

EMPOWERMENT ZONES

Draft Application

U. S. Department of Housing and Urban Development
Washington, D.C. 20410-7000

SEP 15 1993

OFFICE OF THE ASSISTANT SECRETARY
FOR COMMUNITY PLANNING AND DEVELOPMENT

MEMORANDUM: EMPOWERMENT ZONES WORKING GROUP

FROM: ANDREW CUOMO, HUD
 BOB NASH, USDA

SUBJECT: Update on implementation of Empowerment Zones
 legislation

President Clinton has made implementation of the recently enacted Empowerment Zones legislation a top priority and has asked that we make special efforts to move swiftly in making EZs a reality. To that end, we wanted to bring you up to date on several of the major steps taken so far and to seek your counsel and advice on several outstanding policy issues.

Attached is a general description of the approach we have developed to implement the legislation. Additionally, at today's meeting we will distribute initial drafts of a notice and application package which describe both the requirements for applicants and the general process.

There are several remaining policy issues that require Board consideration. These include:

1. What can we do for those communities that do not receive designation as either EZs or ECs?
2. How can we best help identify private resources to assist zones once they are designated?
3. What are the types of benchmarks which are realistic to expect in the first year of activity?
4. How can we consider public safety considerations in providing assistance to zones?
5. How can we structure the EZ program so that even zones that "fail" are considered useful laboratories for future success?

A major part of the work still needs to be done. We anticipate including an appendix to the application which will identify agency programs and sources of funding. The memorandum issued by the President directs each agency to identify by September 24, existing programs that further the goals and objectives of Empowerment Zones and Enterprise Communities and make available funds from those programs for use in the designated EZ/ECs. Attached are instructions and the format for complying with this request. Please also consider how the selection criteria in the

application should reflect the requirements of these programs.

We anticipate that applications will include numerous requests for waiver of various agency regulations. Since consideration of these waiver requests must be a part of the overall designation process, and since the time frame for designation and review of applications will be quite short, we suggest that each agency establish internal procedures to respond to waiver requests within three weeks of receipt.

Attachments

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Instructions for completing format of Federal programs

So that the information provided in the "menu" can be consistent across agencies, we ask you to:

Conduct a review of all assistance programs: grants, loans, Technical Assistance, other

Specify for each the method of distribution: Competitive, targeted, entitlement, discretionary

Identify for each,

the eligible uses, e.g., planning, facility construction, child care, substance abuse intervention, public safety or recreation, job training, housing, education, food and nutrition, etc.

amount of funding for the FY and amount potentially available for EZ/ECs

type of eligible recipients, e.g., state or local government, nonprofit, other organization or entity

limitations on use if any, and

waiver authority, identify regulations which can be waived and which are most likely to hinder/limit program use.

Please do not be limited by this format, which is essentially a floor rather than a ceiling. In fact, any creative ideas that you develop for integration of your programs into the empowerment zone program would be greatly appreciated. SBA, for example, has already recommended several ways that existing programs could be combined in Empowerment Zones. Also, please indicate how the selection criteria could reflect the requirements of these programs.

Attachment

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Federal Assistance Programs

Dept./Agency _____

Type _____

grant, loan, other

Eligible Uses

1. _____
2. _____
3. _____
4. _____

Method of distribution _____

competitive, entitlement, other

Funding

FY 94 appropriation _____

Amount available, EZ/ECs _____

Eligible Recipients

1. _____
2. _____

Program Title _____

Fed. Catalogue, Domestic Programs Number _____

Limitations

Statutory _____

Regulatory _____

Waiver instructions _____

Possible creative uses _____

Submitted by: _____

Department/Agency _____

Office/Division _____

Contact person _____

Title _____

Address _____

Telephone Number _____

Fax Number _____

Alternate contact _____

Submission: _____

of _____

date _____

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EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES: SELECTION AND IMPLEMENTATION

September 14, 1993

I. Vision

The Empowerment Zone program represents a demonstration of effective action to address developmental problems comprehensively and strategically, employing broad-based alliances of the public, private, and nonprofit sectors. Throughout its implementation, it will be used to showcase what is possible, and to pilot new methods of development and cooperation.

