

(u) "Sponsor" means an owner who receives a loan to rehabilitate a building for residential rental purposes, for nonresidential purposes, or for both. [A sponsor shall agree that at least two-thirds of all dwelling units rehabilitated with the proceeds of the loan shall be occupied by families of limited income for at least 5 years after the rehabilitation of those units is completed. The Secretary shall establish need criteria for the sponsor to ensure the maximum use of any available private financing. If a portion of rehabilitation is to be financed by a private lending institution, the Department shall require that the sponsor utilize the maximum amount of private financing which the project can support without impairing the feasibility of the project and, if residential, of providing affordable housing to limited-income tenants.]

2-303.

(a) There is a Maryland Housing Rehabilitation Program. LOANS MADE UNDER THIS SECTION FOR REHABILITATION OF BUILDINGS PROVIDING MORE THAN 4 DWELLING UNITS OR SERVING NONRESIDENTIAL NEEDS AND LOANS TO NONPROFIT SPONSORS UNDER § 2-305 OF THIS SUBTITLE MAY BE KNOWN AS THE MULTI-FAMILY REHABILITATION PROGRAM. LOANS, EXCEPT SPECIAL LOANS, MADE UNDER THIS PROGRAM FOR REHABILITATION OF RESIDENTIAL BUILDINGS PROVIDING 4 OR LESS DWELLING UNITS MAY BE KNOWN AS THE REGULAR REHABILITATION PROGRAM. SPECIAL LOANS MADE UNDER ONE OF THE SPECIAL LOAN PROGRAMS MAY BE KNOWN AS THE SPECIAL REHABILITATION PROGRAM. Except as otherwise specifically provided, the provisions of this section shall not apply to special loans.

(b) The Department shall operate the Program, and make rehabilitation loans [from the fund] under the provisions of this section.

(c) The Department shall allocate and at least annually reallocate the [portion of the fund not] MONEYS appropriated for the making of [special] loans UNDER THE REGULAR PROGRAM, among the counties, to ensure that all areas of the State are served, taking into account (1) the number of families of limited incomes in the county, (2) the need for rehabilitation of buildings in the county, (3) the extent of the capability of the county to administer a rehabilitation program, and (4) any other criteria the Department deems relevant to ensure fair and equitable distribution of funds among the counties. In making its allocations, the Department may initially allocate on a countywide basis, and then make suballocations among participating political subdivisions within the counties. In making its allocations, the Department may allocate up to 25 percent of the total moneys available in the fund to a reserve. The Department may, from time to time, reallocate the moneys held in reserve.