNITY TO ESTABLISH A BUSINESS IMPROVEMENT DISTRICT.

(E) RURAL COMMERCIAL REVITALIZATION PLANNING GRANTS. (I) NOT-FOR-PROFIT CORPORATIONS LOCATED WITHIN MUNICIPALITIES WITH POPULATIONS NOT IN EXCESS OF FIFTY THOUSAND PERSONS SHALL BE ELIGIBLE TO APPLY FOR COMMERCIAL REVITALIZATION PLANNING GRANTS FROM THE CORPORATION. SUCH GRANTS SHALL BE USED FOR THE PLANNING AND ORGANIZATION OF COMMERCIAL REVITALIZATION ACTIVITIES INCLUDING AN ANALYSIS OF THE SPECIFIC NEEDS OF THE COMMUNITY IN ADDITION TO BOTH SHORT-TERM AND LONG-TERM STRATEGIES FOR MEETING THOSE NEEDS.

(II) GRANTS MADE UNDER THIS PARAGRAPH SHALL BE LIMITED TO FORTY PERCENT OF THE ACTUAL COSTS FOR PLANNING AND ORGANIZING OF COMMERCIAL REVITALIZATION ACTIVITIES, AND SHALL NOT EXCEED FIVE THOUSAND DOLLARS PER GRANT, PROVIDED, HOWEVER, THAT IN HIGHLY DISTRESSED COMMUNITIES SUCH GRANTS SHALL BE LIMITED TO SIXTY PERCENT OF SUCH COSTS. NO COMMUNITY MAY RECEIVE MORE THAN ONE GRANT UNDER THIS PARAGRAPH.

(F) MANAGEMENT ASSISTANCE FOR RURAL COMMUNITIES. (I) NOT-FOR-PROFIT CORPORATIONS LOCATED WITHIN MUNICIPALITIES WITH POPULATIONS NOT IN EXCESS OF FIFTY THOUSAND PERSONS SHALL BE ELIGIBLE TO APPLY FOR GRANTS FOR THE ADMINISTRATION OF COMMERCIAL REVITALIZATION ACTIVITIES IN THEIR BUSINESS DISTRICTS. PREFERENCE WILL BE GIVEN TO COMMUNITIES WHICH HAVE A COMPREHENSIVE LOCAL PLAN FOR COMMERCIAL REVITALIZATION.

(II) THE GRANTS AWARDED UNDER THIS PARAGRAPH SHALL BE USED FOR THE ADMINISTRATIVE COSTS OF A COMMERCIAL REVITALIZATION PROGRAM CONDUCTED BY AN INDIVIDUAL, HEREINAFTER REFERRED TO AS THE MAIN STREET COORDINATOR, WHOSE PURPOSE SHALL BE TO COORDINATE THE COMMERCIAL REVITALIZATION ACTIVITIES OF THE BUSINESS DISTRICT. EACH SUCH GRANT SHALL BE LIMITED TO FORTY PERCENT OF THE ACTUAL COSTS OF ADMINISTERING SUCH ACTIVITIES BY THE MAIN STREET COORDINATOR FOR THE FIRST YEAR OF THE GRANT; IN THE SECOND YEAR OF THE GRANT, SUCH GRANT SHALL BE LIMITED TO THIRTY PERCENT OF THE ACTUAL COSTS; AND IN THE THIRD YEAR OF THE GRANT, SUCH GRANT SHALL BE LIMITED TO TWENTY PERCENT OF THE ACTUAL COSTS, EXCEPT THAT FOR GRANTS MADE TO SUPPORT A MAIN STREET COORDINATOR LOCATED IN A HIGHLY DISTRESSED AREA, SUCH GRANTS MAY BE INCREASED TO COVER ADDITIONAL COSTS EQUAL TO TEN PERCENT OF TOTAL COSTS IN EACH YEAR. THE CORPORATION SHALL DETERMINE THE MAXIMUM DOLLAR AMOUNT PERMISSIBLE FOR EACH SUCH GRANT. NO ORGANIZATION SHALL BE ELIGIBLE TO APPLY FOR OR RECEIVE SUCH GRANTS AFTER THE THIRD YEAR OF SUPPORT UNDER THIS SUBDIVISION.

