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Project means the activity or activities whose purpose fulfills EDA program requirements and which is funded in whole or in part by EDA.

Proposed District means a geographic entity composed of one or more designated redevelopment areas represented by an entity seeking designation as an EDD.

Public Works and Development Facility means a project funded under Title I of the Act.

Recipient, grantee, and awardee are used interchangeably to mean an entity accepting funds from EDA under PWEDA or the Trade Act, as applicable and includes any EDA approved successor to such recipient. Similarly, *sub-awardee, subgrantee and subrecipient* are also used interchangeably.

The *Trade Act* means Chapter 3, Title II of the Trade Act of 1974, as amended (19 U.S.C. 2341 *et seq.*).

§300.3 OMB control numbers.

(a) This table displays control numbers assigned to EDA's information collection requirements by the Office of Management and Budget ("OMB") pursuant to the Paperwork Reduction Act of 1980, Pub. L. 96-511. EDA intends that this table comply with Section 3507(f) of the Paperwork Reduction Act, requiring agencies to display a current control number assigned by the Director of OMB for each agency information collection requirement.

(b) Control Number Table:

13 CFR part or section where identified and described	Current OMB control No.
303	0610-0093
305	0610-0094
	0610-0092
308	0610-0092
312.5	0610-0094
315	0610-0091
316.4	0610-0082

[60 FR 49678, Sept. 26, 1995, as amended at 61 FR 7981, Mar. 1, 1996]

§300.4 Economic Development Administration—Washington, DC, Regional and Economic Development Representatives.

For addresses and phone numbers of the Economic Development Administration in Washington, DC, Regional and Field Offices and Economic Development

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Representatives, refer to EDA's annual Fiscal Year (FY) Notice of Funding Availability (NOFA).

[61 FR 7981, Mar. 1, 1996]

PART 301—DESIGNATION OF AREAS

Subpart A—Standards for Designation of Redevelopment Areas Under and Subject to Section 401(a) of the Act

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AUTHORITY: Sec. 701, Pub. L. 89-136; 79 Stat. 570 (42 U.S.C. 3211); Department of Commerce Organization Order 10-4, as amended (40 FR 56702, as amended).

SOURCE: 60 FR 49679, Sept. 26, 1995, unless otherwise noted.

Subpart A—Standards for Designation of Redevelopment Areas Under and Subject to Section 401(a) of the Act

§ 301.1 Designation on the basis of unemployment.

On the basis of labor force data on unemployment supplied by the Secretary of Labor, EDA shall designate such redevelopment areas in accordance with section 401(a) of the Act.

§ 301.2 Designation on the basis of loss of population.

Such designation shall be made in accordance with section 401(a) of the Act, 42 U.S.C. 3161.

§ 301.3 Designation on the basis of median family income.

Such designation shall be made in accordance with section 401(a) of the Act.

§ 301.4 Designation on the basis of American Indian lands.

(a) EDA shall designate as Redevelopment Areas those American Indian reservations, American Indian trust land areas, and restricted American Indian-owned land areas, including Alaskan Native Villages, which manifest the greatest degree of economic distress.

(1) American Indian reservations shall consist of land areas which by official Federal or State action or recognition have been reserved for the use and benefit of a specific American Indian tribe or tribes, and shall include those lands to which the Federal or State Government retains title and may include tribally-owned lands, lands allotted to individual tribal members, and interspersed land belonging to non-American Indians.

(2) American Indian trust land areas shall consist of land areas held in trust by or under the authority of Federal or State Government for use and occupancy by American Indians.

(3) Restricted American Indian-owned land areas shall consist of land areas owned by American Indian tribes, but subject to restrictions on alienation or use imposed by Federal or State Governments.

(b) EDA shall make such designations of Redevelopment Areas upon consultation with the Secretary of In-

terior or an appropriate State agency and on the basis of unemployment and income statistics and other appropriate evidence of economic underdevelopment.

(c) EDA, upon consultation with the Secretary of Interior or an appropriate State agency, may designate uninhabited Federal or State American Indian reservations or trust or restricted American Indian-owned land areas where such designation would permit assistance to American Indian tribes, with a direct beneficial effect on the economic well-being of American Indians.