- The process must reflect the importance of this program in demonstrating vision and leadership in resolving some of America's most difficult economic and social challenges.
- The importance of success goes beyond the awardees under this program. Their performance is a model for the Nation. They must be prepared to sustain excellence throughout the program, and to allow the Nation to watch over their shoulders.
- There must be no losers in the process. Communities that do not succeed in being designated an empowerment zone or enterprise community must find the process of applying a rewarding experience.

II. Procedures

The program will be administered as a partnership among Federal, State, local, private and nonprofit participants. Bureaucratic red tape will be minimized. Communities will be encouraged to strive for excellence in developing and implementing their strategic plan, and will be assisted in the process. Communities must demonstrate their ability to conduct successful demonstrations, and to follow through on their commitments.

All applicants will apply for empowerment zone status; the strongest applicants will be chosen as Empowerment Zones and the next ranking applicants will be chosen as Enterprise Communities. Communities may not apply for Enterprise Community status as a separate category.

- A single application form will be used for urban and rural applications, with certain differences in information required.
- Resources will be made available to communities during the application process to assist them in putting together a strategic plan. This assistance (workshops, etc.) would act as both a development tool for strategic planning and a marketing tool for the Empowerment Zone program.

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- Communities may not apply for both urban and rural status. HUD and USDA will cross-check applications to assure that no community is designated eligible under both portions of the program.
- Zones will be evaluated and given technical assistance throughout their designation period.

A. Timetable

Consultation w/public interest groups	September, 1993
Regulations published	Fall, 1993
Program criteria announced	Fall, 1993
Applications distributed	Fall, 1993
Applicant workshops	Fall/Winter, 1993
First round applications due	Spring, 1994
Announcement of empowerment zones	Summer, 1994

B. Marketing/Application Assistance

An aggressive program will be initiated to market the EZ/EC program and to enhance the ability of communities to succeed under the program. This can include the following elements:

**

- Workshops, available to all potential applicants, to explain the purposes and procedures of the program, provide information and skills in community organization, and to provide skill training in assessing community challenges and assets and in building an effective strategic plan.
- Assign spokespersons to participate in association conventions to explain the program.
- Develop materials to explain the program and share information about community organization and strategic planning processes.
- Assign Federal field staff to work with communities to publicize the program, explain its procedures, and provide technical assistance.
- Enlist the aid of national and local foundations, public interest groups and non-profit organizations to work with communities to develop effective proposals.

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C. Selection and Announcement Process

It is proposed that the selection process consist of several phases. During phase I, the strongest applications will be designated Empowerment Zone communities. In addition, a number of applicants will be designated Enterprise Communities during the initial round. During phase II, to occur in the Fall, 1994, the remaining Enterprise Communities will be designated. Applications will be accepted on a continuous basis, with those received after the phase I cutoff date being considered in phase II. The number of communities selected during phase I will be determined by the quality of applications received.

- Selection of urban and rural designees will be managed separately by HUD and USDA.
- HUD and USDA will use similar or identical application rules, but selection criteria will vary to fit distinct urban-rural differences in conditions and economic structure.
- Communication between HUD and USDA will be continuous to assure consistency of action and timing.
- Cross-checking between HUD and USDA will assure that no applicant has applied to both departments.
- Applying communities will be encouraged to include requests for both statutory and regulatory waivers with their applications.

III. Additional Rural Zones

Rural Development Demonstration Areas. As the statutory EZ/EC poverty criteria restricts many areas of the rural U.S. from designation, several communities will be selected for special treatment based on the criteria of population loss or job loss. Such zones will not be eligible for the full benefits or use of Title XX funds under the EZ/EC program. The President has committed up to \$25 million over 5 years in program resources to assist these communities. Because these rural zones may not meet basic poverty criteria to be eligible under the EZ/EC program, separate application procedures and selection processes will be used to identify these communities. However, the same deadlines and administrative procedures will be applied.

IV. Program Management

Following approval of Empowerment Zones/Enterprise Communities, additional federal involvement will consist of three activities: continuing community assistance, assessment of program impact, and dissemination of successful examples.

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A. Technical Assistance

Success of Empowerment Zones/Enterprise Communities is essential to demonstrating more effective, strategic approaches to community development. To facilitate success, Federal agencies will render technical and implementation assistance.

B. Assessment of Impacts

Effective, impartial assessments of the program will demonstrate the value of the program.