(III) EACH MAIN STREET COORDINATOR WHOSE ADMINISTRATIVE ACTIVITIES ARE SUPPORTED BY A GRANT AWARDED UNDER THIS PARAGRAPH SHALL SUCCESSFULLY COMPLETE A TRAINING PROGRAM CONDUCTED BY THE CORPORATION PURSUANT TO PARAGRAPH (A) OF SUBDIVISION SEVEN OF THIS SECTION.

(G) MANAGEMENT ASSISTANCE FOR URBAN AREAS. (I) NOT-FOR-PROFIT CORPORATIONS LOCATED WITHIN MUNICIPALITIES WITH POPULATIONS IN EXCESS OF FIFTY THOUSAND PERSONS SHALL BE ELIGIBLE TO APPLY FOR GRANTS FOR THE ADMINISTRATION OF COMMERCIAL REVITALIZATION ACTIVITIES IN THEIR BUSINESS DISTRICTS.

(II) THE GRANTS AWARDED UNDER THIS SUBDIVISION SHALL BE USED FOR THE ADMINISTRATIVE COSTS OF A COMMERCIAL REVITALIZATION PROGRAM CONDUCTED BY AN INDIVIDUAL, HEREINAFTER REFERRED TO AS THE STRIP COORDINATOR, WHOSE PURPOSE SHALL BE TO COORDINATE THE COMMERCIAL REVITALIZATION ACTIVITIES OF THE BUSINESS DISTRICT. EACH SUCH GRANT SHALL BE LIMITED TO FORTY PERCENT OF THE ACTUAL COSTS OF ADMINISTERING SUCH ACTIVITIES BY THE STRIP COORDINATOR FOR THE FIRST YEAR OF THE GRANT; IN THE SECOND YEAR OF THE GRANT, SUCH GRANT SHALL BE LIMITED TO THIRTY PERCENT OF THE ACTUAL COSTS; AND IN THE THIRD YEAR OF THE GRANT, SUCH GRANT SHALL BE LIMITED TO TWENTY PERCENT OF THE ACTUAL COSTS, EXCEPT THAT FOR GRANTS MADE TO SUPPORT A MAIN STREET COORDINATOR LOCATED IN A HIGHLY DISTRESSED AREA, SUCH GRANTS MAY BE INCREASED TO COVER ADDITIONAL COSTS EQUAL TO TEN PERCENT OF TOTAL COSTS IN EACH YEAR. THE CORPORATION SHALL DETERMINE THE MAXIMUM DOLLAR AMOUNT PERMISSIBLE FOR EACH SUCH GRANT. NO ORGANIZATION SHALL BE ELIGIBLE TO APPLY FOR OR RECEIVE SUCH GRANTS AFTER THE THIRD YEAR OF SUPPORT UNDER THIS SUBDIVISION.

(III) EACH STRIP COORDINATOR WHOSE ADMINISTRATIVE ACTIVITIES ARE SUPPORTED BY A GRANT AWARDED UNDER THIS PARAGRAPH SHALL SUCCESSFULLY COMPLETE A TRAINING PROGRAM CONDUCTED BY THE CORPORATION PURSUANT TO PARAGRAPH (A) OF SUBDIVISION SEVEN OF THIS SECTION.

(H) THE CORPORATION SHALL PROVIDE TECHNICAL ASSISTANCE FOR COMMERCIAL REVITALIZATION PROGRAMS. SUCH ASSISTANCE SHALL INCLUDE ESTABLISHING AND IMPLEMENTING A TRAINING PROGRAM FOR MAIN STREET COORDINATORS AND STRIP COORDINATORS. IN ADDITION THE CORPORATION SHALL CONDUCT ON-SITE SURVEYS OF BUSINESS DISTRICTS IN ECONOMICALLY DISTRESSED AREAS, MONITOR AND ASSIST COMMUNITIES FORMING BUSINESS IMPROVEMENT DISTRICTS, AND ORGANIZE AND COORDINATE SEMINARS AND CONFERENCES TO FACILITATE THE EXCHANGE OF INFORMATION REGARDING COMMERCIAL REVITALIZATION STRATEGIES.

