

BE exempt from [Montgomery County] COUNTY AND MUNICIPAL CORPORATION property tax if:

(i) the real property is owned by a person engaged in constructing or operating housing structures or projects;

(ii) the real property is used for a housing structure or project that is constructed or substantially rehabilitated under a federal, State, or local government program that:

- 1. funds construction or insures its financing IN WHOLE OR IN PART; or
- 2. provides interest subsidy, rent subsidy, or rent supplements;

(iii) the owner and the governing body of [Montgomery County] THE COUNTY AND, WHERE APPLICABLE, THE MUNICIPAL CORPORATION WHERE THE REAL PROPERTY IS LOCATED agree that the owner shall pay a negotiated amount in lieu of the applicable county OR MUNICIPAL CORPORATION property tax; and

(iv) the owner of the real property:

1. A. agrees to continue to maintain the real property as [subsidized] rental housing FOR LOWER INCOME PERSONS under the [terms] REQUIREMENTS of the [original regulatory agreement] GOVERNMENT PROGRAMS DESCRIBED IN PARAGRAPH (2)(II) OF THIS SUBSECTION; AND

[2.] B. agrees to renew [the] ANY annual contributions contract OR OTHER AGREEMENT for rental subsidy OR SUPPLEMENT; or

[3.] 2. enters into [another type of] AN agreement with the governing body [of Montgomery County] OF THE COUNTY OR MUNICIPAL CORPORATION to allow the ENTIRE property or [a] THE portion of the property WHICH WAS MAINTAINED FOR LOWER INCOME PERSONS to remain as [subsidized] housing FOR LOWER INCOME PERSONS for a term of at least 5 years.

(3) If the structure and facilities of the real property are used predominantly for residential purposes, the real property may contain service facilities to serve its occupants and the surrounding neighborhood.

(b) Real property described in subsection (a) of this section is exempt when the requirements of subsection (a) of this section are met.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1990.

Approved May 2, 1990.