
By: **Chairman, Economic Matters Committee (Departmental - Housing and
Community Development)**

Introduced and read first time: January 22, 2001

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 13, 2001

CHAPTER 58

1 AN ACT concerning

2 **Department of Housing and Community Development - Neighborhood and**
3 **Community Assistance Program**

4 FOR the purpose of altering the areas in which assistance under the Neighborhood
5 and Community Assistance Program may be provided; authorizing the
6 Department of Housing and Community Development to give preference to
7 certain proposals for certain projects; defining certain terms; and generally
8 relating to the Neighborhood and Community Assistance Program in the
9 Department of Housing and Community Development.

10 BY repealing and reenacting, without amendments,
11 Article 83B - Department of Housing and Community Development
12 Section 4-701(a) and (e)
13 Annotated Code of Maryland
14 (1998 Replacement Volume and 2000 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article 83B - Department of Housing and Community Development
17 Section 4-701(h), 4-703, and 4-705
18 Annotated Code of Maryland
19 (1998 Replacement Volume and 2000 Supplement)

20 BY adding to
21 Article 83B - Department of Housing and Community Development
22 Section 4-701(h)

1 Annotated Code of Maryland
2 (1998 Replacement Volume and 2000 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
4 MARYLAND, That the Laws of Maryland read as follows:

5 **Article 83B - Department of Housing and Community Development**

6 4-701.

7 (a) In this subtitle the following words have the meanings indicated.

8 (e) "Designated revitalization area" means a designated neighborhood under §
9 4-203(c) of this article.

10 (H) "PRIORITY FUNDING AREA" MEANS A PRIORITY FUNDING AREA UNDER §
11 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

12 [(h)] (I) "Redevelopment assistance" means the expenditure of funds by
13 nonprofit organizations for labor and materials used directly in the physical
14 improvement of any part or all of a [designated revitalization] PRIORITY FUNDING
15 area.

16 4-703.

17 The purpose of the Neighborhood and Community Assistance Program is to:

18 (1) Assist nonprofit organizations in carrying out approved projects in
19 [designated revitalization] PRIORITY FUNDING areas;

20 (2) Encourage businesses to invest in [designated revitalization]
21 PRIORITY FUNDING areas; and

22 (3) Strengthen public/private partnerships.

23 4-705.

24 (a) For each fiscal year, a nonprofit organization may submit to the
25 Department, for approval under the Neighborhood and Community Assistance
26 Program, a proposal for a project to provide services to a [designated revitalization]
27 PRIORITY FUNDING area, including:

28 (1) Community services, including child care and recreational services;

29 (2) Redevelopment assistance;

30 (3) Job training for individuals of limited income;

31 (4) Education; and

32 (5) Crime prevention.

- 1 (b) A proposal submitted under this section shall include:
- 2 (1) The project to be conducted;
- 3 (2) The [designated revitalization] PRIORITY FUNDING area benefited
4 by the project;
- 5 (3) A description of the applicant's experience and capabilities;
- 6 (4) The estimated costs of the project;
- 7 (5) A description of the plans for implementing the project; and
- 8 (6) Any other information determined necessary by the Department.
- 9 (c) (1) The Department may not approve a proposal submitted under this
10 subsection unless the proposal is approved by the governing body or authorized
11 designee of:
- 12 (i) Each county in which the [designated revitalization] PRIORITY
13 FUNDING area benefited by the project is located, if the project is not located in a
14 municipal corporation; or
- 15 (ii) Each municipal corporation in which the [designated
16 revitalization] PRIORITY FUNDING area benefited by the project is located.
- 17 (2) Each approval of a proposal:
- 18 (i) Shall be in writing; and
- 19 (ii) Shall state the maximum amount of contributions to the
20 approved project eligible for the tax credits provided under § 4-704 of this subtitle.
- 21 (3) The sum of contributions eligible for the tax credits provided under §
22 4-704 of this subtitle for all projects approved for each fiscal year may not exceed
23 \$2,000,000.
- 24 (4) In approving or disapproving a proposal, and in determining the
25 maximum amount of contributions to an approved project that will be eligible for the
26 tax credits provided under § 4-704 of this subtitle, the Department:
- 27 (i) Shall consider:
- 28 1. The need for the project in relation to the need for other
29 projects proposed;
- 30 2. The anticipated benefit to the [designated revitalization]
31 PRIORITY FUNDING area;
- 32 3. The capacity of the applicant to raise funds for the project;

- 1 4. The readiness of the applicant to proceed with the project;
- 2 5. The ability of the applicant to complete the project as
- 3 proposed;
- 4 6. Geographic distribution of projects; and
- 5 7. Any other relevant factors;

6 (II) MAY GIVE PREFERENCE TO A PROPOSAL THAT BENEFITS A
7 DESIGNATED REVITALIZATION AREA;

8 [(ii)] (III) May request data and assistance from other units of the
9 State; and

10 [(iii)] (IV) Shall apportion among the approved projects the limit
11 imposed under paragraph (3) of this subsection on the sum of contributions eligible
12 for tax credits for the fiscal year.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
14 effect October 1, 2001.