(I) NOTWITHSTANDING ANYTHING CONTAINED TO THE CONTRARY IN THIS SUBDIVISION, SECTIONS TEN AND SIXTEEN OF THIS ACT SHALL NOT APPLY TO ANY GRANTS AUTHORIZED UNDER THIS SUBDIVISION.

(5) URBAN AND COMMUNITY DEVELOPMENT ASSISTANCE GRANTS PROGRAM. (A) THERE IS HEREBY ESTABLISHED WITHIN THE URBAN AND COMMUNITY DEVELOPMENT PROGRAM, AN URBAN AND COMMUNITY DEVELOPMENT ASSISTANCE GRANTS PROGRAM WHICH SHALL BE USED TO PROVIDE SUPPORT TO LOCAL DEVELOPMENT CORPORATIONS, BUSINESS IMPROVEMENT DISTRICTS AND OTHER NOT-FOR-PROFIT ORGANIZATIONS FOR ACTIVITIES SET FORTH IN PARAGRAPH (C) OF THIS SUBDIVISION.

(B) THE CORPORATION SHALL, WITHIN AVAILABLE APPROPRIATIONS, AWARD SUCH GRANTS TO LOCAL DEVELOPMENT CORPORATIONS, BUSINESS IMPROVEMENT DISTRICTS AND OTHER NOT-FOR-PROFIT ORGANIZATIONS INVOLVED IN COMMERCIAL REVITALIZATION ACTIVITIES IN CENTRAL BUSINESS DISTRICTS OR COMMERCIAL STRIPS AND THEIR SURROUNDING AREAS ON A COMPETITIVE BASIS AND IN RESPONSE TO REQUESTS FOR PROPOSALS THAT SHALL BE DISTRIBUTED TO SUCH ORGANIZATIONS BY THE CORPORATION FOR THE PURPOSE OF SOLICITING APPLICATIONS.

(C) SUCH ACTIVITIES MAY INCLUDE, BUT NOT BE LIMITED TO:

(I) ARCHITECTURAL DESIGN STUDIES AND SERVICES AND OTHER REDEVELOPMENT WORK IN CONNECTION WITH THE DESIGN AND IMPLEMENTATION OF A PLAN FOR FACADE AND OTHER IMPROVEMENTS TO COMMERCIAL STRIPS AND CENTRAL BUSINESS DISTRICTS THROUGHOUT NEW YORK STATE;

(II) MARKETING AND PROMOTIONAL ACTIVITIES;

(III) JOB PLACEMENT PROGRAMS;

(IV) SECURITY ASSISTANCE;

(V) ENERGY AUDIT PROGRAMS;

(VI) ASSISTANCE IN FORMING BUSINESS IMPROVEMENT DISTRICTS;

(VII) STUDIES, SURVEYS OR REPORTS, INCLUDING FEASIBILITY STUDIES AND PRELIMINARY PLANNING STUDIES TO:

(A) ASSESS A PARTICULAR SITE OR STUDY FOR ANY ECONOMIC DEVELOPMENT PURPOSE OTHER THAN RESIDENTIAL;

(B) ASSESS THE FEASIBILITY OF ORGANIZING A DISTRICT MANAGEMENT ASSOCIATION FOR A BUSINESS IMPROVEMENT DISTRICT;

(C) IDENTIFY DEVELOPMENT OPPORTUNITIES WITHIN ESTABLISHED BUSINESS IMPROVEMENT DISTRICTS;

(D) CONDUCT FEASIBILITY OR PLANNING STUDIES IN RELATION TO THE ACQUISITION, CONSTRUCTION, OR RENOVATION OF COMMERCIAL, INDUSTRIAL OR MIXED-USE FACILITIES OR DEVELOPMENTS; OR

(E) ANALYZING THE SPECIFIC NEEDS OF THE COMMUNITY IN ADDITION TO BOTH SHORT-TERM AND LONG-TERM STRATEGIES FOR MEETING THOSE NEEDS.

(D) GRANTS MADE UNDER THIS SUBDIVISION SHALL:

(I) NOT BE USED FOR SALARIES, PUBLIC IMPROVEMENTS, OR SERVICES CURRENTLY PROVIDED BY THE LOCAL OR STATE GOVERNMENT.

