

(f) "Loan" means a loan of money made by the Department under this subtitle.

(g) "Operating costs" means any costs incurred by a sponsor of a completed project necessary to maintain or operate a project including payments of principal and interest on a loan to cover development costs.

(h) "Nonprofit organization" means a corporation, foundation, or other legal entity, no part of the net earnings of which inures to the benefit of any private shareholder or individual holding any interest in such entity.

(I) "NONPROFIT SPONSOR" MEANS A SPONSOR WHO IS:

(1) A NONPROFIT ORGANIZATION; OR

(2) A LIMITED PARTNERSHIP IF:

(I) EACH OF THE GENERAL PARTNERS QUALIFIES AS A NONPROFIT ORGANIZATION; OR

(II) 1. THE LIMITED PARTNERSHIP IS A WHOLLY OWNED SUBSIDIARY OF A NONPROFIT ORGANIZATION;

2. THE LIMITED PARTNERSHIP IS FORMED FOR THE PURPOSE OF UNDERTAKING A PROJECT THAT IS ELIGIBLE IN WHOLE OR IN PART FOR FEDERAL PROGRAMS OR INCENTIVES, INCLUDING LOW INCOME HOUSING TAX CREDITS; AND

3. A NONPROFIT ORGANIZATION MANAGES THE PROJECT OR WILL BE THE RECIPIENT OF NET CASH FLOW OR THE RESIDUAL SALE PROCEEDS UPON SALE OF THE PROJECT.

[(i)] (J) "Political subdivision" means any municipal corporation in Maryland subject to the provisions of Article XI-E of the Constitution, the Mayor and City Council of Baltimore, and any of the 23 counties in Maryland.

[(j)] (K) "Program" means the Rental Housing Production Program.

[(k)] (L) (1) "Rental housing production project" or "project" means any project or undertaking for the acquisition, construction, or rehabilitation of buildings and improvements, or any portion thereof, which buildings and improvements or portion thereof will be occupied by families of lower income as follows:

(i) For projects which qualify for federal low-income housing tax credits, the number of residential units selected by the sponsor to satisfy the federal requirements will be occupied by families of lower income; or