

By: **Delegates McConkey, V. Clagett, Holmes, McIntosh, Montgomery, Parker, Sossi, and Stern**

Introduced and read first time: February 10, 2005

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

Department of Housing and Community Development - Community Legacy Program - Community Development Financial Institutions

4 FOR the purpose of authorizing a community development financial institution to
5 sponsor a neighborhood intervention project for a certain purpose; authorizing a
6 community development financial institution to meet a certain requirement by
7 agreeing to provide capital for a certain purpose; requiring the Community
8 Legacy Board to allocate a percentage of the Community Legacy Financial
9 Assistance Fund in a certain manner; and generally relating to the Community
10 Legacy Program of the Department of Housing and Community Development.

11 BY repealing and reenacting, with amendments,
12 Article - Housing and Community Development
13 Section 6-210(a) and (d)
14 Annotated Code of Maryland
15 (As enacted by Chapter ___ (H.B. 11) of the Acts of the General Assembly of
16 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 6-210.

21 (a) (1) A community development financial institution may sponsor a
22 neighborhood intervention project to give financial assistance to individuals or
23 business entities that are owner-occupants, community development organizations,
24 or political subdivisions to:

25 (i) buy properties that need rehabilitation and are in otherwise
26 stable neighborhoods; [and]

1 (ii) redevelop the properties through rehabilitation, demolition,
2 reconstruction, or re-use; OR

3 (III) PROVIDE CAPITAL TO HOMEBUYERS, AT THE TIME THE HOME
4 IS PURCHASED, IN EXCHANGE FOR A SHARE OF THE SUBSEQUENT APPRECIATION IN
5 THE VALUE OF THE HOME.

10 (d) (1) The Board annually shall allocate [at least 10%] A PERCENTAGE of
11 the Community Legacy Financial Assistance Fund to neighborhood intervention
12 projects AS FOLLOWS:

13 (I) AT LEAST 10% TO NEIGHBORHOOD INTERVENTION PROJECTS
14 UNDER SUBSECTION (A)(1)(I) OR (II) OF THIS SECTION; AND

15 (II) AT LEAST 5% TO NEIGHBORHOOD INTERVENTION PROJECTS
16 UNDER SUBSECTION (A)(1)(III) OF THIS SECTION.

17 (2) The Board may not award more than \$500,000 for any neighborhood
18 intervention project.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2005.