

SENATE BILL 46

C9

2lr0419

(PRE-FILED)

By: **Senator McCray**

Requested: August 30, 2021

Introduced and read first time: January 12, 2022

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 3, 2022

CHAPTER _____

1 AN ACT concerning

2 **Housing and Community Development and Neighborhood Revitalization**
3 **Programs — Notice and Application — Programs and Projects — Requirements**

4 FOR the purpose of requiring certain notices and information to be provided to ~~the~~ certain
5 ~~members of certain delegations to~~ of the General Assembly regarding applications to
6 the federal Low-Income Housing Tax Credit Program, the Rental Housing Program,
7 the Partnership Rental Housing Program, the Community Legacy Program, the
8 Neighborhood Business Development Program, and the Baltimore Regional
9 Neighborhood Initiative Program within the Department of Housing and
10 Community Development; and generally relating to notice and application
11 requirements for certain housing and community development and neighborhood
12 ~~revitalization~~ programs and projects.

13 BY repealing and reenacting, without amendments,

14 Article — Housing and Community Development

15 Section 4-201(a), (e), and (p), 6-202(a), 6-303(a), 6-305(a) and (b), and 6-502(a)

16 Annotated Code of Maryland

17 (2019 Replacement Volume and 2021 Supplement)

18 ~~BY adding to~~

19 ~~Article — Housing and Community Development~~

20 ~~Section 4-211.1~~

21 ~~Annotated Code of Maryland~~

22 ~~(2019 Replacement Volume and 2021 Supplement)~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,
 2 Article – Housing and Community Development
 3 ~~Section 4-404, 4-407, 4-1205, 4-1207, 6-204, 6-206, 6-305, 6-505, and 6-509~~
 4 Section 4-213(b), 4-404, 4-1207, 6-206, 6-305(c)(1), and 6-506
 5 Annotated Code of Maryland
 6 (2019 Replacement Volume and 2021 Supplement)

7 ~~BY repealing and reenacting, without amendments,~~
 8 ~~Article – Housing and Community Development~~
 9 ~~Section 6-202(a), 6-303(a), and 6-502(a)~~
 10 ~~Annotated Code of Maryland~~
 11 ~~(2019 Replacement Volume and 2021 Supplement)~~

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

14 **Article – Housing and Community Development**

15 ~~4-211.1.~~

16 ~~IF A PERSON APPLIES FOR FEDERAL LOW-INCOME HOUSING TAX CREDITS TO~~
 17 ~~FINANCE A PROJECT IN ACCORDANCE WITH THIS SUBTITLE, WITHIN 14 DAYS AFTER~~
 18 ~~RECEIVING THE APPLICATION, THE ADMINISTRATION SHALL NOTIFY THE MEMBERS~~
 19 ~~OF THE DELEGATION TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH THE~~
 20 ~~PROPOSED PROJECT IS LOCATED BY E-MAIL.~~

21 4-201.

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

23 (e) “Community development project” means a project that qualifies under §
 24 4-217 of this subtitle.

25 (p) “Public purpose project” means a project that qualifies under § 4-221 of this
 26 subtitle.

27 4-213.

28 (b) [The] FOR A PROPOSED COMMUNITY DEVELOPMENT PROJECT OR A
 29 PROPOSED PUBLIC PURPOSE PROJECT, THE Administration shall provide written
 30 notice and a reasonable opportunity to comment to the FOLLOWING REPRESENTATIVES
 31 OF THE POLITICAL SUBDIVISION IN WHICH THE PROJECT IS LOCATED:

32 (1) THE chief executive officer or the equivalent officer; [and]

1 **(2)** the head or president of the legislative body [of the political subdivision
 2 in which a proposed community development project or a public purpose project is located];
 3 AND

4 **(3)** EACH MEMBER OF THE GENERAL ASSEMBLY THAT REPRESENTS
 5 THE DISTRICT IN WHICH THE PROJECT IS LOCATED.

