§ 461-i. Planning and development grants for enriched housing programs. 1. The department shall, to the extent funds are available for such purpose, award planning and development grants to, and contract with, lawfully approved enriched housing programs that qualify for such grants under criteria to be established by the department. Such grants shall be made for the purposes of defraying start-up expenses and reducing initial operating deficits incurred in the first twelve months of a program's operations resulting from initial low occupancy rates. Use of such funds may include, but shall not be limited to, paying for rent prior to occupancy and security deposits, administrative expenses, minor renovations of existing structures, furnishings and household equipment, moving expenses of residents and reasonable anticipated operating deficits resulting from low initial occupancy rates.

2. Any public agency, public corporation or not-for-profit corporation who has filed an application for approval to operate an enriched housing program, or any lawfully approved enriched housing operator, may make application for a planning and development grant in a manner and form prescribed by the department. The department shall make determinations of award for each application for such grants at such time that a final determination is made with respect to approving the establishment of, or granting an operating certificate for, an enriched housing program. The department shall award planning and development grants on the basis of the quality of the proposed program, the applicant's financial needs, the geographic distribution of enriched housing programs, and the availability of, and demand for, long-term care services in the geographic area to be served by the proposed program.

3. The department may award planning and development grants to, and contract with, lawfully approved enriched housing programs under criteria to be established by the department for the purpose of moderate renovations or modifications of existing structures when determined to be necessary by the commissioner. Use of such grants for moderate structural renovations or modifications shall be deemed necessary in those instances where the commissioner determines that, without such renovations or modifications, a geographic area may be underserved because of the lack of available or suitable existing structures.