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Office of Community Planning and Development

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IMPORTANT INFORMATION ON ROUND III EMPOWERMENT ZONES DEVELOPABLE SITES

The Taxpayer Relief Act of 1997 allows for developable sites "...which may be developed for commercial or industrial purposes" The Congress did not include housing as a "purpose" of developable sites, and sites on which housing is to be developed may not therefore be considered "developable sites."

For a proposed developable site already having some residential use, Round III Empowerment Zone applicants should be aware that after designation, if the residential area is redeveloped for commercial and/or industrial use and results in the displacement of residents, the Empowerment Zone could be subject to the Uniform Relocation Act and/or State requirements.

Section 598.215 (b)(E)(iii) of the April 16, 1998 Rule governing Empowerment Zones, requires that the applicant submit a developable site describing how the use of developable sites will benefit residents and businesses of the nominated area. In a case where the developable site has some residential use, the plan must discuss how the applicant intends to protect the residential area already located in the proposed developable site.

Empowerment Zones & Enterprise Communities

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