6 4-404.

7 (a) The Department shall:

8 (1) administer the Program;

9 (2) adopt policies to ensure that rental housing is made available to
 10 households of limited income;

11 (3) develop procedures to ensure that the projects receiving financial
 12 assistance from the Program are in compliance with applicable occupancy restrictions;

13 (4) use federal and State programs to help carry out the Program; and

14 (5) encourage the assistance or participation of local political subdivisions.

15 (b) The Secretary shall set income guidelines by considering:

16 (1) the median income for the area;

17 (2) the minimum income needed to afford available standard rental units
 18 in the area;

19 (3) federal income guidelines, including the requirements of the Federal
 20 Low-Income Housing Tax Credit Program; and

21 (4) any other relevant factor.

22 (c) In administering the Program under this subtitle, the Department may act
 23 either directly or through the Administration.

24 (d) ~~(1)~~ ~~The~~ **FOR A PROPOSED PROJECT, THE** Department shall provide
 25 written notice and a reasonable opportunity to comment to **THE FOLLOWING**
 26 **REPRESENTATIVES OF THE POLITICAL SUBDIVISION IN WHICH THE PROJECT IS**
 27 **LOCATED:**

28 **(1)** the chief executive officer or the equivalent officer ~~and;~~

1 (2) the head or president of the legislative body ~~of the political subdivision~~
2 ~~in which a proposed project is located; AND~~

3 (3) EACH MEMBER OF THE GENERAL ASSEMBLY THAT REPRESENTS
4 THE DISTRICT IN WHICH THE PROJECT IS LOCATED.

5 ~~(2) THE DEPARTMENT SHALL NOTIFY THE MEMBERS OF THE~~
6 ~~DELEGATION TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH A RENTAL~~
7 ~~HOUSING PROJECT IS LOCATED BY E MAIL WITHIN 14 DAYS AFTER PROJECT~~
8 ~~APPROVAL.~~

9 (e) If the proposed project is located in a municipal corporation, the notice
10 required under subsection ~~[(d)] (D)(1)~~ of this section shall be sent to the chief executive
11 officer and head or president of the municipal corporation and not to the county.

12 ~~4-407.~~

13 ~~(a) A project qualifies as a rental housing project under this subtitle if:~~

14 ~~(1) its purpose is to acquire, construct, or rehabilitate real property or all~~
15 ~~or part of a building or improvements that will be occupied by households of limited income~~
16 ~~as provided in this subsection; and~~

17 ~~(2) a portion of the rental units in the project are set aside for households~~
18 ~~of lower income for the greater of:~~

19 ~~(i) 15 years; or~~

20 ~~(ii) the number of years required by federal law.~~

21 ~~(b) The minimum number of rental units set aside under subsection (a)(2) of this~~
22 ~~section shall be the greater of:~~

23 ~~(1) the number that bears the same ratio to the whole number of rental~~
24 ~~units in the project as the amount of the Program loan bears to the whole financing of the~~
25 ~~undertaking; or~~

26 ~~(2) the number of rental units chosen by the sponsor to satisfy federal~~
27 ~~occupancy requirements, if the project receives federal low income housing tax credits or~~
28 ~~is financed in part with government issued, federally tax exempt revenue bonds.~~

29 ~~(c) Rental units restricted for occupancy to meet other federal, State, or local~~
30 ~~occupancy requirements may be counted toward the minimum number required under this~~
31 ~~section.~~

1 ~~(d) A rental unit that continues to meet applicable federal occupancy restrictions~~
2 ~~under subsection (b)(2) of this section shall be deemed to continue to meet the applicable~~
3 ~~restrictions for purposes of this subtitle.~~

4 ~~(e) A project qualifies as a rental housing project under this subtitle and is not~~
5 ~~subject to the income restrictions specified in this section if it will:~~

6 ~~(1) effect an office or other commercial space conversion into market rate~~
7 ~~rental housing; and~~

