

(i) State funds may be used only for the construction, acquisition, renovation, and equipment of facilities; for reports, plans, and specifications in connection therewith; and for 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 equipment of a facility. State grants shall provide up to 50 percent of the eligible cost remaining after the federal grant has been applied. For those projects designated under federal regulations, 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. For the purposes of this Act, community development block grant funds shall be considered as local matching funds and may not be considered as federal grant funds.

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

(iv) If, at any time within 15 years after completion of construction, acquisition, renovation, and equipment, a community mental health center component, addiction facility, mental retardation facility, or developmental disabilities facility with respect to which funds have been paid under the provisions of this Act:

1. Is sold or transferred to any entity 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 facility as defined in this Act, then the State may recover from either the transferor or transferee or, in the case of a community mental health center component, addiction facility, mental retardation facility, or developmental disabilities facility which has ceased to be a facility as defined in this Act, from the owner, an amount bearing the same ratio to the then current 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 property as constituted an approved project as the amount of the State participation bore to the total eligible cost of the approved project. A notice of this right of recovery shall be recorded in the land records of the political subdivision in which the property is located prior to the payment of any State funds under the provisions of this Act. The recording of the notice shall not create any lien against the