(d) When the determination of economic distress pertains to land areas that are not contiguous, it must be shown that there is a clear economic connection justifying the inclusion of the noncontiguous land areas that will contribute to a more effective economic development program for the area.

[60 FR 49678, Sept. 26, 1995, as amended at 61 FR 7982, Mar. 1, 1996]

§ 301.5 Designation on the basis of sudden rise in unemployment.

Such designation can be made under the Act when the following conditions are met:

(a) Where the loss, removal, curtailment, or closing of the major source of employment has occurred provided that:

(1) The major source of employment shall be construed as a single firm or industry; or

(2) Job losses in more than a single firm or in more than in a single industry may be considered in the aggregate where:

(i) There is a clear demonstrable economic connection between or among the firms or industries; or

(ii) More than one firm or industry has been affected by a common disaster.

(3) A major source of employment is when its loss, removal, curtailment, or closing has caused or can reasonably be expected to cause:

(i) An increase of 500 or more of unemployed persons in the area; or

(ii) An increase of 2 percentage points or more in the area's unemployment

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rate, based on the relationship of actual or expected additional unemployed to the number of persons in the area's labor force.

(b) Where there is an actual or threatened closing of a major source of employment within 3 years after the date of the area's request provided that:

(1) The rise in unemployment must be shown to be unusual or unique for the area, the industry, and the time of year; and

(2) Such rise must have occurred or be reasonably expected to occur during a 1-year period within the qualifying span of 3 years before to 3 years after the date of the request for designation.

(c) The area's unemployment rate can reasonably be expected to exceed the national average by 50 percent or more, except for those job-loss situations in which it is public knowledge that the jobs lost were or will be of a type in such great demand that the persons laid off were or will be readily reemployable.

(d) Areas designated under this section are allowed a reasonable time after designation to submit an acceptable OEDP to EDA. An area designated under this section which does not have an approved OEDP is not eligible for financial assistance under Title I of the Act.

§301.6 Designation of public works impact program areas.

(a) EDA shall designate communities or neighborhoods defined without regard to political or other subdivisions or boundaries as a public works impact program (PWIP) area, when it determines one of the following conditions have been met by the defined area in its entirety.

(1) A large concentration of low income persons. This includes:

(i) An area selected for assistance under the Community Economic Development Act of 1981, as amended (42 U.S.C. 9815), Title VI, Chapter 8, Subchapter A of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35); or

(ii) An area in which the majority of the families are living in poverty, as defined by the U.S. Department of Health and Human Services guidelines,

as published each year in the FEDERAL REGISTER.

(2) Rural areas having substantial outmigration. This includes an area which has experienced a minimum outmigration rate of at least 25 percent during the period from the beginning to the end of the most recent 10-year census period for which data is available.

(3) Substantial unemployment as established by an annual average unemployment rate of 8.5 percent or more during the most recent quarter for which such data is available.

(4) An actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment. The area must meet the qualifications as set forth in §301.5 (a) through (c). Although no boundary constraints, as set forth in §301.13, shall apply, the area for which designation is sought must be one for which EDA can obtain data establishing its eligibility for designation.

(b) No PWIP area designated under this section shall be eligible to be considered a redevelopment area for the purposes of district designation.

[60 FR 49679, Sept. 26, 1995, as amended at 61 FR 15371, Apr. 8, 1996]

§301.7 Designation of special impact areas.

EDA shall designate special impact areas where:

(a) One of the following criteria have been met:

(1) There are large concentration of low-income persons. This includes:

(i) An area presently selected for assistance by the Department of Health and Human Services under the Community Economic Development Act of 1981, as amended (42 U.S.C. 9815), (Title VI, Chapter 8, Subchapter A of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35)); or

(ii) An area in which a majority of the families are living in poverty as defined by the Department of Health and Human Services guidelines as published each year in the FEDERAL REGISTER.

(2) Rural areas having substantial outmigration. This includes any area which has experienced a minimum outmigration rate of at least 25 percent

during the most recent 10-year period as established by the Bureau of the Census.