8 ~~(2) provide substantial economic development to a sustainable community~~
9 ~~as defined in § 6-301 of this article.~~

10 ~~(F) (1) THIRTY DAYS BEFORE SUBMITTING AN APPLICATION FOR A~~
11 ~~PROGRAM LOAN, AN APPLICANT SHALL SEND TO THE MEMBERS OF THE~~
12 ~~DELEGATION TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH THE~~
13 ~~PROPOSED PROJECT IS LOCATED, BY CERTIFIED MAIL AND E-MAIL:~~

14 ~~(I) THE PROJECT NAME;~~

15 ~~(II) THE PROJECT ADDRESS;~~

16 ~~(III) THE APPLICANT'S CONTACT INFORMATION, INCLUDING AN~~
17 ~~ADDRESS AND TELEPHONE NUMBER;~~

18 ~~(IV) A DESCRIPTION OF THE PROJECT; AND~~

19 ~~(V) THE COST FOR THE PROJECT.~~

20 ~~(2) AN APPLICANT SHALL INCLUDE A COPY OF THE NOTIFICATION~~
21 ~~REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN THE APPLICATION FOR~~
22 ~~A PROGRAM LOAN.~~

23 ~~4-1205.~~

24 ~~(a) The Department shall:~~

25 ~~(1) administer the Program;~~

26 ~~(2) adopt policies and procedures that encourage partnership rental~~
27 ~~housing throughout the State; and~~

28 ~~(3) adopt regulations to carry out the Program, including regulations that~~
29 ~~specify criteria for local contributions to the cost of partnership projects undertaken by a~~
30 ~~political subdivision or housing authority.~~

1 ~~(b) The Department may establish:~~

2 ~~(1) maximum limits for financing that it will provide to:~~

3 ~~(i) individual partnership rental housing units;~~

4 ~~(ii) any one partnership project; or~~

5 ~~(iii) any political subdivision or housing authority;~~

6 ~~(2) a process for approving financing for partnership projects that~~
7 ~~encourages a broad geographic distribution of money; and~~

8 ~~(3) the time that a household may occupy the partnership rental housing~~
9 ~~after the annual income of the household exceeds the continuing occupancy income limits~~
10 ~~for households of lower income.~~

11 ~~(c) In administering the Program, the Department may make loans either~~
12 ~~directly or through the Administration.~~

13 ~~**(d) THE DEPARTMENT SHALL NOTIFY THE MEMBERS OF THE DELEGATION**~~
14 ~~**TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH A PARTNERSHIP**~~
15 ~~**PROJECT IS LOCATED BY E-MAIL WITHIN 14 DAYS AFTER PROJECT APPROVAL.**~~

16 4-1207.

17 (a) Except as provided in subsection (c) of this section, the Department may
18 approve an application for a proposed partnership project only if:

19 (1) the application is:

20 **(I)** authorized by the chief elected official of the political subdivision
21 or, if there is no chief elected official, by the governing body of the political subdivision in
22 which the project is located; **AND**

23 **(II) SENT TO EACH MEMBER OF THE GENERAL ASSEMBLY THAT**
24 **REPRESENTS THE DISTRICT IN WHICH THE PROJECT IS LOCATED WHEN THE**
25 **APPLICATION IS SENT FOR AUTHORIZATION UNDER ITEM (I) OF THIS ITEM;**

26 (2) the political subdivision or housing authority:

27 (i) contributes from non-State sources the land for the partnership
28 rental housing;

29 (ii) funds the part of the acquisition cost of the property that is
30 attributable to the value of the land; or

1 (iii) makes a contribution under § 4-1208(d)(2) of this subtitle that
2 equals or exceeds the value of the land;

3 (3) the political subdivision or housing authority is to have an ownership
4 interest in the partnership project or in the rental units financed by the Program and sold
5 to the political subdivision or housing authority or to a partnership that includes the
6 political subdivision or housing authority;