- Consideration should be given to obtaining an impartial, outside assessment of the program to assure credibility of results.
- Internal assessments should be conducted annually to identify ways in which the program, and its supporting interventions can be improved to enhance the program's impact.

An interim assessment of impact should be completed in late 1995 to assess the first year's impact of the program.

C. Dissemination of Results

The results of development efforts in the designated zones and communities should be publicized to capture the value of the program as a demonstration and to expand its impact to the entire Nation.

- Successes should be widely publicized as examples that can be undertaken by other communities. Staff resources should be devoted to compiling case examples of successful techniques and strategies to share them nationally in written and video formats.

NOTICE

Preface

Title XIII of the Omnibus Reconciliation Act of 1993 Authorizes the Secretary of the Department of Housing and Urban Development to designate 6 Empowerment Zones and 65 Enterprise Communities in urban areas and the Secretary of Agriculture to designate 3 Empowerment Zones and 30 Enterprise Communities in rural areas. This Notice is the first step in implementing the statute. It provides the guidance necessary for applicants to complete the applications for designation, including the basis by which the two Secretaries will make designations through this competitive process.

(Unless otherwise noted, all references to Empowerment Zones also encompass Enterprise Communities. References to requirements or provisions that apply only to rural areas will be marked in italics.)

Background

At the core of President Clinton's economic proposals to Congress and to the American People is the need to revitalize America's communities. His Empowerment Zone proposal represents a new approach to the problems of distressed communities. It uses a bottoms up community based strategy rather than a top down bureaucratic approach.

The basis for Empowerment Zone designation will be the Strategic Plan, which must address all of these interrelated issues in a local setting. Although several specific incentives will be provided to Empowerment Zones, the Federal government also intends to make Enterprise Communities' designations significant by providing additional federal assistance.

The program is intended to combine the resources of the Federal Government with those of educational institutions, State and local governments, the private and non-profit sectors to implement the strategic plan. The Federal Government has already taken steps to coordinate federal assistance in support of the Zones, including expedited processing, priority funding and waiver of regulations. To that end, a Presidential Directive has been issued which creates an Empowerment Board which is headed by the Vice President to carry out these responsibilities.

Eligibility

The statute specifies certain criteria to be eligible for Empowerment Zone Designation, including geographic size, population, poverty rate by census tract (in urban areas) or equivalent county divisions (in rural areas), pervasive poverty, unemployment and general distress of the area. The details of these requirements are spelled out in the interim rule.

This information must be provided in the application. HUD and USDA will accept certifications of these data, subject to verification if the application is selected for designation.

Designation factors

The statute specifies three factors to be considered by the Secretaries in designating Empowerment Zones:

1. The effectiveness of the Strategic Plan;
2. The effectiveness of the Assurances provided in support of the plan;
3. Other criteria to be specified by the Secretaries.

Each of these factors is outlined in greater detail below.

Application Format and Process

An application packet is attached. The core of the application is a comprehensive strategic plan.

Strategic Plan

Applicants will be asked to submit a copy of their Strategic Plan and information showing how the Plan was developed, including the following:

1. General-Description of Nominated Empowerment Zone Area, including such things as: physical, economic, community and human characteristics.
2. A summary of the Strategic Plan. This must specify the relationship of the planned activities/projects to the needs and conditions identified in the plan.
3. The Strategic Plan should contain each of the following:
description of the coordinated economic, human, community, and physical development plan and related activities proposed for the nominated area, including, all relevant current conditions by each element, i.e., economic, human, community and physical, steps to address the problems by element.
 - a. Description of the process by which the affected community is a full partner in the process of developing and implementing of the plan and the extent to which local institutions and organizations have contributed to the planning process;
 - b. Identification of the amount of State, local, and private resources that will be available in the nominated area and the private/public partnerships to be used (may include participation by, and cooperation with, universities, medical centers, and other private and public entities);
 - c. Identification of the funding requested under any Federal program in support of the proposed economic, human, community, and physical development and related activities;
 - d. Identification of baseline, methods, and benchmarks for measuring the success of carrying out the strategic plan, including the extent to which poor persons and families will be empowered to become economically self-sufficient, and;
 - e. Specify there is no action to assist any establishment in relocating from one area outside the nominated area to the nominated area.