(3) An area of substantial unemployment, meaning one which:

(i) Experienced an average unemployment rate at least 50 percent higher than the U.S. average unemployment rate for the most recent 12-month period for which data are available; or

(ii) Is currently experiencing an unemployment rate at least 100 percent higher than the U.S. average unemployment rate.

(4) An area which has or is threatened with an abrupt rise in unemployment due to the closing or curtailment of a major source of employment, and which has or can reasonably be expected to have an unemployment rate 100 percent or more above the national average.

(b) Written requests have been submitted by State or local governments, agencies or instrumentalities thereof, or with the concurrence of the appropriate governmental authority of the political subdivision of which the area is a part, by any public or private non-profit organization or association representing the area for which designation is sought. Requests should contain the following material:

(1) A description of the proposed boundary and facility characteristics of the proposed special impact area including a map showing the relation to the larger area to which it is a part. Such description should show consistency with area wide zoning ordinances and appropriate land use plans;

(2) A description of the socio-economic characteristics of the proposed special impact area;

(3) An OEDP; and

(4) Written evidence of support from members of the community at large.

(c) No special impact area designated under this section shall be eligible to be considered a redevelopment area for the purposes of district designation.

§301.8 Recognition of redevelopment areas designated under the Community Economic Redevelopment Act of 1981, as amended.

Areas selected for assistance under the Community Economic Development Act of 1981, as amended (42 U.S.C.

9815) will be deemed redevelopment areas within the meaning of section 401 of the Act.

§301.9 Designation on the basis of per capita employment.

EDA shall designate as redevelopment areas those areas which have suffered a significant decline in per capita employment of more than 1.2 percentage points from the beginning to the end of the most recent 10-year census period for which data is available and has had net outmigration during the same period, as determined by the most currently available census data.

§301.10 Designation on the basis of substantial unemployment and the national average rate of unemployment.

(a) EDA shall designate as a redevelopment area any area for which the Secretary of Labor has provided labor force data showing that:

(1) The area has experienced a substantial average unemployment rate over a 24-month period; and

(2) The area has experienced an average 24-month unemployment rate for the most recent 24-month period for which data are available which was above the national 24-month average unemployment rate for the same period.

(b) The Secretary of Labor shall provide the unemployment data for use by EDA in designating redevelopment areas pursuant to the criteria of section 401(a)(8) of the Act, as implemented by paragraphs (a)(1) and (a)(2) of this section.

(c) For the purpose of this section, *substantial unemployment* is defined as an unemployment rate of 6 percent or more.

(d) EDA may determine for the purpose of this section that 24 month unemployment data is not available so that data for the most recent 12-month or 4-month period may be used instead.

§301.11 Designation on the basis of long-term economic deterioration.

Such designation shall be made in accordance with section 401(a) of the Act.

§ 301.12 Exception to criteria for qualification.

(a) EDA shall designate in a State which has no redevelopment area that area which most nearly qualifies under this subpart.

(b) Designation made under paragraph (a) of this section shall be terminated in accordance with section 402 of the Act if any other area within the same State subsequently becomes qualified or designated under any other section of this subpart.

(1) Designation under paragraph (a) of this section will not be terminated under paragraph (b) of this section if the area becoming qualified or designated becomes qualified under § 301.6 or § 301.7.

(2) Termination under this subsection will become effective at the time of the annual review.

Subpart B—Limitations on Designation of Areas

§ 301.13 Limitations with respect to the size and boundaries of redevelopment areas.

(a) The size and boundaries of redevelopment areas will be determined by EDA subject to requirements under the Act for at least 1500 in population, unless designated under § 301.4 or §§ 301.6, 301.7, 301.8, and other requirements in section 401(b) of the Act.

(b) Except for areas designated under §§ 301.4, 301.5, 301.6, 301.7 and 301.8, no area may be designated which is smaller than a labor area (as defined by the Secretary of Labor), a county, or a municipality with a population of over 25,000 persons whichever EDA deems appropriate.

