

BY--ANNE--ARUNDEL--COUNTY--FOR--OWNER--OCCUPANCY--RESIDENTIAL MORTGAGE--LOANS--FOR--LOW--AND--MIDDLE--INCOME--INDIVIDUALS--AS WOULD--PERMIT,--THE--INTEREST--ON--SAID--BONDS--TO--BE--EXEMPT--FROM FEDERAL--INCOME--TAXATION--PURSUANT--TO--§--103A--OF--THE--INTERNAL REVENUE--CODE--OF--1954,--AS--AMENDED.---IN--THIS--EVENT,--THE REVENUE--BONDS--SHALL--BE--REPAYABLE--SOLELY--FROM--THE--REVENUE DERIVED--FROM--LOAN--REPAYMENTS--SECURED--BY--MORTGAGES--ACQUIRED UNDER--THE--PROGRAM--AND--THE--PROVISIONS--OF--THE--OTHER--SECTIONS OF--THIS--SUBHEADING--APPLY--EXCEPT--THAT--THESE--PROCEDURES--SHALL CONTEMPLATE--AND--AUTHORIZE--A--TRANSACTION--IN--THE--FORM--OF--THE MORTGAGE--LOAN--PROGRAM.---PROVISIONS--OF--OTHER--SECTIONS--OF--THIS SUBHEADING--WHICH--ARE--INCOMPATIBLE--WITH--THE--TRANSACTION, INCLUDING--REQUIREMENTS--OF--A--SPECIFIC--DESCRIPTION--OF--THE INDIVIDUAL--MORTGAGE--LOANS--TO--BE--ACQUIRED--AND--A--LETTER--OF INTENT--OR--SIMILAR--AGREEMENT--AS--DESCRIBED--IN--§--266B--OF--THIS SUBHEADING,--DO--NOT--APPLY.---ANY--AGREEMENT--OR--CONTRACT--WITH RESPECT--TO--THE--MORTGAGE--LOAN--PROGRAM--MAY--INCLUDE--SUCH PROVISIONS--AS--ANNE--ARUNDEL--COUNTY--MAY--DEEM--APPROPRIATE--TO EFFECT--THE--FINANCING--OF--THE--PROPOSED--PROGRAM.---A--TRANSACTION UNDER--THIS--SECTION--DOES--NOT--CONSTITUTE--A--CAPITAL--PROJECT WITHIN--THE--MEANING--OF--ANY--CHARTER--OR--STATUTORY--PROVISION, AND--SHALL--BE--AUTHORIZED--BY--ORDINANCE--OR--RESOLUTION.---ANNE ARUNDEL--COUNTY--MAY--PRESCRIBE--THE--LIMITS--OF--INCOME--FOR INDIVIDUALS--ELIGIBLE--FOR--MORTGAGE--LOANS--UNDER--THIS--SECTION.

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(a) The following legislative findings are made.

(1) As a result of the continuing increases in: the cost of construction or rehabilitation, county taxes, heating and electricity expenses, maintenance and repair expenses, inflation, the cost of land, the cost of energy conservation measures, and the levels of borrowing costs, including interest, low and moderate income persons and families in many areas within Allegany, ANNE ARUNDEL, Kent, Washington, and Worcester counties, including areas which contain presently stable neighborhoods and middle class residential housing, are unable to purchase, rehabilitate, and maintain decent, safe, and sanitary housing which provides an opportunity for home ownership either directly or through a condominium or cooperative form of ownership. The inability of families to purchase and hold housing in the counties results in the decline of new housing and in the decay of existing housing and of existing neighborhoods with attendant increases in costs for welfare, police and fire protection. The decline in new housing construction, together with the decay of existing housing, has produced a critical shortage of adequate housing in the counties adversely affecting the economy of the counties and the well-being of their residents. Private enterprise without the assistance of the residential mortgage program contemplated by this section cannot achieve the construction or rehabilitation of adequate housing for persons and families of low or moderate income. The alternative of