7 (4) the political subdivision or housing authority directly or indirectly
8 manages the partnership project;

9 (5) the rental units financed by the Program are to be occupied on
10 completion of the acquisition, construction, reconstruction, renovation, or rehabilitation by
11 households of lower income;

12 (6) unless prohibited by any applicable federal requirement, the
13 households of lower income occupying the partnership project or the part financed by the
14 Program are required to contribute services to enhance or maintain the partnership project
15 or the community in a way that the political subdivision or housing authority accepts; ~~and~~

16 (7) it is reasonable to anticipate that:

17 (i) more State subsidies will not be needed for long-term occupancy
18 by households of lower income; and

19 (ii) rental income, including any contribution to allow for more
20 affordable rents under § 4-1208(d) of this subtitle, will be enough to pay the operating costs
21 of the partnership project and to build an adequate reserve for the long-term maintenance
22 and renovation of the partnership project; ~~AND~~.

23 ~~(8) THE APPLICATION INCLUDES A COPY OF THE NOTIFICATION~~
24 ~~REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.~~

25 ~~(B) THIRTY DAYS BEFORE SUBMITTING AN APPLICATION, AN APPLICANT~~
26 ~~SHALL SEND TO THE MEMBERS OF THE DELEGATION TO THE GENERAL ASSEMBLY~~
27 ~~FOR THE DISTRICT IN WHICH THE PROPOSED PARTNERSHIP PROJECT IS LOCATED,~~
28 ~~BY CERTIFIED MAIL AND E-MAIL:~~

29 ~~(1) THE PROJECT NAME;~~

30 ~~(2) THE PROJECT ADDRESS;~~

31 ~~(3) THE APPLICANT'S CONTACT INFORMATION, INCLUDING AN~~
32 ~~ADDRESS AND TELEPHONE NUMBER;~~

1 ~~(4) A DESCRIPTION OF THE PROJECT; AND~~

2 ~~(5) THE COST FOR THE PROJECT.~~

3 ~~[(b)] (C)~~ The rental units financed by the Program may include, as among those
4 that must be occupied by households of lower income, rental units restricted for occupancy
5 to meet other federal or State occupancy requirements.

6 ~~[(c)] (D)~~ The Department may approve the use of partnership rental housing
7 funds for a unit of partnership rental housing that does not comply with each requirement
8 set forth in subsection (a) of this section if:

9 (1) the unit will be occupied by a household of lower income that includes
10 one or more individuals with disabilities or special needs; and

11 (2) the project in which the unit is located complies with the requirements
12 of the other State housing programs financing the project, if any.

13 ~~6-202.~~

14 (a) There is a Community Legacy Program.

15 ~~6-204.~~

16 ~~(a) A sponsor may file one or more applications in accordance with the schedules~~
17 ~~that the Department establishes.~~

18 ~~(b) (1) An application shall set forth:~~

19 ~~[(1)] (I) a description of one or more sustainable communities where the~~
20 ~~sponsor proposes to develop a sustainable community plan or to carry out a community~~
21 ~~legacy project using the standards listed in § 6-205 of this subtitle;~~

22 ~~[(2)] (II) a detailed description of the proposed sustainable community~~
23 ~~plan or proposed community legacy project;~~

24 ~~[(3)] (III) the amount and type of financial assistance sought;~~

25 ~~[(4)] (IV) the ability of the sponsor to carry out the proposed sustainable~~
26 ~~community plan or community legacy project;~~

27 ~~[(5)] (V) the strength and quality of partnerships created among the~~
28 ~~federal government, the State government, political subdivisions, community development~~
29 ~~organizations, and other private organizations to develop the sustainable community plan~~
30 ~~or carry out the community legacy project, including:~~

- 1 ~~[(i)] 1. financial support;~~
 2 ~~[(ii)] 2. dedication of staff and resources; and~~
 3 ~~[(iii)] 3. commitment to and development of local smart growth~~
 4 policies;