Application of Designation Factors

Effectiveness of the Strategic Plan

In assessing the effectiveness of the Strategic Plan, among the factors to be considered will be:

1. How effective is the plan in promoting economic self-sufficiency of the low income individuals and families in the Zone?
2. How effectively does the plan connect residents to jobs, job networks, in the labor market?
3. How does the plan benefit low-income residents within the zone/community?
4. Does the plan represent innovative ideas?
5. How realistic and clear are the benchmarks?

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6. How comprehensive, balanced, and coordinated is the plan?
7. To what extent will the proposed coordination of all the public, private and non-profit resources be effective in carrying out the strategic plan?
8. How does the strategic plan fit into the overall development strategy for the region?
9. Is the strategic plan financially sound?
10. Is there evidence that the strategy selected is the most effective of the range of development options considered?
11. How does the plan improve public safety and security for residents?

Effectiveness of the Assurances Provided

For each of the activities included in the plan, the applicant must describe each of the local, state, and private assurances which have been provided. For each activity proposed under the strategic plan the applicant must identify:

1. What Federal, State and local programs will provide the resources;
2. What commitment is provided by the State or local government;
3. What waivers has the local or State government agreed to provide;
4. What Federal waivers have been requested.

For each of these assurances:

1. What evidence is there of the level of commitment to implement the plan.
2. How wide a range of resources, public, private and nonprofit is offered in support of the Zone?
3. How convincing is the evidence that the resources will be efficiently used?
4. Are the commitments presented legally binding?
5. To what extent is the provider willing to provide the resource even if the Zone is not selected, or is selected for Enterprise Community status instead of Empowerment Zone designation?
6. To what extent have non-financial commitments, such as volunteer labor or matching contributions, been committed and what is the level of commitments?

Other Criteria Specified by the Secretaries

In accordance with the statute, the Secretaries of HUD and USDA have specified the following additional criteria to be applied in the designation process:

For Rural Designations Only

Award bonus points to applicants whose zone reaches a threshold in population loss and job loss.

1. To what extent is the proposed zone consistent with broader regional development strategies and organizations.
2. To what extent will the Zone reflect realistic local and regional considerations.
3. To what extent were public safety needs considered in developing the strategic plan?
4. The extent to which Federal agencies are willing to grant waivers and to provide assistance to the proposed Zone?

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5. And such other considerations as the Secretaries may determine appropriate, including a reasonable geographic balance in the designations.

Timing and Location of Application Submissions

Applications must be submitted within _____ days of effective date of this Notice to the location specified in the application. Applications may be obtained from any HUD field Office (see appendix) or from a USDA county office.

Applicants will be notified within _____ working days. If information is missing the applicant will be given _____ days to provide the missing information to the appropriate agency.

Ranking and Rating

One of the factors affecting the designations will be the Federal program assistance and waivers which are requested. Approval of specific waivers/and or Federal assistance may be critical to the success of the zone, and if approval is not given, would affect the competitiveness of the application.

Miscellaneous

Empowerment Zone designation does not constitute a Federal action either for provision of the Uniform Relocation Act or National Environmental Policy Act. However, it also does not exempt any covered Federal action from the provisions of the Acts.

Application for Federal Empowerment Zone Designation

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

U.S. Department of Agriculture
Under Secretary for Small Community
Rural Development

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OMB Approval No. 2506-XXXX (exp. XXXXXXX)

The reporting burden for this collection of information is estimated to average XXX hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600, the U.S. Department of Agriculture, Washington, D.C., and to the Office of Management and Budget, Paperwork Reduction Project (2506-XXXX), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Guiding Principles

The Application contains the information needed to make all eligibility and designation decisions for both Empowerment Zones and Enterprise Communities.

The Application is limited to the information required for these purposes. The Application is flexible enough so that it can be used by both rural and urban communities.

The information requested in the Application is clearly related to or required by the statute. The Application is neutral and does not direct communities toward a specific type of program or program mix, but is structured to enable applicants to fully describe their proposals and provide HUD and USDA with all the information necessary to weigh the relative merits of the applications.

The information requested in the Application is based on XX CFR XXX, which should be used for reference in preparing the Application. Copies of XX CFR XXX may be obtained from any XXX.

Application Content

Part I: State and Local Government Identification and Certification. Includes the names and addresses of the state and local government(s) requesting designation, a list of required certifications, and the signatures of certifying state and local government officials submitting the application.

Part II: Eligibility Information & General Description of Application Area. Information required to support the eligibility certifications.

