

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Maryland Housing Fund Loan of 1986 in the total principal amount of \$3,000,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code. THIS AUTHORIZATION OF STATE DEBT SHALL EXTEND UNTIL JUNE 1, 1990.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue, or may be consolidated and sold as part of a single issue of bonds under § 8-122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited AND MAINTAINED on the books of the Comptroller, TOGETHER WITH ALL (I) INTEREST EARNED AND NET GAINS REALIZED FROM THE INVESTMENT AND REINVESTMENT THEREOF AND (II) REPAYMENTS OF LOANS MADE WITH THE PROCEEDS OF THE BONDS, and expended, [on approval by the Board of Public Works,] IN ACCORDANCE WITH ARTICLE 41B, §§ 2-201 THROUGH 2-208, for the following public purposes, including any applicable architects' and engineers' fees: [to be added to the Maryland Housing Fund established by Article 41, § 257K of the Code to be used by the Department of Economic and Community Development for the purposes prescribed by law for the Fund.] TO BE USED BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT IN COOPERATION WITH LOCAL GOVERNMENTS TO IMPLEMENT RENTAL-HOUSING-DEMONSTRATION-PROGRAMS-OR--PROJECTS THE PARTNERSHIP RENTAL HOUSING PROGRAM AS A RENTAL HOUSING DEMONSTRATION PROGRAM IN ACCORDANCE WITH ARTICLE 41B, § 2-204(5).

(A) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT IS AUTHORIZED AND DIRECTED TO ADOPT RULES AND REGULATIONS TO CARRY OUT THE INTENT OF THIS ACT.

(B) THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED:

(1) "DEVELOPMENT COSTS" MEANS THE COSTS INCURRED FOR THE NEW CONSTRUCTION, RECONSTRUCTION, OR SUBSTANTIAL REHABILITATION OF PARTNERSHIP RENTAL HOUSING, INCLUDING THE COSTS OF:

(I) NECESSARY STUDIES, SURVEYS, TESTS, PLANS, AND SPECIFICATIONS;

(II) ARCHITECTURAL, DESIGN, ENGINEERING, AND OTHER SPECIAL SERVICES;