5 ~~[(6)] (VI) proposed benchmarks for evaluating whether the proposed~~
 6 ~~sustainable community plan or community legacy project results in a desired outcome for~~
 7 ~~a proposed sustainable community, such as:~~

- 8 ~~[(i)] 1. stabilizing it;~~
 9 ~~[(ii)] 2. reversing its social, economic, or physical decline; or~~
 10 ~~[(iii)] 3. encouraging growth in it; and~~

11 ~~[(7)] (VII) the process used to seek and receive public input on the proposed~~
 12 ~~sustainable community plan or community legacy project, including the nature and extent~~
 13 ~~of public support or opposition.~~

14 ~~(2) AN APPLICATION SHALL INCLUDE A COPY OF THE NOTICE~~
 15 ~~REQUIRED UNDER SUBSECTION (C) OF THIS SECTION.~~

16 ~~(C) THIRTY DAYS BEFORE SUBMITTING AN APPLICATION, THE SPONSOR~~
 17 ~~SHALL SEND TO THE MEMBERS OF THE DELEGATION TO THE GENERAL ASSEMBLY~~
 18 ~~FOR THE DISTRICT IN WHICH THE PROPOSED SUSTAINABLE COMMUNITY PLAN OR~~
 19 ~~COMMUNITY LEGACY PROJECT IS LOCATED, BY CERTIFIED MAIL AND E-MAIL:~~

20 ~~(1) THE NAME OF THE PLAN OR PROJECT;~~

21 ~~(2) (I) FOR A PROPOSED COMMUNITY LEGACY PROJECT, THE~~
 22 ~~PROJECT ADDRESS; OR~~

23 ~~(II) FOR A PROPOSED SUSTAINABLE COMMUNITY PLAN, THE~~
 24 ~~ADDRESS OF EACH COMMUNITY LEGACY PROJECT INCLUDED IN THE PLAN;~~

25 ~~(3) THE SPONSOR'S CONTACT INFORMATION, INCLUDING AN~~
 26 ~~ADDRESS AND TELEPHONE NUMBER;~~

27 ~~(4) A DESCRIPTION OF THE PLAN OR PROJECT; AND~~

28 ~~(5) THE COST FOR THE PLAN OR PROJECT.~~

1 ~~[(c)] (D) (1) The Smart Growth Subcabinet, on the recommendation of the~~
2 ~~Secretary, may designate an area as a sustainable community.~~

3 ~~(2) If the Smart Growth Subcabinet has not acted within 90 days of a~~
4 ~~recommendation from the Secretary, the Secretary may designate an area as a sustainable~~
5 ~~community without the approval of the Smart Growth Subcabinet.~~

6 6-206.

7 (a) The Department shall:

8 (1) review each application and may request more information from the
9 sponsor;

10 (2) accept public input on each application;

11 (3) submit each application to appropriate State units and appropriate
12 members of the Smart Growth Subcabinet;

13 (4) consider any recommendation a State unit or member of the Smart
14 Growth Subcabinet makes;

15 (5) consider geographic balance when reviewing applications; and

16 (6) give priority in awarding financial assistance to applicants that are
17 likely to repay the financial assistance to a community development financial institution
18 or to the Community Legacy Financial Assistance Fund.

19 (b) (1) The Department shall provide written notice to the political subdivision
20 in which the proposed project is located **AND EACH MEMBER OF THE GENERAL**
21 **ASSEMBLY THAT REPRESENTS THE DISTRICT IN WHICH THE PROPOSED PROJECT IS**
22 **LOCATED.**

23 (2) Except as provided in paragraph (5) of this subsection, the Department
24 may not approve an application unless the political subdivision in which the proposed
25 project is located approves the application by:

26 (i) resolution; or

27 (ii) letter, delivered to the Department by the political subdivision's
28 authorized designee, expressing support for the plan or project.