(II) BE LIMITED TO FIFTY PERCENT OF THE ACTUAL COST OF THE PROPOSED ACTIVITIES, AND SHALL NOT EXCEED FORTY THOUSAND DOLLARS PER GRANT, EXCEPT THAT FOR PROJECTS LOCATED IN EMPIRE ZONES AND THEIR SURROUNDING AREAS OR IN HIGHLY DISTRESSED AREAS AND THEIR SURROUNDING AREAS SUCH GRANTS MAY BE MADE FOR UP TO SIXTY PERCENT OF PROJECT COSTS.

(III) BE LIMITED TO ONE PROJECT GRANT PER YEAR UNDER THIS SUBDIVISION FOR ANY ONE ELIGIBLE NOT-FOR-PROFIT CORPORATION.

(E) GRANTS MADE PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (C) OF THIS SUBDIVISION MAY INCLUDE MONIES AVAILABLE FOR INDIVIDUAL PROPERTY OWNERS AND/OR TENANTS WHO AGREE TO IMPROVE THEIR PROPERTY IN ACCORDANCE WITH A FEASIBLE DESIGN PLAN, PROVIDED THAT, SUCH INDIVIDUAL PROPERTY OWNERS AND/OR TENANTS MATCH THE AMOUNT OF ANY GRANT AWARDED TO THEM.

(F) TO BE ELIGIBLE FOR GRANTS UNDER THIS SUBDIVISION, APPLICANTS SHALL BE REQUIRED TO DEMONSTRATE THE EXISTENCE OF EFFECTIVE COMMERCIAL REVITALIZATION MANAGEMENT IN THE BUSINESS DISTRICT OR COMMERCIAL STRIP WHERE APPROPRIATE.

(G) NOTWITHSTANDING ANYTHING CONTAINED TO THE CONTRARY IN THIS SUBDIVISION, SECTION SIXTEEN OF THIS ACT SHALL NOT APPLY TO ANY GRANTS AUTHORIZED UNDER SUBPARAGRAPH (I) OF PARAGRAPH (C) OF THIS SUBDIVISION, AND SECTION TEN AND SUBDIVISION TWO OF SECTION SIXTEEN OF THIS ACT SHALL NOT APPLY TO SUBPARAGRAPHS (II) THROUGH (VII) OF PARAGRAPH (C) OF THIS SUBDIVISION.

(6) URBAN AND COMMUNITY PROJECT DEVELOPMENT PROGRAM. (A) THERE IS HEREBY ESTABLISHED WITHIN THE URBAN AND COMMUNITY DEVELOPMENT PROGRAM AN URBAN AND COMMUNITY PROJECT DEVELOPMENT PROGRAM WHICH SHALL BE USED TO PROVIDE LOANS FOR PROJECTS AS SET FORTH IN PARAGRAPH (B) OF THIS SUBDIVISION, AND TO PROVIDE PROJECT DEVELOPMENT ASSISTANCE BY THE CORPORATION ACTING AS A PROJECT DEVELOPER PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION.

(B) PROJECT DEVELOPMENT LOANS. (I) THE CORPORATION MAY MAKE LOANS FOR DEVELOPMENT IN CENTRAL BUSINESS DISTRICTS AND COMMERCIAL STRIPS LOCATED IN EMPIRE ZONES DESIGNATED PURSUANT TO ARTICLE EIGHTEEN-B OF THE GENERAL MUNICIPAL LAW, AND THEIR SURROUNDING AREAS, OR IN HIGHLY DISTRESSED AREAS, AND THEIR SURROUNDING AREAS, FOR THE ACQUISITION, RENOVATION, AND CONSTRUCTION OF DEVELOPMENT PROJECTS, OTHER THAN RESIDENTIAL PROJECTS, AUTHORIZED PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT AND FOR WHICH NO OTHER FUNDS OF THE CORPORATION ARE AVAILABLE WITH THE EXCEPTION OF ANY APPROPRIATION MADE FOR THIS PROGRAM.

(II) SUCH PROJECTS SHALL BE RELATED TO THE IMPLEMENTATION OF NECESSARY CONSTRUCTION AND RECONSTRUCTION PROJECTS IDENTIFIED OR PLANNED UNDER GRANTS RECEIVED PURSUANT TO SUBPARAGRAPHS (I) AND (VII) OF PARAGRAPH (C) OF SUBDIVISION FIVE OF THIS SECTION.

