

Editorial Notes

CODIFICATION

Section was formerly classified to section 13821 of Title 42, The Public Health and Welfare, prior to editorial reclassification and renumbering as this section.

Statutory Notes and Related Subsidiaries

SHORT TITLE

For short title of subtitle K of title III of Pub. L. 103-322, which is classified to this part, as the “National Community Economic Partnership Act of 1994”, see section 31101 of Pub. L. 103-322, set out as a Short Title of 1994 Act note under section 10101 of this title.

§ 12182. Provision of assistance**(a) Authority**

The Secretary of Health and Human Services (referred to in this part as the “Secretary”) may, in accordance with this subpart, provide nonrefundable lines of credit to community development corporations for the establishment, maintenance or expansion of revolving loan funds to be utilized to finance projects intended to provide business and employment opportunities for low-income, unemployed, or underemployed individuals and to improve the quality of life in urban and rural areas.

(b) Revolving loan funds**(1) Competitive assessment of applications**

In providing assistance under subsection (a) of this section, the Secretary shall establish and implement a competitive process for the solicitation and consideration of applications from eligible entities for lines of credit for the capitalization of revolving funds.

(2) Eligible entities

To be eligible to receive a line of credit under this subpart an applicant shall—

(A) be a community development corporation;

(B) prepare and submit an application to the Secretary that shall include a strategic investment plan that identifies and describes the economic characteristics of the target area to be served, the types of business to be assisted and the impact of such assistance on low-income, underemployed, and unemployed individuals in the target area;

(C) demonstrate previous experience in the development of low-income housing or community or business development projects in a low-income community and provide a record of achievement with respect to such projects; and

(D) have secured one or more commitments from local sources for contributions (either in cash or in kind, letters of credit or letters of commitment) in an amount that is at least equal to the amount requested in the application submitted under subparagraph (B).

(3) Exception

Notwithstanding the provisions of paragraph (2)(D), the Secretary may reduce local contributions to not less than 25 percent of the amount of the line of credit requested by the

community development corporation if the Secretary determines such to be appropriate in accordance with section 12186 of this title.

(Pub. L. 103-322, title III, §31112, Sept. 13, 1994, 108 Stat. 1882.)

Editorial Notes

CODIFICATION

Section was formerly classified to section 13822 of Title 42, The Public Health and Welfare, prior to editorial reclassification and renumbering as this section.

§ 12183. Approval of applications**(a) In general**

In evaluating applications submitted under section 12182(b)(2)(B) of this title, the Secretary shall ensure that—

(1) the residents of the target area to be served (as identified under the strategic development plan) would have an income that is less than the median income for the area (as determined by the Secretary);

(2) the applicant community development corporation possesses the technical and managerial capability necessary to administer a revolving loan fund and has past experience in the development and management of housing, community and economic development programs;

(3) the applicant community development corporation has provided sufficient evidence of the existence of good working relationships with—

(A) local businesses and financial institutions, as well as with the community the corporation proposes to serve; and

(B) local and regional job training programs;

(4) the applicant community development corporation will target job opportunities that arise from revolving loan fund investments under this subpart so that 75 percent of the jobs retained or created under such investments are provided to—

(A) individuals with—

(i) incomes that do not exceed the Federal poverty line; or

(ii) incomes that do not exceed 80 percent of the median income of the area;

(B) individuals who are unemployed or underemployed;

(C) individuals who are participating or have participated in job training programs authorized under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] or the Family Support Act of 1988 (Public Law 100-485);

(D) individuals whose jobs may be retained as a result of the provision of financing available under this subpart; or

(E) individuals who have historically been underrepresented in the local economy; and

(5) a representative cross section of applicants are approved, including large and small community development corporations, urban and rural community development corporations and community development corporations representing diverse populations.