29 (3) If an application affects a sustainable community or an eligible
30 opportunity zone entirely within a municipal corporation, the approval must come from the
31 municipal corporation rather than the surrounding county.

1 (4) If an application affects a sustainable community or an eligible
 2 opportunity zone within more than one political subdivision, each political subdivision must
 3 approve it by:

4 (i) resolution; or

5 (ii) letter, delivered to the Department by the political subdivision's
 6 authorized designee, expressing support for the plan or project.

7 (5) If the Department does not receive notice of approval or denial of an
 8 application from the affected jurisdictions within 45 days after notice of the proposed
 9 project is given in accordance with paragraph (1) of this subsection, the Department may
 10 approve the application.

11 (c) The Secretary shall award financial assistance to a sponsor or a sponsor's
 12 designee:

13 (1) in the amount and of the type that the Secretary determines; and

14 (2) under the terms of a community legacy agreement.

15 ~~(D) WITHIN 14 DAYS AFTER APPROVING A SUSTAINABLE COMMUNITY PLAN~~
 16 ~~OR COMMUNITY LEGACY PROJECT, THE DEPARTMENT SHALL NOTIFY THE MEMBERS~~
 17 ~~OF THE DELEGATION TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH THE~~
 18 ~~PLAN OR PROJECT IS LOCATED BY E-MAIL.~~

19 6-303.

20 (a) There is a Neighborhood Business Development Program.

21 6-305.

22 (a) (1) A small business, nonprofit organization, or microenterprise may apply
 23 for financial assistance under the Business Development Program.

24 (2) The Department shall review each application.

25 ~~(3) AN APPLICATION SHALL INCLUDE A COPY OF THE NOTICE~~
 26 ~~REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.~~

27 ~~(B) THIRTY DAYS BEFORE SUBMITTING AN APPLICATION, THE APPLICANT~~
 28 ~~SHALL SEND TO THE MEMBERS OF THE DELEGATION TO THE GENERAL ASSEMBLY~~
 29 ~~FOR THE DISTRICT IN WHICH THE PROPOSED NEIGHBORHOOD BUSINESS~~
 30 ~~DEVELOPMENT PROJECT IS LOCATED, BY CERTIFIED MAIL AND E-MAIL:~~

31 ~~(1) THE PROJECT NAME;~~

1 ~~(2) THE PROJECT ADDRESS;~~

2 ~~(3) THE APPLICANT'S CONTACT INFORMATION, INCLUDING AN~~
3 ~~ADDRESS AND TELEPHONE NUMBER;~~

4 ~~(4) A DESCRIPTION OF THE PROJECT; AND~~

5 ~~(5) THE COST FOR THE PROJECT.~~

6 **(b) (c)** An applicant may qualify for financial assistance for a project in a
7 priority funding area or an eligible opportunity zone if the application demonstrates that:

8 (1) the financial assistance from the Fund is the minimum amount
9 necessary to make the project financially feasible;

10 (2) the project is ready to proceed when it receives financial assistance from
11 the Business Development Program; and

12 (3) any food desert project includes a plan to seek out sources of
13 Maryland-grown produce and Maryland produced foods.

14 **(c) (d)** (1) The Department shall provide written notice to the political
15 subdivision in which the proposed project is located AND EACH MEMBER OF THE
16 GENERAL ASSEMBLY THAT REPRESENTS THE DISTRICT IN WHICH THE PROPOSED
17 PROJECT IS LOCATED.

18 ~~(2) THE DEPARTMENT SHALL NOTIFY THE MEMBERS OF THE~~
19 ~~DELEGATION TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH A PROJECT~~
20 ~~IS LOCATED BY E-MAIL WITHIN 14 DAYS AFTER PROJECT APPROVAL.~~

21 ~~(2) (3)~~ Except as provided in paragraph ~~[(3)] (4)~~ of this subsection, the
22 Department may not approve an application unless the political subdivision in which the
23 proposed project is located approves the application by:

24 ~~(i) resolution; or~~

25 ~~(ii) letter, delivered to the Department by the political subdivision's~~
26 ~~authorized designee, expressing support of the plan or project.~~

27 ~~(3) (4)~~ If the Department does not receive notice of approval or denial of
28 an application from the affected jurisdictions within 45 days after notice of the proposed
29 project is given in accordance with paragraph (1) of this subsection, the Department may
30 approve the application.