(III) LOANS MADE TO DEVELOPERS FOR SUCH CONSTRUCTION OR RECONSTRUCTION SHALL NOT EXCEED FIFTY PERCENT OF TOTAL PROJECT COSTS AND SHALL BE LOCATED IN EMPIRE ZONES DESIGNATED PURSUANT TO ARTICLE EIGHTEEN-B OF THE GENERAL MUNICIPAL LAW OR IN HIGHLY DISTRESSED COMMUNITIES, AND THEIR SURROUNDING AREAS.

(IV) PROJECTS INTENDED TO BE PUBLICLY-OWNED SHALL NOT BE ELIGIBLE FOR FINANCIAL ASSISTANCE IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION OR RENOVATION OF A FACILITY OR DEVELOPMENT HEREUNDER UNLESS SUCH PROJECT IS LEASED TO A PRIVATE ENTERPRISE.

(C) PROJECT DEVELOPMENT ASSISTANCE. (I) THE CORPORATION MAY ACT AS DEVELOPER IN THE ACQUISITION, RENOVATION, CONSTRUCTION, LEASING OR SALE OF DEVELOPMENT PROJECTS, OTHER THAN RESIDENTIAL PROJECTS, AUTHORIZED PURSUANT TO THIS ACT IN ORDER TO STIMULATE THE DEVELOPMENT OF COMMUNITIES.

(II) IN ACTING AS A DEVELOPER, THE CORPORATION MAY BORROW FOR PURPOSES OF THIS PARAGRAPH FOR APPROVED PROJECTS IN WHICH THE LENDER'S RECOURSE IS SOLELY TO THE ASSETS OF THE PROJECT, AND MAY MAKE SUCH ARRANGEMENTS AND AGREEMENTS WITH COMMUNITY-BASED ORGANIZATIONS AND LOCAL DEVELOPMENT CORPORATIONS AS REQUIRED TO CARRY OUT THE PURPOSE OF THIS SECTION.

(III) PRIOR TO DEVELOPING ANY SUCH PROJECT, THE CORPORATION SHALL SECURE A FIRM COMMITMENT FROM ENTITIES, INDEPENDENT OF THE CORPORATION, FOR EITHER PURCHASE OR LEASE OF SUCH PROJECTS.

(IV) PROJECTS AUTHORIZED UNDER THIS PARAGRAPH WHETHER DEVELOPED BY THE CORPORATION OR A PRIVATE DEVELOPER, MUST BE LOCATED IN EITHER STATE-DESIGNATED EMPIRE ZONES OR IN HIGHLY DISTRESSED COMMUNITIES.

(V) THE CORPORATION, FOR PURPOSES OF THIS PARAGRAPH SHALL ONLY SELECT PROJECTS THAT HAVE PROJECT COSTS ESTIMATED TO BE BETWEEN ONE MILLION DOLLARS AND THREE MILLION DOLLARS OF WHICH THE CORPORATION'S PARTICIPATION SHALL NOT EXCEED SIXTY PERCENT OF THE TOTAL AND FOR WHICH THERE IS AN ECONOMIC DEMAND FOR THE PROJECT IN THE PARTICULAR COMMUNITY.

(D) THE CORPORATION SHALL SELECT POTENTIAL PROJECTS UNDER THIS SUBDIVISION THROUGH A COMPETITIVE PROCESS SUCH AS A REQUEST FOR PROPOSAL PROCESS DISTRIBUTED TO LOCAL DEVELOPMENT CORPORATIONS AND OTHERS IN SUCH COMMUNITIES.

(E) THE CORPORATION SHALL:

(I) DETERMINE WHETHER A FEASIBILITY STUDY IS NECESSARY TO FURTHER ANALYZE SELECTED PROJECTS;

(II) RECOMMEND APPLICATION OF SUCH PROJECTS TO THE URBAN AND COMMUNITY DEVELOPMENT ASSISTANCE GRANTS PROGRAM PURSUANT TO SUBDIVISION FIVE OF THIS SECTION FOR FUNDING, IF APPROPRIATE, OR CONDUCT A FEASIBILITY ANALYSIS ITSELF; AND

(III) IN ACCORDANCE WITH RULES AND REGULATIONS TO BE PROMULGATED BY THE CORPORATION, DETERMINE WHICH PROJECTS WILL BE DEVELOPED.

