

purpose, as may be needed to support such new or existing housing. HOWEVER, IF SUCH OTHER PUBLIC OR PRIVATE FACILITIES ARE NOT NEEDED TO SUPPORT SUCH NEW OR EXISTING HOUSING, THEY MAY BE INCLUDED IN A COMMUNITY DEVELOPMENT PROJECT IF THEY COMPRISE LESS THAN A SUBSTANTIAL PART OF SUCH COMMUNITY DEVELOPMENT PROJECT, UNLESS IT IS DETERMINED BY THE SECRETARY OF ECONOMIC AND COMMUNITY DEVELOPMENT THAT SOUND COMMUNITY DEVELOPMENT IS PROMOTED BY INCLUDING A GREATER PROPORTION OF PUBLIC OR PRIVATE FACILITIES.

[(d)] (E) "Development cost" means the costs incurred in carrying out all works and undertakings which the Department deems reasonable and necessary for the construction of a community development project, A PUBLIC PURPOSE PROJECT, a home improvement project, an infrastructure project, an energy conservation project or a solar energy project. These shall include but are not necessarily limited to the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of land and any buildings thereon, site preparation and development, construction, reconstruction, rehabilitation, improvement and the acquisition of such machinery and equipment and furnishings as may be deemed necessary in connection therewith; the necessary expenses incurred in connection with initial occupancy or operation of the project; an allocable portion of the administrative and operating expenses of the Department; the cost of financing the project, including interest on bonds and notes issued to finance the project from the date thereof to the date when the Department shall determine that the project be deemed substantially occupied or substantially in operation; and the cost of such other items, including any indemnity and surety bonds and premiums on insurance, fees, relocation costs, and charges and expenses of trustees, depositories and paying agents for bonds and notes issued, all as the Department shall deem necessary.

(F) "DISTRESSED AREA" MEANS A GEOGRAPHICALLY DEFINED AREA OR AREAS OF ANY MUNICIPALITY OR COUNTY DESIGNATED BY THE SECRETARY OF ECONOMIC AND COMMUNITY DEVELOPMENT WITH THE APPROVAL AT THE REQUEST OF THE MUNICIPALITY OR COUNTY, TAKING INTO CONSIDERATION FACTORS INCLUDING:

(1) THE AVAILABILITY, COST, AND CONDITION OF HOUSING AND NEIGHBORHOOD FACILITIES, INCLUDING THE AGE AND NUMBER OF ABANDONED AND SUBSTANDARD STRUCTURES;

(2) THE INCOME OF RESIDENTS RELATIVE TO STATE OR AREA WIDE REGIONAL MEDIAN INCOMES, INCLUDING THE NUMBER OF PERSONS WHO ARE WELFARE RECIPIENTS, UNEMPLOYED AND IN POVERTY;

(3) THE NEED FOR FINANCING FOR HOUSING OR PUBLIC OR PRIVATE FACILITIES TO UPGRADE THE SOCIAL AND ECONOMIC CONDITIONS OF THE DISTRESSED AREA;