Part III: Strategic Plan. A single, comprehensive Strategic Plan for the entire nominated area is a required and critical component of the application. Include a brief description of the significant physical, economic, human and community characteristics of the applicant Empowerment Zone area. The Strategic Plan should:

- describe the coordinated economic, human, community, and physical development plan and related activities proposed for the nominated area;
- describe the process by which the affected community is a full partner in the process of developing and implementing the plan

and the extent to which local institutions and organizations have contributed to the planning process;

- identify the amount of State, local, and private resources that will be available in the nominated area and the private/public partnerships to be used (may include participation by, and cooperation with, universities, medical centers, and other private and public entities);
- identify the funding requested under any Federal program in support of the proposed economic, human, community, and physical development and related activities;
- identify baselines, methods, and benchmarks for measuring the success of carrying out the strategic plan, including the extent to which poor persons and families will be empowered to become economically self-sufficient; and
- certify there is no action to assist any establishment in relocating from an area outside the nominated area to the nominated area;
- include other information as required by the Secretary.

Part IV: Anticipated Impact of Proposed Strategic Plan. The applicant summarizes the Strategic Plan and explains how it translates into a comprehensive program which will result in revitalization of the area and enable individuals to achieve economic self-sufficiency.

Part V: Management of Empowerment Zone-Related Activities. A brief description of the method by which the Empowerment Zone activities, including marketing, will be carried out.

Submission Requirements

Applications shall be submitted in an original and XXX copies to XXXXXXXXXXXXXXXX. In order to be considered for designation, applications which are complete and acceptable for processing must be received by the deadline date published in the *Federal Register*. Applications must be submitted in the general format which follows, including the elements of the Strategic Plan. The document can be reproduced, if necessary, in order to give flexibility in preparation as long as the basic outline is followed.

Application for Federal Empowerment Zone Designation

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2510-XXXX (exp. XXXXXX)

U.S. Department of Agriculture
Under Secretary for Small Community
and Rural Development

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Part I: State & Local Government Identification and Certification

Nominating Local Government(s) Enter the total number of nominating local governments..

Name of Jurisdiction:	Metropolitan Statistical Area Name: (If in an MSA)
Chief Elected Official:	
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	County:

Complete this section *if* this is a joint application by more than one local government

Name of Jurisdiction:	Metropolitan Statistical Area Name: (If in an MSA)
Chief Elected Official:	
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	County:

Name of Jurisdiction:	Metropolitan Statistical Area Name: (If in an MSA)
Chief Elected Official:	
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	County:

Attach separate sheet(s), as necessary, to provide identical information for all local governments nominating the area.
Number the pages 1a, 1b, etc.

B. Nominating State Government(s)

Name of State:	Governor's Name:
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	

Name of State:	Governor's Name:
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	

Name of State:	Governor's Name:
Contact Person:	Telephone Number:
Address: (street / PO box, city, state & zip code)	

C. Date Nomination Submitted:

D. Number of Years for which Federal Designation of the Nominated Area is Requested: (maximum 10 yrs.)

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Certifications

I hereby certify that the nominated area meets all State, local, and Federal eligibility requirements and that to the best of my knowledge and belief;

- (a) the information in this application is true and correct;
- (b) the nominating governments have the authority to submit this application and to carry out the Strategic Plan;
- (c) the nominating governments shall comply with State, local and Federal program requirements, and have agreed in writing to carry out the Strategic Plan if the application is approved; and
- (d) it is certified that:
 - 1. Each unit of local government meets each of the eligibility criteria set forth in Section XXXXXX of the program regulations;
 - 2. The geographic area meets the population and boundary test pursuant to Section XXXXXX;
 - 3. The geographic area is one of poverty, unemployment, and general distress and that the conditions are perva-

- sive throughout the area pursuant to Section XXXXXX;
- 4. The geographic area meets the tests of poverty, pursuant to Section XXXXXX
- 5. The geographic area contains no portion of an area which is either designated as a Federal Empowerment Zone under the Part or is otherwise included in any other area nominated for designation as an Empowerment Zone under this Part; and
- 6. The geographic area contains no portion of area within an Indian reservation.
- 7. Each has the authority, with respect to the nominated area, to:
 - (i) nominate such area for designation as an Empowerment Zone area
 - (ii) make the State and local commitments under Section XXXXXX; and
 - (iii) provide assurances that such commitments will be fulfilled.

