

(iv) Subgrants by local governmental agencies to nonprofit organizations for the purposes provided in 3(a)-7-(b)-7 and-(c) (i), (ii), and (iii) above.

(4) The Director of the Office on Aging is hereby authorized and directed to develop rules and regulations to carry out the intent of this Act, and to promulgate them after they have been approved by the Board of Public Works.

(5) Any local governmental agency may apply to the Office on Aging for a State grant to be applied toward the cost of any project eligible for funds under this Act and the regulations adopted pursuant to this Act. 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 only be used for the ~~construction~~ acquisition of a building, or part of a building, to be used as an Elderly Citizen Activities Center contingent on certification to the Board of Public Works by the local government and the Office on Aging that no surplus school or other public building appropriate for use as an Elderly Citizen Activities Center exists in the area where it is desired to locate a center.

(ii) Any federal grant that is received for an eligible project shall be applied first to the cost of the project.

(iii) A State grant may not exceed \$200,000 or 50 percent of the total cost of eligible work remaining unpaid after any federal grant has been applied, whichever is less, except that, at the discretion of the Board of Public Works, a grant may exceed 50 percent of the total remaining cost of the conversion of a public building or the rehabilitation, renovation or improvement of an-existing a center if:

1. The value of property and improvements made available by the County local government, or of the existing center equals or exceeds the amount of the State grant; and

2. No State funds have been used for the acquisition, construction, or maintenance of the building to be converted, rehabilitation, renovated, or improved; and

3. The State is not responsible for any bonded indebtedness in connection with the building.

(6) The application shall be directed to the Director of the Office on Aging. When the Director has approved the project and project plans, the Director shall report the application to the Board of Public Works, describing the scope of the project, and recommend that the Board make available the funds requested.