
By: ~~Delegate McIntosh~~ Delegates McIntosh, McHale, and Donoghue

Introduced and read first time: February 2, 2005

Assigned to: Environmental Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2005

CHAPTER _____

1 AN ACT concerning

2 **Housing - Community Development Projects -- "Live Near Your Work"**
3 **Program Administration - Financial Assistance Programs for Purchasing a**
4 **Home Near Work**

5 FOR the purpose of requiring the Community Development Administration in the
6 Department of Housing and Community Development to administer a home
7 buyer assistance program that assists home buyers to receive certain
8 low-interest mortgages for the purchase of homes near their place of
9 employment and coordinates with, and matches where appropriate, similar
10 programs offered by certain persons under certain circumstances; requiring the
11 Department to facilitate the marketing of a certain home buyer assistance
12 program with certain persons; requiring the Department to adopt regulations to
13 implement a certain home buyer assistance program; requiring the Department
14 to administer certain community development projects to provide employees
15 with certain financial assistance to buy homes near their workplaces under
16 certain circumstances; exempting certain community development projects from
17 certain requirements regarding income; designating certain community
18 development projects as the "Live Near Your Work" program; ~~authorizing~~
19 requiring the Secretary of Housing and Community Development to adopt
20 regulations to implement the "Live Near Your Work" program; ~~requiring~~
21 authorizing the Governor to include in the State budget certain amounts in
22 certain fiscal years for the "Live Near Your Work" program; ~~declaring the intent~~
23 of the General Assembly; requiring the Department to ~~provide financial~~
24 assistance under the "Live Near Your Work" program starting on report to the
25 General Assembly on or before a certain date; and generally relating to ~~the "Live~~
26 Near Your Work" program financial assistance programs for purchasing a home
27 near work.

1 BY adding to
2 Article - Housing and Community Development
3 Section 4-215
4 Annotated Code of Maryland
5 (As enacted by Chapter ___ (H.B. 11) of the Acts of the General Assembly of
6 2005)

7 BY repealing and reenacting, with amendments,
8 Article - Housing and Community Development
9 Section 4-217
10 Annotated Code of Maryland
11 (As enacted by Chapter ___ (H.B. 11) of the Acts of the General Assembly of 2005)

12 BY repealing and reenacting, without amendments,
13 Article - Housing and Community Development
14 Section 6-305
15 Annotated Code of Maryland
16 (As enacted by Chapter ___ (H.B. 11) of the Acts of the General Assembly of 2005)

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

19 **Article - Housing and Community Development**

20 4-215.

21 (A) THE ADMINISTRATION SHALL ADMINISTER A HOME BUYER ASSISTANCE
22 PROGRAM THAT:

23 (1) ASSISTS HOME BUYERS TO RECEIVE LOW-INTEREST MORTGAGE
24 LOANS, WITH DOWN PAYMENT AND CLOSING COST ASSISTANCE OPTIONS, FOR THE
25 PURCHASE OF HOMES NEAR THEIR PLACE OF EMPLOYMENT; AND

26 (2) COORDINATES WITH, AND MATCHES WHERE APPROPRIATE, SIMILAR
27 PROGRAMS OFFERED BY PRIVATE EMPLOYERS AND COUNTY AND MUNICIPAL
28 GOVERNMENTS SO AS TO MAXIMIZE THE TOTAL AMOUNT THAT HOME BUYERS CAN
29 RECEIVE UNDER THE PROGRAM.

30 (B) WITH REFERENCE TO LOANS UNDER THIS PROGRAM, THE
31 ADMINISTRATION SHALL:

32 (1) ALLOW HOME BUYERS TO UTILIZE THE LOANS FOR THE PURCHASE
33 OF NEWLY CONSTRUCTED OR EXISTING HOMES; AND

34 (2) REQUIRE A HOME PURCHASED UNDER THIS PROGRAM TO BE
35 OCCUPIED BY THE HOME BUYER AS A PRINCIPAL RESIDENCE.

1 (C) THE ADMINISTRATION SHALL FACILITATE THE MARKETING OF THE
2 PROGRAM WITH PRIVATE EMPLOYERS AND COUNTY AND MUNICIPAL
3 GOVERNMENTS, AND, WHERE APPROPRIATE, OTHER UNITS OF STATE GOVERNMENT
4 AND NONPROFIT ORGANIZATIONS.

5 (D) THE ADMINISTRATION SHALL ADOPT REGULATIONS TO IMPLEMENT THE
6 PROGRAM ESTABLISHED UNDER THIS SECTION.

7 4-217.

