§ 212. Purposes, powers and operation. 1. (a) The purposes of such corporation shall be to assist, promote, encourage and, through the cooperative efforts of the institutions and corporations which shall, from time to time, become members thereof, develop and advance the business prosperity and economic welfare of the state; to encourage and assist in the location of new business and industry in the state and to rehabilitate and retain existing business and industry; to stimulate and assist in the expansion of all kinds of business activity which will tend to promote the business development and maintain the economic stability of the state, provided maximum opportunities for employment, encourage thrift and improve the standard of living of the citizens of the state; to cooperate and act in conjunction with other organizations, public or private, the objects of which are the promotion and advancement of industrial, commercial, agricultural and recreational developments in the state; to furnish money and credit to approved and deserving applicants, for the promotion, development and conduct of all kinds of business activity in the state, thereby establishing a source of credit not otherwise readily available; and to provide financial assistance in the form of loans to small businesses unable to obtain financing from other private sources, including, but not limited to, assistance to women and minority-owned business enterprises and small businesses located in economically distressed areas. For the purposes of this article, "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.

(b) The corporation shall undertake the following programs in furtherance of the above objectives: (i) establish regional offices at locations throughout New York, with sufficient staffing to advise, develop and package financial assistance for small and medium sized businesses; (ii) develop a comprehensive outreach program to increase the visibility and awareness of the corporation's programs, including

allocating budget and staff to establish and maintain an aggressive and extensive marketing program of the corporation's program of assistance to small and medium sized businesses, providing for specific outreach to minority and women-owned enterprises, and entering into cooperative relationships with local chambers of commerce, local development agencies, local development corporations and other community based financial intermediaries as set forth in subdivision three of this section; (iii) establish and operate, or affiliate with a small business investment company and a specialized small business investment company; (iv) establish a pilot export financing program, using personnel from the private sector, to evaluate whether the corporation can play a significant role in the growth of the export industry in the state and (v) establish a program in cooperation with the empire state development corporation that shall focus on small businesses located in highly distressed areas and minority and women-owned business enterprises (MWBEs) as such designations are defined by the New York state urban development corporation act, through which the corporation shall be authorized to: (A) act as third-party agent for the capital access program established by section sixteen-k of section one of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, constituting the urban development corporation act; (B) process, fund and approve qualifying program loans made by the corporation or a participating financial institution pursuant to section sixteen-k of section one of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, constituting the urban development corporation act; (C) maintain and service a portfolio of qualifying loans made pursuant to the capital access program; and (D) engage in outreach and marketing to financial institutions to increase awareness of the program established under this subparagraph. The corporation shall undertake the programs enumerated herein at such times as its board of directors determines that the corporation's capital base and available funds are adequate to support the operation of such program. The programs enumerated herein may be modified by the corporation as may be necessary to meet the changing needs of the state's economy, as determined by the board of directors.

2. In furtherance of the purposes set forth in subdivision one of this

section, and in addition to the powers conferred on stock corporations by general laws, such corporation shall, subject to the restrictions and limitations contained in this article, have the following powers:

(a) To borrow money and otherwise incur indebtedness for any of its purposes; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefor; and to secure the same by mortgage, pledge, deed of trust or other lien on its property, franchises, rights and privileges of every kind and nature or any part thereof.

(b) To assist, promote, encourage and through the cooperative efforts of the institutions and corporations which shall, from time to time, become members thereof, develop and advance the business prosperity and economic welfare of the state; to encourage and assist in the location of new business and industry in the state and to rehabilitate existing business and industry; to evaluate, assess and determine the value of a patent right and to take, sell or transfer an agreement or note pursuant to section five hundred fifty of the general business law, to lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts, or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith; provided, however, that it shall not be the intention hereof to take from banking organizations any such loans or commitments as may be desired by such organizations generally in the ordinary course of their business.

(c) To purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as its board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real or personal property acquired by such corporation from time to time in the satisfaction of debts or enforcement of obligations.

(d) To acquire the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations or trusts as may be in

furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts and liabilities of any such person, firm, corporation, joint stock company, association or trust; to acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or for the purpose of disposing of such real estate to others for the construction of industrial plants or other business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct, or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of industrial plants or business establishments.

(e) To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and while the owner or holder thereof, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon.

(f) To cooperate with and avail itself of the facilities of the state department of commerce and any other government agencies; and to cooperate with and assist, and otherwise encourage, local organizations in the various communities in the state in the promotion, assistance and development of the business prosperity and economic welfare of such communities and of the state.

(g) (1) To acquire a patent right or any part thereof, from such persons, firms, corporations, joint stock companies, associations or trusts as may be in furtherance of the corporate purposes provided herein; (2) to assume, undertake, guarantee or pay the obligations, debts and liabilities of any such person, firm, corporation, joint stock company, association or trust; (3) to set forth specific criteria and standards by which the corporation shall evaluate the patent and the value of patent rights evolving from that patent; and (4) to allow ownership of the patent to remain with the borrower and to accept a percentage of the patent rights as collateral on a loan for capital formation of a business.

(h) With respect to funds administered by the corporation, to obtain loan guarantees from any state or federal program to guarantee loans

made to small businesses by the corporation with such funds.

3. The corporation may contract or otherwise affiliate with local development corporations and other local development organizations certified for this purpose by the commissioner of the department of economic development throughout the state, including, but not limited to, not-for-profit corporations established pursuant to article nine of the economic development law, to market the programs of the corporation to small and medium sized businesses, to provide technical, financial packaging and loan application assistance to business owners seeking financial assistance from the corporation, including but not limited to minority owned business enterprises and small and medium sized businesses located in economically distressed areas.