

§ 301.6

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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.