8 (a) A project, undertaking, or a part of a project or undertaking, including the
9 real, personal, and mixed property involved, qualifies as a community development
10 project if it is planned, acquired, owned, developed, constructed, reconstructed,
11 rehabilitated, repaired, renovated, or improved to promote sound community
12 development.

13 (b) A community development project shall provide for:

14 (1) new or existing housing:

15 (i) that is or will be occupied in substantial part by families of
16 limited income; or

17 (ii) at least 20% of which is or will be occupied by families of limited
18 income, if the project is financed with bonds, notes, or other evidences of indebtedness
19 issued by the Administration, the income from which being includable in the holder's
20 gross income under the Internal Revenue Code as determined by the Administration
21 at the time of issue;

22 (2) any improvements, such as streets, roads, sewer lines, and water
23 lines that are needed to support the housing; and

24 (3) the public or private commercial, educational, cultural, recreational,
25 community, or civic facilities that are needed to support the housing.

26 (c) A community development project may include public or private
27 commercial, educational, cultural, recreational, community, or civic facilities that are
28 not needed to support the housing, if:

29 (1) they are less than a substantial part of the project; or

30 (2) the Secretary finds that they will promote sound community
31 development.

32 (d) (1) [The requirements of subsection (b)(1) of this section that parts of the
33 housing be occupied by families of limited income do not apply to a] THE
34 ADMINISTRATION SHALL ADMINISTER community development [project] PROJECTS
35 that:

1 [(1)] (I) [is] ARE in [a] designated [neighborhood] NEIGHBORHOODS
2 approved under § 6-305 of this article; and

3 [(2)] (II) [provides] PROVIDE employees with financial assistance IN
4 THE FORM OF GRANTS to buy homes near their workplaces.

5 (2) A COMMUNITY DEVELOPMENT PROJECT ADMINISTERED UNDER
6 THIS SUBSECTION IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTION (B)(1) OF
7 THIS SECTION THAT REQUIRE PART OF THE HOUSING TO BE OCCUPIED BY FAMILIES
8 OF LIMITED INCOME.

9 (3) THE COMMUNITY DEVELOPMENT PROJECTS ADMINISTERED UNDER
10 THIS SUBSECTION SHALL BE KNOWN AS THE "LIVE NEAR YOUR WORK" PROGRAM.

11 (4) THE SECRETARY ~~MAY~~ SHALL ADOPT REGULATIONS TO IMPLEMENT
12 THE "LIVE NEAR YOUR WORK" PROGRAM ESTABLISHED UNDER THIS SUBSECTION.

13 (5) (I) IN FISCAL YEAR 2007 AND FISCAL YEAR 2008, THE GOVERNOR
14 ~~SHALL~~ MAY INCLUDE IN THE STATE BUDGET \$250,000 FOR THE "LIVE NEAR YOUR
15 WORK" PROGRAM ESTABLISHED UNDER THIS SUBSECTION.

16 (II) IN FISCAL YEAR 2009 AND EVERY FISCAL YEAR THEREAFTER,
17 THE GOVERNOR ~~SHALL~~ MAY INCLUDE IN THE STATE BUDGET NO LESS THAN \$250,000
18 AND NO MORE THAN \$500,000 FOR THE "LIVE NEAR YOUR WORK" PROGRAM
19 ESTABLISHED UNDER THIS SUBSECTION.

20 6-305.

21 With the concurrence of the Secretary, a political subdivision may approve a
22 designated neighborhood after considering:

- 23 (1) the availability, cost, and condition of business facilities;
- 24 (2) the age and number of abandoned structures;
- 25 (3) the age and number of substandard structures;
- 26 (4) the income of residents relative to State or regional median incomes,
27 including the number of welfare recipients;
- 28 (5) the extent of unemployment and the availability of jobs for residents;
- 29 (6) the need for financing for small businesses, nonprofit organizations,
30 or microenterprises to upgrade social and economic conditions;
- 31 (7) the development or redevelopment strategy of the political
32 subdivision for the area and any plans, or financial commitment to undertake
33 improvements there; and
- 34 (8) other standards that the Department considers relevant as set forth
35 in regulations, including standards established for other State or federal programs.

1 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
2 General Assembly that the Department of Housing and Community Development
3 shall provide financial assistance under the "Live Near Your Work" program
4 established under this Act starting July 1, 2006 actively work with private employers
5 and county and municipal governments, and, where appropriate, other units of State
6 government and nonprofit organizations, to offer financial assistance under both
7 programs established under this Act to home buyers who seek to buy homes near
8 their place of employment.

9 SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
10 Housing and Community Development shall report to the General Assembly on or
11 before December 31 each year, in accordance with § 2-1246 of the State Government
12 Article, on the implementation of this Act.

13 SECTION ~~3.~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take
14 effect October 1, 2005.