§ 1825. Local development corporations. To be eligible for loans from the authority, a local development corporation shall meet the following requirements in addition to any others imposed by the provisions of this title:

1. The corporation shall (a) be incorporated or reincorporated under section fourteen hundred eleven of the not-for-profit corporation law, or (b) be incorporated under article four of the not-for-profit corporation law, in addition to other purposes, to construct new industrial or manufacturing plants or new research and development buildings and acquire machinery and equipment deemed related thereto or acquire, rehabilitate, and improve for use by others, industrial or manufacturing plants in the area of the state in which an assisted project is to be located, to assist financially in such construction, acquisition, rehabilitation and improvement and to maintain such plants, buildings and equipment for others, and may also be authorized to study and promote, alone or in concert with local officials and interested local groups, the economic growth and business prosperity of the area and the solution of other civic problems of the region which includes such areas.

2. The corporation shall have no member or employee thereof who owns beneficially more than five per cent of the capital stock of the project occupant, or of the business enterprise described in section eighteen hundred twenty-seven and if any member or employee of the corporation has any material financial interest in, is employed by, or is a consultant to any such project occupant or business enterprise or any other business enterprise including a bank or other lending institution having a material financial relationship with such project occupant or business enterprise, such member or employee shall fully disclose any such interest or involvement to the corporation and to the authority in such form and manner as the authority board shall prescribe and such member or employee shall not participate in any evaluation of, or decision concerning, an application pursuant to section eighteen hundred twenty-four of this title regarding such project applicant or business enterprise.

3. The corporation shall agree to be bound by the rules and regulations of the authority relating to assisted projects and the operations of local development corporations, including the use of the loan evaluation criteria and methods established by the authority pursuant to subdivision thirteen-b of section eighteen hundred four of this title and the criteria established by the authority pursuant to subdivision thirteen-c of section eighteen hundred four of this title, and shall submit to examination of its books of account and corporate records by the authority at such times as the authority may require during the term of any loan made to it by the authority.

4. The corporation shall develop, promote and ensure that, where possible, minority groups which traditionally have been disadvantaged, and women, are afforded equal opportunity for loans from the authority through the corporation and for contracts in connection with the construction of the projects financed by loans from the authority through the corporation; provided, however, that the corporation may request that the authority implement the provisions of this subdivision.