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By: **Delegate Rosenberg**  
Introduced and read first time: March 1, 1999  
Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Rental Housing Production Program - Office and Commercial Space**  
3                                   **Conversion - Preservation of Significant Element**

4 FOR the purpose of altering a certain definition of "office and commercial space  
5 conversion" for the purposes of the Rental Housing Production Program to  
6 include the preservation of certain significant elements of office and commercial  
7 space that is used in the construction of certain rental housing.

8 BY repealing and reenacting, without amendments,  
9 Article 83B - Department of Housing and Community Development  
10 Section 2-501(a), (g), and (n)  
11 Annotated Code of Maryland  
12 (1998 Replacement Volume)

13 BY repealing and reenacting, with amendments,  
14 Article 83B - Department of Housing and Community Development  
15 Section 2-501(h)  
16 Annotated Code of Maryland  
17 (1998 Replacement Volume)

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

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

21 2-501.

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

23 (g) "Office and other commercial space" means buildings:

24 (1) Constructed more than 30 years before an application is submitted to  
25 the Department to finance the conversion of the building to rental housing units;

26 (2) Consisting of two or more floors at or above ground level; and

1 (3) Which was built for the primary purpose of being used for office or  
2 other commercial space and was last used as office or other commercial space.

3 (h) "Office and commercial space conversion" means:

4 (1) RENOVATION OF office and other commercial space that:

5 [(1)] (I) Is renovated for rental housing; and

6 [(2)] (II) Is in one of the designated neighborhoods established  
7 under § 4-203(b) of this article; OR

8 (2) PRESERVATION OF A SIGNIFICANT ELEMENT OF OFFICE AND OTHER  
9 COMMERCIAL SPACE LOCATED IN ONE OF THE DESIGNATED NEIGHBORHOODS  
10 ESTABLISHED UNDER § 4-203(B) OF THIS ARTICLE THAT IS USED IN THE  
11 CONSTRUCTION OF RENTAL HOUSING IN THE SAME NEIGHBORHOOD.

12 (n) (1) "Rental housing production project" or "project" means:

13 (i) An office and commercial space conversion; or

14 (ii) Any project or undertaking for the acquisition, construction, or  
15 rehabilitation of buildings and improvements, or any portion thereof, which buildings  
16 and improvements or portion thereof will be occupied by families of lower income as  
17 follows:

18 1. At least a minimum number of dwelling units shall be  
19 restricted for occupancy by families of lower income for at least a minimum number of  
20 years;

21 2. The minimum number of dwelling units shall be the  
22 greater of:

23 A. The number of units which is equal to the proportion of the  
24 amount of the program loan for the project to the total financing of the undertaking;

25 B. For projects which receive an allocation of federal low  
26 income housing tax credits, the number of units selected by the sponsor to satisfy the  
27 federal occupancy requirements; or

28 C. For projects which finance a portion of the project costs  
29 with government issued federally tax exempt revenue bonds, the greater of:

30 I. The number of units required for community development  
31 projects under § 2-203(f)(1)(ii) of this title; or

32 II. The number of units selected by the issuer of the bonds;  
33 and

34 3. The minimum number of years shall be the greater of the  
35 number of years imposed by the federal requirements or 15 years; and