(7) URBAN AND COMMUNITY TRAINING AND TECHNICAL ASSISTANCE PROGRAM. THERE IS HEREBY ESTABLISHED WITHIN THE URBAN AND COMMUNITY DEVELOPMENT PROGRAM AN URBAN AND COMMUNITY TRAINING AND TECHNICAL ASSISTANCE PROGRAM. THE CORPORATION SHALL, FROM APPROPRIATIONS MADE AVAILABLE FOR THESE PURPOSES:

(A) PROVIDE TECHNICAL ASSISTANCE FOR COMMERCIAL REVITALIZATION PROGRAMS, INCLUDING ESTABLISHING AND IMPLEMENTING A TRAINING PROGRAM FOR BUSINESS DISTRICT STREET COORDINATORS, WHO REQUEST OR WHO ARE REQUESTED BY THE CORPORATION, TO UNDERGO SUCH TRAINING PURSUANT TO SUBDIVISION FOUR OF THIS SECTION.

(B) CONDUCT ON-SITE SURVEYS OF BUSINESS DISTRICTS IN ECONOMICALLY DISTRESSED AREAS, MONITOR AND ASSIST COMMUNITIES FORMING BUSINESS

IMPROVEMENT DISTRICTS, AND ORGANIZE AND COORDINATE SEMINARS AND CONFERENCES TO FACILITATE THE EXCHANGE OF INFORMATION REGARDING COMMERCIAL REVITALIZATION STRATEGIES.

(C) DEVELOP THE CAPACITY OF URBAN AND COMMUNITY ORGANIZATIONS TO UNDERTAKE ECONOMIC DEVELOPMENT INITIATIVES THROUGH:

(I) CONDUCTING OUTREACH TO COMMUNITIES IN AREAS WHERE LITTLE, IF ANY, ECONOMIC DEVELOPMENT CAPACITY EXISTS, INCLUDING UNDERTAKING, WHERE NEEDED, PROJECT PLANNING AND MANAGEMENT FOR SUCH COMMUNITIES TO IMPLEMENT SPECIFIC PROJECTS.

(II) PROVIDING ASSISTANCE TO SUCH COMMUNITIES, WHERE NECESSARY, IN ORGANIZING FOR ECONOMIC DEVELOPMENT, ANALYZING POTENTIAL DEVELOPMENT OPPORTUNITIES OR OBSTACLES TO DEVELOPMENT, AND DEVELOPING ECONOMIC DEVELOPMENT STRATEGIES.

(III) PROVIDING TRAINING AND TECHNICAL AND FINANCIAL PACKAGING ASSISTANCE TO NOT-FOR-PROFIT COMMUNITY DEVELOPMENT AND ECONOMIC DEVELOPMENT ORGANIZATIONS, EITHER DIRECTLY BY THE CORPORATION, INCLUDING THE DEPLOYMENT OF CIRCUIT RIDERS TO PROVIDE ONGOING ASSISTANCE, AND THROUGH GRANTS TO NOT-FOR-PROFIT THIRD PARTY PROVIDERS OF SUCH SERVICES.

(IV) CONTRACTING WITH NOT-FOR-PROFIT THIRD PARTIES FOR THE PURPOSE OF PROVIDING TECHNICAL ASSISTANCE TO MUNICIPALITIES, NOT-FOR-PROFIT ORGANIZATIONS, LOCAL DEVELOPMENT CORPORATIONS, LOCAL EMPIRE ZONE ADMINISTRATIVE BOARDS, OR BUSINESS IMPROVEMENT DISTRICTS TO ANALYZE POTENTIAL DEVELOPMENT OPPORTUNITIES OR OBSTACLES.

(V) ESTABLISH A COMMUNITY REVITALIZATION ECONOMIC SELF-HELP PROGRAM TO ASSIST PUBLIC OFFICIALS, COMMUNITY LEADERS, ECONOMIC DEVELOPMENT AND COMMUNITY GROUPS TO UNDERTAKE AN ECONOMIC DEVELOPMENT PLANNING PROCESS AND TO ORGANIZE FOR ECONOMIC DEVELOPMENT.

