

2. Purpose

It is found and declared that there continues to exist in the State a seriously inadequate supply of safe and sanitary dwelling accommodations for persons and families of low and moderate income. This condition is contrary to the public interest and threatens the health, safety, welfare, comfort and security of the people of the State. The ordinary operations of private enterprise cannot provide an adequate supply of safe and sanitary dwelling accommodations at rentals or purchase prices which persons and families of low and moderate income can afford.

It is further declared that a need exists to assist and encourage private enterprise, local non-profit development corporations, municipalities, counties and/or local agencies in their efforts to construct low and moderate income housing in their communities.

It is further declared that private enterprise has encountered difficulty in providing new residential and community facilities because of problems in assembling land suitable for building sites, the difficulty of attracting private capital at reasonable cost to finance development, and the difficulty of private enterprise alone to plan, finance, and coordinate industrial and commercial development with residential developments for persons and families of low and moderate income and with adequate public services to serve the development.

Therefore, the Maryland Housing and Community Development Authority is created to encourage, undertake and facilitate the development of low and moderate income housing in the State by reducing the cost of development through grants and loans and the stimulation of a larger flow of private investment funds from banks, building and loan associations, credit unions, savings and loan associations, insurance companies, and other financial institutions to meet the need of low and moderate income housing constructions and to make land available for such construction.

3. Definitions

(1) "Authority" means the Maryland Housing and Community Development Authority created by Section 4 of this Act.

(2) "Limited Dividend Corporation" means a corporation which qualifies as a limited dividend corporation under the Federal housing laws in effect from time to time.