Authorized Nominating Local Government Official(s) (type or print)

Name & Title:	Signature & Date:
	X
Name & Title:	Signature & Date:
	X
Name & Title:	Signature & Date:
	X

Attach separate sheet(s), as necessary, to provide identical information and official signatures for all local governments nominating the area. Number the pages 2a, 2b, etc.

Authorized Nominating State Official(s) (type or print)

Name & Title:	Signature & Date:
	X
Name & Title:	Signature & Date:
	X
Name & Title:	Signature & Date:
	X

Part II: Eligibility Information

A. Local Government(s) Submitting this Request

Name:	1990 Population:

B. State(s) Submitting this Request

Name:
1.
2.
3.

C. Attachments

- 1. Is a copy of a plat map for the nominated area showing parcels of land that are included within the nominated area attached? Yes No
- 2. Is a copy of a 1990 census map attached showing:
 - a. The boundaries of the local government(s) listed in Section A above? Yes No
 - b. The boundaries of the nominated area? Yes No
 - c. The exact location of any other areas previously designated or currently nominated as Federal Empowerment Zone under this Part? Yes No

D. Size & Location of the Nominated Empowerment Zone Area

- 1. What is the square mileage of the nominated area?
- 2. Is the nominated area located wholly within the jurisdiction of the legal government(s) listed in Section A above? Yes No
- 3. How many States are in the nominated area?
- 4. Is the boundary of the nominated area continuous? Yes No
- 5. Are there more than one noncontiguous parcel in the nominated area? Yes No
- 6. If "yes," how many?
- 7. **Urban applications only:** Is the area within a Metropolitan Statistical Area (MSA)? If "no," the application cannot be accepted for processing. Yes No
- 8. **Rural applications only:** Is the area within a Metropolitan Statistical Area (MSA)? If "yes," attach the certification of rural determination. Yes No
- 9. Is any portion of a central business district included? Yes No
- 10. If "yes," supply specific data required by Census Tract or County Division on page 5 or 6.
 - a. Does any tract that includes the central business district have a poverty rate of less than 35%? If "yes," eligibility is limited to Enterprise Community status. Yes No

E. Population & Poverty Rate of the Nominated Area

- 1. Does this application contain a request for the Secretary's discretionary reduction of the poverty threshold? If "yes," identify the tracts by code (see page 5 or 6) and provide separately the data and narrative to support the request. Yes No

Reduction of poverty threshold limits eligibility to Enterprise Community status.

- 2. Do any of the Census Tracts included in the nominated area have:
 - a. no population? If "yes," identify the 50% of the Census Tracts with at least 35% poverty? Yes No
 - b. populations of less than 2,000? If "yes," include commercial/industrial zoning certification for 75 percent of the tract. Yes No
- 3. From the attached worksheets (page 5 or 6), provide the following information for the entire area nominated for designation as an Empowerment Zone (express percentage figures to the nearest tenth of a percent):
 - a. Total 1990 census population (page 5 or 6)
 - b. Do all census tracts or county divisions of the nominated zone have 20% or more of their population living below the poverty line? Yes No
 - c. Overall poverty rate:
- 4. **Urban applications only:**
 - a. What is the population of the most populous city in the nominated area?
 - b. What is the name of that city?

F. Distress of the Nominated Empowerment Zone Area. The major indices of distress are pervasive poverty, unemployment, and general distress.

- 1. Is the nominated area one of pervasive poverty? If "yes," describe and quantify where possible the indices of pervasive poverty on page XX. Yes No
- 2. Is the nominated area one of pervasive unemployment? If "yes," describe the nature of the unemployment and provide the unemployment statistics for the past three to five years on page XX (include job and population loss information). Yes No
- 3. Is the nominated area one of general distress? If "yes," describe the physical and social conditions that demonstrate the general distress on page XX. Yes No

When the applicant to use census boundaries for the nominated empowerment zone, the applicant must use census data to determine qualification under the tests.

When the applicant does not require

Procedures, Source and Date of Supporting Data
Procedures for computing the population test, and the test for poverty, are given on the worksheets which follow.

A. Required Content

The Strategic Plan must include a general description of the nominated area, including physical, economic, community, and human characteristics.