(A) ELIGIBLE APPLICANTS FOR ASSISTANCE UNDER THIS PARAGRAPH SHALL CONSIST OF A MUNICIPALITY OR A CONSORTIUM OF MUNICIPALITIES FROM A REGION OF THE STATE, SUCH REGIONS AS ESTABLISHED BY THE COMMISSIONER OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT PURSUANT TO SECTION TWO HUNDRED THIRTY OF THE ECONOMIC DEVELOPMENT LAW.

(B) EACH TRAINING PROGRAM SHALL REQUIRE EACH PARTICIPATING MUNICIPALITY TO:

(1) ESTABLISH AN ECONOMIC DEVELOPMENT PLANNING GROUP;

(2) UNDERTAKE A COMMUNITY PROFILE AND NEEDS ASSESSMENT;

(3) UNDERTAKE LABOR MARKET AND RESOURCE SURVEYS; AND

(4) PRODUCE A FIVE-YEAR STRATEGIC PLAN AND A ONE-YEAR WORK PROGRAM.

(C) REQUESTS FROM MUNICIPALITIES OR CONSORTIA OF MUNICIPALITIES FOR TECHNICAL ASSISTANCE UNDER THIS SECTION SHALL BE MADE DIRECTLY TO THE CORPORATION OR THROUGH THE REGIONAL OFFICES OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT.

(D) THE CORPORATION IS AUTHORIZED TO ENTER INTO COOPERATIVE AGREEMENTS WITH STATEWIDE AND REGIONAL ECONOMIC DEVELOPMENT ORGANIZATIONS IN NEW YORK STATE, ACTING AS CONSULTANTS, TO CONDUCT JOINT TRAINING PROGRAMS TO TRAIN AND EDUCATE LOCAL OFFICIALS AND ECONOMIC DEVELOPMENT PRACTITIONERS PURSUANT TO THIS PARAGRAPH. ANY CONTRACT FOR SERVICES WITH SUCH ORGANIZATIONS SHALL NOT EXCEED THE SUM OF FIFTY THOUSAND DOLLARS FOR THE CONDUCT OF EACH TRAINING PROGRAM.

(E) PARTICIPATING MUNICIPALITIES SHALL BE REQUIRED TO PROVIDE MATCHING FUNDS IN AN AMOUNT AT LEAST EQUAL TO ANY FUNDS PROVIDED BY THE CORPORATION UNDER SUBDIVISION FOUR OF THIS SECTION.

(F) THE CORPORATION SHALL, FOR ASSISTANCE PROVIDED IN THIS PROGRAM, DEVELOP AND USE STANDARD PROJECT PROGRAM APPLICATIONS PURSUANT TO RULES AND REGULATIONS, WHICH SHALL BE PROMULGATED BY THE CORPORATION IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT. RULES AND REGU-

LATIONS SHALL BE CONSISTENT WITH THE PROGRAM PLAN REQUIRED BY SUBDIVISION NINETEEN OF SECTION ONE HUNDRED OF THE ECONOMIC DEVELOPMENT LAW.

(8) THE DIRECTOR OF THE BUDGET SHALL NOT ISSUE ANY CERTIFICATE OF APPROVAL OF AVAILABILITY UNTIL THE CORPORATION HAS ENTERED INTO A WRITTEN MASTER AGREEMENT WITH THE DIRECTOR OF THE BUDGET PROVIDING FOR REPAYMENT BY SUCH CORPORATION TO THE STATE OF NEW YORK OF ALL AMOUNTS EXPENDED BY THE STATE FROM SUCH APPROPRIATION FOR LOANS, ON TERMS WHICH MAY INCLUDE INTEREST THEREON AT A RATE PER ANNUM TO BE DETERMINED BY THE DIRECTOR OF THE BUDGET AND A COPY OF SUCH AGREEMENT SHALL BE FILED WITH THE STATE COMPTROLLER, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN OF THE ASSEMBLY WAYS AND MEANS COMMITTEE.

(9) THE STATE COMPTROLLER IS HEREBY AUTHORIZED TO RECEIVE FROM THE CORPORATION REIMBURSEMENT OF MONEYS EXPENDED FROM THIS APPROPRIATION AND TO DEPOSIT THE SAME TO THE CREDIT OF THE CAPITAL PROJECTS FUND.