1 ~~[(d)] (E) Financial assistance under the Business Development Program may be~~
 2 ~~provided to a small business, nonprofit organization, or microenterprise as:~~

3 ~~(1) a grant;~~

4 ~~(2) a loan;~~

5 ~~(3) a reduction in the principal obligation of or interest rate on a loan or~~
 6 ~~portion of a loan;~~

7 ~~(4) a prepayment of interest on a subordinate or superior loan or portion of~~
 8 ~~a loan;~~

9 ~~(5) an assurance;~~

10 ~~(6) a guarantee; or~~

11 ~~(7) any other form of credit enhancement.~~

12 ~~[(e)] (F) (1) The Department shall reserve at least the lesser of \$5,000,000 or~~
 13 ~~the annual capital appropriation for the Fund to make financial assistance available to~~
 14 ~~projects located in sustainable communities.~~

15 ~~(2) The Department may meet the funding obligations for sustainable~~
 16 ~~communities and food deserts by using any financial assistance available to the~~
 17 ~~Department that is authorized to be used for these projects.~~

18 6-502.

19 (a) There is a Baltimore Regional Neighborhood Initiative Program.

20 ~~6-505.~~

21 ~~(a) (1) A community development organization may apply to the Department~~
 22 ~~to receive Program funds for community enhancement projects.~~

23 ~~(2) The Department shall establish the application process.~~

24 ~~(3) The application shall contain:~~

25 ~~(i) the neighborhood revitalization plan;~~

26 ~~(ii) a description of each community enhancement project;~~

27 ~~(iii) organizational documents for the community development~~
 28 ~~organization; [and]~~

1 ~~(iv) A COPY OF THE NOTICE REQUIRED UNDER SUBSECTION (B)~~
 2 ~~OF THIS SECTION; AND~~

3 ~~(v) any other information the Department requires.~~

4 ~~(B) THIRTY DAYS BEFORE SUBMITTING AN APPLICATION, THE APPLICANT~~
 5 ~~SHALL SEND TO THE MEMBERS OF THE DELEGATION TO THE GENERAL ASSEMBLY~~
 6 ~~FOR THE DISTRICT IN WHICH THE PROPOSED COMMUNITY ENHANCEMENT PROJECT~~
 7 ~~IS LOCATED, BY CERTIFIED MAIL AND E-MAIL:~~

8 ~~(1) THE PROJECT NAME;~~

9 ~~(2) THE PROJECT ADDRESS;~~

10 ~~(3) THE APPLICANT'S CONTACT INFORMATION, INCLUDING AN~~
 11 ~~ADDRESS AND TELEPHONE NUMBER;~~

12 ~~(4) A DESCRIPTION OF THE PROJECT; AND~~

13 ~~(5) THE COST FOR THE PROJECT.~~

14 ~~[(b)](C) (1) The Department, by regulation, shall establish a quantitative~~
 15 ~~system to evaluate each application.~~

16 ~~(2) The quantitative evaluation system shall evaluate each application~~
 17 ~~based on:~~

18 ~~(i) the neighborhood revitalization plan and how the plan relates to~~
 19 ~~the goals outlined in the community's larger sustainable communities plan;~~

20 ~~(ii) the description of the community conditions and the~~
 21 ~~appropriateness of outlined strategies to address those conditions;~~

22 ~~(iii) the ability of each proposed community enhancement project to~~
 23 ~~address identified challenges within the community; and~~

