

462.

(a) The Department may make a loan or grant to a political subdivision to cover part of the eligible project costs of an industrial or commercial redevelopment project. Proceeds of a loan or grant may be:

(1) Expended directly by the political subdivision;

(2) Loaned or granted by the political subdivision; or

(3) Used by the political subdivision to guarantee loans, to a private entity which has made a firm commitment to carry out part or all of an industrial or commercial redevelopment project.

(b) The Department shall make the loan or grant from the fund or from other sources of money authorized by law.

(c) (1) A loan or grant may be for up to 90 percent of the nonfederal and nonprivate portion of the eligible project cost. However, a loan that, as to principal, is to be repaid in full may not exceed \$3,000,000. Any other loan or grant may not exceed \$2,000,000. The aggregate cumulative total of grants and outstanding principal balance of loans, made to or within any one county or Baltimore City, may not exceed 40% of the aggregate cumulative total of appropriations and payments to the fund.

(2) As determined by the Secretary, the principal of a loan:

(i) May be repayable, in whole or in part, from specified revenues or on a contingency;

(ii) May be noninterest bearing or bear interest at a rate of not more than 1/4 of 1 percent plus the interest cost of the most recent State bond issue preceding approval by the Secretary of the application for the loan;

(iii) To the extent that it is to be repaid, may be repayable in accordance with any schedule, with maturity of up to 15 years; and

(iv) To the extent that it is to be repaid, is a general obligation secured by the assets and revenues of ~~Baltimore-City-AND-BALTIMORE-COUNTY~~ THE COUNTIES AND--BALTIMORE--CITY POLITICAL SUBDIVISIONS that will assure repayment ~~or-by-the-full-faith-and-credit-of-any-other borrowing-political-subdivision.~~

(d) The Secretary may adopt regulations governing all aspects of the program, and may in his discretion facilitate