

project. The allocation and use of State funds under this Act shall be governed by and subject to the following stipulations and limitations:

(i) State funds may be used only for the construction, acquisition, renovation, and/or equipping of public and other nonprofit facilities and for the purpose of reports, plans, and specifications in connection therewith, and for the purpose of site improvements, surveys, and programs in connection therewith.

(ii) Any federal grant which may be available for this purpose shall be applied first to the cost of construction, acquisition, renovation, and/or equipping of each community mental health center component, addiction facility, mental retardation facility, or developmental disabilities facility. State grants shall amount to up to 50 percent of the eligible cost remaining after the federal grant has been applied. For those projects designated under federal regulation, State plans, and regulations provided for by this Act as eligible for poverty area funding, State grants shall amount to up to 75 percent of the eligible cost remaining after the federal grant has been applied.

(iii) The amount of the State grant to be made for any facility shall be determined after due consideration of all pending eligible applicants, the total of unallocated State funds available at the time the application is received, and such priorities of area need as may have been established by the State Department of Health and Mental Hygiene.

(iv) If, at any time within 15 years after completion of construction, a facility with respect to which funds have been paid under the provisions of this Act:

1. Is sold or transferred to any person, agency, or organization which would not itself qualify as an applicant under the terms of this Act, or which is not approved as a transferee by the Secretary of Health and Mental Hygiene, or

2. Ceases to be a public or nonprofit facility, as defined in this Act, then the State shall be entitled to recover from either the transferor of transferee or, in the case of an institution which has ceased to be a public or nonprofit facility, from the owner, an amount bearing the same ratio to the then value (as determined by agreement of the State and such transferor, transferee, or owner, or by action brought in a court of competent jurisdiction) of so much of the institution as constituted an approved project, as the amount of the State participation bore to the cost of the construction under that project. A statement notice of this right of recovery shall be recorded in the land records of the political subdivision in which the facility is located prior to the