24 ~~(iv) the capacity and experience of the applicant and the applicant's~~
 25 ~~partners to complete the proposals and leverage additional financing.~~

26 ~~[(e)](D) The Department may give additional consideration to applications that~~
 27 ~~include:~~

28 ~~(1) opportunities that promote compact redevelopment and connect~~
 29 ~~housing and job opportunities with transportation options;~~

1 ~~(2) activities in specially designated districts that encourage residential~~
2 ~~reinvestment that reinforces the success of the businesses in the districts;~~

3 ~~(3) community enhancement projects that encourage or incorporate~~
4 ~~elements that address environmental responsibility and stewardship into the site and~~
5 ~~project development, design, and construction;~~

6 ~~(4) community enhancement projects that incorporate additional State and~~
7 ~~local revitalization and smart growth programs and financing tools;~~

8 ~~(5) capital investments and business practices that incorporate~~
9 ~~inclusionary hiring practices that increase local workforce opportunities; and~~

10 ~~(6) projects whose purpose is to identify for acquisition, acquire, develop,~~
11 ~~or promote the development of vacant or blighted properties.~~

12 ~~6-500.~~

13 ~~(a) The recipient of financial assistance from the Program shall submit to the~~
14 ~~Department quarterly progress reports on the development of a community enhancement~~
15 ~~project.~~

16 ~~(b) (1) On or before October 31 each year, the Department shall submit a~~
17 ~~report to the Governor and, subject to § 2-1257 of the State Government Article, the~~
18 ~~General Assembly.~~

19 ~~(2) The report shall include, for the previous fiscal year:~~

20 ~~(i) the number of applications received;~~

21 ~~(ii) the number and location of community enhancement projects;~~

22 ~~(iii) the financial status of the Program, including the amount and~~
23 ~~types of financial assistance encumbered and disbursed; and~~

24 ~~(iv) a summary of the quarterly reports submitted under subsection~~
25 ~~(a) of this section.~~

26 ~~(c) THE DEPARTMENT SHALL NOTIFY THE MEMBERS OF THE DELEGATION~~
27 ~~TO THE GENERAL ASSEMBLY FOR THE DISTRICT IN WHICH A COMMUNITY~~
28 ~~ENHANCEMENT PROJECT IS LOCATED BY E-MAIL WITHIN 14 DAYS AFTER PROJECT~~
29 ~~APPROVAL.~~

30 ~~6-506.~~

31 ~~(a) The Department shall:~~

1 (1) review each application submitted under § 6–505 of this subtitle and
2 may request additional information from the applicant;

3 (2) accept public input on each application; and

4 (3) consider the recommendation of any State unit.

5 (b) (1) The Department may not approve an application until the Department
6 has provided written notice and a reasonable opportunity to comment to the political
7 subdivision where the proposed community enhancement project is located AND EACH
8 MEMBER OF THE GENERAL ASSEMBLY THAT REPRESENTS THE DISTRICT WHERE
9 THE PROPOSED COMMUNITY ENHANCEMENT PROJECT IS LOCATED.

10 (2) If the application affects a neighborhood entirely within a municipal
11 corporation, the Department must provide notice and a reasonable opportunity to comment
12 to the municipal corporation and not the surrounding county.

13 (3) If an application affects a neighborhood within more than one political
14 subdivision, the Department must provide notice and a reasonable opportunity to comment
15 to each political subdivision.

16 (c) The Secretary shall award financial assistance to an applicant:

17 (1) in the amount and of the type that the Secretary determines; and

18 (2) under the terms of a Program agreement.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
20 apply only prospectively and may not be applied or interpreted to have any effect on or
21 application to any application to the Department of Housing and Community Development
22 under the federal Low–Income Housing Tax Credit Program, the Rental Housing Program,
23 the Partnership Rental Housing Program, the Community Legacy Program, the
24 Neighborhood Business Development Program, or the Baltimore Regional Neighborhood
25 Initiative Program submitted before the effective date of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2022.