(c) All parts of the area seeking designation under § 301.5 must be contiguous.

(d) Delineation of the area designated under § 301.5 must be based on a reasonable grouping of census tracts or similar geographical units, or the area must be defined by specific boundaries incorporating commercial or industrial sites and enterprises which can offer employment opportunities for the work force of the area.

(e) Nothing in this section shall prevent any municipality designated or eligible to be designated as a redevelopment

area from combining with any other community having mutual economic interests and transportation and marketing patterns for the purpose of such designation.

(f) Areas qualified in accordance with § 301.5 may be designated subject to the receipt of an acceptable OEDP within 6 months following such conditional designation, or within such additional period as the Assistant Secretary may grant for good cause.

(g) Any area, other than those areas eligible for designation pursuant to §§ 301.5 and 301.6, which does not submit an acceptable OEDP within 6 months after notification of its qualification for designation, shall not thereafter be designated prior to the next annual review of eligibility; however, such period may be extended for good cause.

§ 301.14 Receipt of an acceptable OEDP.

(a) No area shall be designated until it has an approved OEDP, as described in section 403 of the Act, except those areas eligible for designation under §§ 301.5 and 301.6.

(b) Areas qualified in accordance with § 301.5 may be designated subject to the receipt of an acceptable OEDP within 6 months following such conditional designation, or within such additional period as EDA may grant for good cause.

(c) Any area, other than those areas eligible for designation pursuant to §§ 301.5 and 301.6, which does not submit an acceptable OEDP within 6 months after notification of its qualification for designation, shall not thereafter be designated prior to the next annual review of eligibility; however, such period may be extended for up to 6 months if EDA determines there is good cause.

Subpart C—Modification of Designated Areas

§ 301.15 Adjustment of boundaries.

(a) EDA may make minor modifications in the boundaries of redevelopment areas designated under Subpart A of this part if:

(1) Such modification will contribute to a more effective program for economic development within such area; and

(2) There is a request in writing which:

(i) Outlines the exact extent of the boundary adjustment;

(ii) States how the absence of the boundary adjustment would impede the implementation of the approved OEDP;

(iii) States why a specifically proposed project cannot be located within the existing boundaries of the designated redevelopment area; or

(iv) States other reasons why a boundary adjustment is needed.

(3) The interested State official or agency is informed and given opportunity to submit comments on and endorse or not endorse the request.

(b) Additional areas will be included within the redevelopment area only if such inclusion is necessary to meet program requirements for a project.

Subpart D—Notice

§ 301.16 Notification of public officials.

(a) EDA shall notify local, State, and national officials when an area:

(1) Qualifies for designation under criteria set forth in subpart A of this part;

(2) Is designated; and/or

(3) Has its designation modified or terminated.

(b) [Reserved]

PART 302—ECONOMIC DEVELOPMENT DISTRICTS

Subpart A—Standards for Designation, Modification and Termination of Economic Development Districts

Sec.

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Subpart B—Standards for Designation, Modification, and Termination of Economic Development Centers

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302.15 Financial assistance to economic development centers.

302.16 Economic development center project characteristics.

302.17 Grant rate for economic development center projects.

302.18 Financial assistant redevelopment centers.

302.19 Assistance to economic development districts.

AUTHORITY: Sec. 701, Pub. L. 89-136; 79 Stat. 570 (42 U.S.C. 3211); Department of Commerce Organization Order 10-4, as amended (40 FR 56702, as amended).

SOURCE: 60 FR 49681, Sept. 26, 1995, unless otherwise noted.

Subpart A—Standards for Designation, Modification and Termination of Economic Development Districts

§ 302.1 Authorization of economic development districts.

(a) EDA may authorize, at the request of the Governor(s) of the State or States, the delineation of proposed district boundaries as a prerequisite to designation as an economic development district and as a prerequisite to the provision of planning grants under part 307 of this chapter.

(b) Authorization of delineation may be made:

(1) Where the State or States, after analyzing economic and social relationships among the various redevelopment area counties, propose a boundary delineation for the proposed district;

(2) Where the proposed district meets the general standards for designation set forth in § 302.2;