(10) THE CORPORATION SHALL STREAMLINE THE REVIEW AND APPROVAL PROCESS FOR PROJECTS AND WHEREVER POSSIBLE STANDARDIZE ALL RELEVANT ATTENDANT DOCUMENTATION AND LEGAL DOCUMENTS.

(11) NOTWITHSTANDING THE PROVISIONS OF SECTION FORTY-A OF THE STATE FINANCE LAW AND ANY OTHER GENERAL OR SPECIAL LAW, SUCH WRITTEN AGREEMENT SHALL NOT REQUIRE REPAYMENT AT ANY TIME OR ON ANY TERMS INCONSISTENT WITH THE PROVISIONS OF THIS ACT OR THE NEW YORK STATE PROJECT FINANCE AGENCY ACT. EXCEPT, HOWEVER, THAT THE CORPORATION MAY MAKE GRANTS TO PROJECTS USING FUNDS APPROPRIATED FOR THIS PURPOSE AND THAT THE REPAYMENT PROVISION MAY NOT APPLY TO SUCH GRANTS.

(12) REPORT. THE CORPORATION SHALL: (A) MONITOR THE PERFORMANCE OF EACH RECIPIENT OF A GRANT OR CONTRACT UNDER THE PROVISIONS OF THIS ARTICLE AND REQUIRE PERIODIC AND ANNUAL REPORTS FROM EACH SUCH RECIPIENT AT SUCH TIME AND IN SUCH A MANNER AS PRESCRIBED BY THE CHAIRMAN.

(B) EVALUATE THE URBAN AND COMMUNITY ECONOMIC DEVELOPMENT PROGRAM REPORT, ON OR BEFORE OCTOBER FIRST NEXT SUCCEEDING THE EFFECTIVE DATE OF THIS SUBDIVISION, AND ON OR BEFORE EACH OCTOBER FIRST THEREAFTER, THE RESULTS OF SUCH EVALUATION TO THE GOVERNOR AND THE LEGISLATURE. SUCH REPORT SHALL DISCUSS THE VARIETY AND TYPES OF PROGRAMS SUPPORTED BY THE CORPORATION UNDER THIS PROGRAM; AND, AS APPROPRIATE, THE EXTENT TO WHICH THE PROGRAM HAS SERVED TO CREATE AND MAINTAIN JOBS; THE EXTENT TO WHICH THE PROGRAM HAS HELPED TO INCREASE THE VITALITY OF LOCAL COMMUNITIES; THE EXTENT TO WHICH THE PROGRAM IS COORDINATED WITH OTHER RELATED STATE AND LOCAL ASSISTANCE PROGRAMS; THE EXTENT TO WHICH THE PROGRAM SERVES MINORITIES AND WOMEN; THE EXTENT TO WHICH THE PROGRAM SERVES URBAN AND RURAL AREAS; THE EXTENT TO WHICH THE PROGRAM SERVES ECONOMICALLY DISTRESSED AND HIGHLY DISTRESSED AREAS; THE EXTENT TO WHICH THE PROGRAM HAS HELPED TO INCREASE THE CAPACITY OF LOCAL GOVERNMENTS AND ORGANIZATIONS TO UNDERTAKE ECONOMIC DEVELOPMENT ACTIVITIES; AND SUCH OTHER COMPONENTS AS THE COMMISSIONER SHALL DEEM APPROPRIATE; AND SHALL RECOMMEND CHANGES AND IMPROVEMENTS IN THE PROGRAM.

(C) SUBMIT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE, AN EVALUATION OF PROGRAM EFFECTIVENESS PREPARED BY AN ENTITY INDEPENDENT OF THE DEPARTMENT. SUCH EVALUATION SHALL BE SUBMITTED BY OCTOBER FIRST TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SUBDIVISION AND SHALL INCLUDE, BUT NOT BE LIMITED TO, INFORMATION ON AND ASSESSMENT OF THE COMPONENTS REQUIRED TO BE INCLUDED IN THE ANNUAL REPORT OF THE CORPORATION, PURSUANT TO THIS SUBDIVISION.

S 4. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.