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

Introduced and read first time: January 27, 1999

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Department of Housing and Community Development - Community**  
3 **Development Administration - Community Development Projects**

4 FOR the purpose of providing that a requirement that occupants of housing provided  
5 under certain community development projects have limited incomes does not  
6 apply to projects in certain neighborhood revitalization areas; and generally  
7 relating to the Community Development Administration and the Department of  
8 Housing and Community Development.

9 BY repealing and reenacting, without amendments,  
10 Article 83B - Department of Housing and Community Development  
11 Section 2-203(a)  
12 Annotated Code of Maryland  
13 (1998 Replacement Volume)

14 BY repealing and reenacting, with amendments,  
15 Article 83B - Department of Housing and Community Development  
16 Section 2-203(f) and 2-204(13)  
17 Annotated Code of Maryland  
18 (1998 Replacement Volume)

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

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

22 2-203.

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

24 (f) (1) "Community development project" means any undertaking or project,  
25 or portion thereof, including lands, buildings and improvements, real, mixed and  
26 personal properties or interest therein that is planned, acquired, owned, developed,  
27 constructed, reconstructed, rehabilitated, repaired, renovated, or improved for the

1 purposes of promoting sound community development. [A] EXCEPT AS PROVIDED IN  
 2 PARAGRAPH (2) OF THIS SUBSECTION, A community development project:

3           [(1)]   (I)       Shall provide for existing or new housing which is or which will  
 4 be occupied:

5                   [(i)]   1.       In substantial part by families of limited incomes; or

6                   [(ii)] 2.       In the event such a project is financed with taxable bonds,  
 7 at least 20 percent shall be for families of limited incomes; and

8           [(2)]   (II)       Shall provide such improvements as streets, roads, sewer and  
 9 water lines, and such other public or private facilities intended for commercial,  
 10 educational, cultural, recreational, community or other civic purpose, as may be  
 11 needed to support such new or existing housing. However, if such other public or  
 12 private facilities are not needed to support such new or existing housing, they may be  
 13 included in a community development project if they comprise less than a substantial  
 14 part of such community development project, unless it is determined by the Secretary  
 15 that sound community development is promoted by including a greater proportion of  
 16 public or private facilities.

17           (2)       THE INCOME LIMIT REQUIREMENTS OF PARAGRAPH (1)(I) OF THIS  
 18 SUBSECTION DO NOT APPLY TO A COMMUNITY DEVELOPMENT PROJECT THAT IS  
 19 LOCATED IN A NEIGHBORHOOD DESIGNATED UNDER § 4-203 OF THIS ARTICLE.

20 2-204.

21       The Administration shall have the following functions and responsibilities:

22           (13)   (i)       In accordance with the provisions of § 2-205 of this subtitle:

23                   1.       Make, purchase, and participate in making:

24                           A.       Mortgage loans or otherwise provide financial assistance  
 25 for any community development project or public purpose project, secured by a  
 26 mortgage lien, including temporary loans or advances and permanent direct mortgage  
 27 loans to families of limited incomes, IF OTHERWISE REQUIRED BY LAW, for the  
 28 purchase of dwelling units in a community development project or public purpose  
 29 project; and

30                           B.       Reverse equity mortgage loans for elderly families of  
 31 limited income that are secured by a mortgage lien for housing related expenses,  
 32 including personal expenses which enable the owner to continue to occupy the owner's  
 33 home; and

34                   2.       Undertake commitments therefor.

35                   (ii)     In this section:

