

(B) to develop a business plan related to such a potential project; or

(C) to mobilize resources to be contributed to a planned low-income community economic development project or strategy.

(d) Applications

A community development corporation that desires to receive a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(e) Amount available for community development corporation

Amounts provided under this section to a community development corporation shall not exceed \$75,000 per year. Such corporations may apply for grants under this section for up to 3 consecutive years, except that such corporations shall be required to submit a new application for each grant for which such corporation desires to receive and compete on the basis of such applications in the selection process.

(Pub. L. 103-322, title III, §31121, Sept. 13, 1994, 108 Stat. 1885.)

Editorial Notes

REFERENCES IN TEXT

Subpart 1, referred to in subsec. (c)(2)(A), was in the original "subtitle A", and was translated as reading "chapter 1", meaning chapter 1 of subtitle K of title III of Pub. L. 103-322, to reflect the probable intent of Congress.

CODIFICATION

Section was formerly classified to section 13841 of Title 42, The Public Health and Welfare, prior to editorial reclassification and renumbering as this section.

§ 12202. Emerging community development corporation revolving loan funds

(a) Authority

The Secretary may award grants to emerging community development corporations to enable such corporations to establish, maintain or expand revolving loan funds, to make or guarantee loans, or to make capital investments in new or expanding local businesses.

(b) Eligibility

To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a community development corporation;

(2) have completed not less than one nor more than two community economic development projects or related projects that improve or provide job and employment opportunities to low-income individuals;

(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including 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 using amounts received under the grant and the impact of such assistance on low-income individuals; and

(4) 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 equal to at least 10 percent of the amounts requested in the application submitted under paragraph (2).¹

(c) Use of revolving loan fund

(1) In general

A revolving loan fund established or maintained with amounts received under this section may be utilized to provide financial and technical assistance, loans, loan guarantees or investments to private business enterprises to—

(A) finance projects intended to provide business and employment opportunities for low-income individuals and to improve the quality of life in urban and rural areas; and

(B) build and expand the capacity of emerging community development corporations and serve the economic needs of local residents.

(2) Technical assistance

The Secretary shall encourage emerging community development corporations that receive grants under this section to seek technical assistance from established community development corporations, with expertise in the planning, development and management of economic development projects and shall facilitate the receipt of such assistance.

(3) Limitation

Not to exceed 10 percent of the amounts received under this section by a grantee shall be used for training, technical assistance and administrative purposes.

(d) Use of proceeds from investments

Proceeds derived from investments made with amounts provided under this section may be utilized only for the purposes described in this part and shall be reinvested in the community in which they were generated.

(e) Amounts available

Amounts provided under this section to a community development corporation shall not exceed \$500,000 per year.

(Pub. L. 103-322, title III, §31122, Sept. 13, 1994, 108 Stat. 1886.)

Editorial Notes

CODIFICATION

Section was formerly classified to section 13842 of Title 42, The Public Health and Welfare, prior to editorial reclassification and renumbering as this section.

SUBPART 3—MISCELLANEOUS PROVISIONS

§ 12211. Definitions

As used in this part:

(1) Community development corporation

The term "community development corporation" means a private, nonprofit corporation

¹ So in original. Probably should be paragraph "(3)".