

§ 597.3

of new jobs, particularly for the disadvantaged and long-term unemployed, and to promote revitalization of economically distressed areas.

§ 597.3 Definitions.

The terms *HUD* and *Secretary* are defined in 24 CFR part 5.

Designation means the process by which the Secretary designates urban areas as Empowerment Zones or Enterprise Communities eligible for tax incentives and credits established by subchapter U of the Internal Revenue Code of 1986, as amended (26 U.S.C. 1391 *et seq.*) and for special consideration for programs of Federal assistance.

Empowerment Zone means an urban area so designated by the Secretary pursuant to this part.

Enterprise Community means an urban area so designated by the Secretary pursuant to this part.

Local government means any county, city, town, township, parish, village, or other general purpose political subdivision of a State, and any combination of these political subdivisions which is recognized by the Secretary.

Nominated area means an area nominated by one or more local governments and the State or States in which it is located for designation pursuant to this part.

Population census tract means a census tract, or, if census tracts are not defined for the area, a block numbering area.

Poverty means the number of persons listed as being in poverty in the 1990 Decennial Census.

Revocation of designation means the process by which the Secretary may revoke the designation of an urban area as an Empowerment Zone or Enterprise Community pursuant to § 597.403.

State means any State of the United States.

Strategic plan means a strategy developed and agreed to by the nominating local government(s) and State(s), which have provided certifications of their authority to adopt such a strategy in their application for nomination, in consultation and cooperation with the residents of the nominated area, pursuant to the provisions of § 597.200(c). The plan must include written commitments from the local gov-

24 CFR Ch. V (4–1–12 Edition)

ernment(s) and State(s) that they will adhere to that strategy.

Urban area means:

(1) Any area that lies inside a Metropolitan Area (MA), as designated by the Office of Management and Budget; or

(2) Any area outside an MA if the jurisdiction of the nominating local government has a population of 20,000 or more, or documents the urban character of the area.

[60 FR 3038, Jan. 12, 1995, as amended at 61 FR 5211, Feb. 9, 1996; 63 FR 10715, Mar. 4, 1998]

§ 597.4 Secretarial review and designation.

(a) *Designation.* The Secretary will review applications for the designation of nominated urban areas to determine the effectiveness of the strategic plans submitted by nominating State and local government(s) in accordance with § 597.200(c).

(b) *Period of designation.* The designation of an urban area as an Empowerment Zone or Enterprise Community shall remain in full effect during the period beginning on the date of designation and ending on the earliest of:

(1) The close of the tenth calendar year beginning on or after the date of designation;

(2) The termination date designated by the State and local governments in their application for nomination; or

(3) The date the Secretary modifies or revokes the designation, in accordance with § 597.402 or 597.403.

[60 FR 3038, Jan. 12, 1995, as amended at 63 FR 10715, Mar. 4, 1998]

Subpart B—Area Requirements

§ 597.100 Eligibility requirements and data usage.

A nominated urban area may be eligible for designation pursuant to this part only if the area:

(a) Has a maximum population which is the lesser of:

(1) 200,000; or

(2) The greater of 50,000 or ten percent of the population of the most populous city located within the nominated area;