The Strategic Plan must also include:

- a. description of the coordinated economic, human, community, and physical development plan and related activities proposed for the nominated area, including:
 - (i) all relevant current conditions by each element, i.e., economic, human, community and physical,
 - (ii) steps to address the problems, by element
- b. description of the process by which the affected community is a full partner in the process of developing and implementing of the plan and the extent to which local institutions and organizations have contributed to the planning process;
- c. identification of the amount of State, local, and private resources that will be available in the nominated area and the private/public partnerships to be used (may include participation by, and cooperation with, universities, medical centers, and other private and public entities);
 - (i) describe;
 - (ii) list by categories, with name and type of resources (see the format in appendix 1);
- d. identification of the funding requested under any Federal program in support of the proposed economic, human, community, and physical development and related activities (see the format in appendix 2);
- e. identification of baselines, methods, and benchmarks for measuring the success of carrying out the strategic plan, including the extent to which poor persons and families will be empowered to become economically self-sufficient, and identify by element and specific characteristic, i.e., joblessness, infrastructure, job creation, day care, etc. (see certification for State and local officials, page 2);
- f. specify there is no action to assist any establishment in relocating from one area outside the nominated area to the nominated area;
- g. other information as required by the Secretary.
 - identify Federal regulation waivers included in the application (see appendix 2 required for "d" above).

B. Guidance

The following is presented as an example of some of the areas for consideration in developing a Strategic Plan. These are examples only, not a comprehensive listing.

Physical Characteristics, i.e. land use patterns; major topographical features; vacant or underutilized buildings and sites that are feasible for economic development; availability and condition of the existing infrastructure, e.g. airports, highways, telecommunications; housing; streets, sidewalks, water and sewer facilities; public utilities and public transportation; and any physical characteristics that may affect the suitability and safety of the nominated area.

Economic Characteristics, i.e., the size, type, and status of existing natural resources, commercial, industrial, and manufacturing facilities and capacity; recent economic development and related activities and commitments that have occurred in the nominated area that are significant to its candidacy for Federal designation.

Community Characteristics, i.e., adequacy and condition of resources such as schools, educational institutions, recreational facilities; access to credit and other services; growth or population loss; organizations, and other private sector resources.

Human Characteristics, i.e., unemployment, labor force size and characteristics; public assistance (by type); racial mix, median family income, educational level; age; homelessness; crime and substance abuse; and other locally identified problems.

Economic Development Potential, i.e., assets, and special features of the nominated area which are available to promote positive development and growth in the area, e.g. commercial, industrial, or manufacturing facilities, educational institutions, utilities, hospitals, regional planning commissions and existing community infrastructure or services available to the area.

Each of the elements of the Strategic Plan should consider:

- What will be done
- How they relate to the community's overall goals
- Who the actors will be
- How they will work together
- What the time frame will be
- The resources committed by the various actors and how they will interact with other elements or resources
- How progress on achieving the element will be measured
- The commitments of the various parties to the implementation of the plan. Examples of commitments to the plan by various parties might include:
 - Local**
 - A reduction of tax rates, fees, or user charges applying within the empowerment zone.
 - Target programs
 - Private**
 - Set up training programs
 - Revolving fund participation (for small business loans)
 - Contribution of benefits of tax credits
 - State**
 - Technical Assistance
 - Seed money for small business development
 - Target programs

Part IV: Anticipated Impact of Proposed Strategic Plan

Summarize the Strategic Plan and explain how it translates into a comprehensive program which will result in revitalization of the area and enable individuals to achieve economic self-sufficiency. This should include a discussion of the relationship of the planned activities/projects to the needs and conditions identified in the plan.

DEPT
SEP 13 1999

Part V: Management of Empowerment Zone Related Activities

A brief description of the organizational arrangements by which the Empowerment Zone activities will be carried out.

DATE
SEP 13 1993

Appendix 1: Worksheet describing activity in Support Empowerment Zone

Type of Activity Proposed: (e.g., infrastructure improvement, social service)

DATE
APR 11 2001

Description of Activity: (describe, e.g., paving 3rd Street Between F and G, day care center)

Provider: (Name of entity, e.g., City of Scrabble or Lower Lakes Community Development Corporation)

Funding Proposed by Year:

Describe Commitment Provided: (examples: City Council resolution, letter from City Manager, etc.)

10/10/97

SEP 13 1997