

(7) It is reasonable to anticipate that:

(i) Additional State [or federal] subsidies will not be required for long-term occupancy by households of lower income; and

(ii) Rental income, including any contribution to allow for more affordable rents that is made under § 2-1107(b) of this subtitle, will be sufficient to pay all operating costs of the project as well as build up a reserve account in an amount adequate for the long-term maintenance and renovation of the project; and

(8) For each partnership project subsequent to the first project undertaken by a local government, the amount of the local contribution on a percentage basis to the project is greater than the local contribution on a percentage basis to the immediately preceding partnership project undertaken by the local government, unless the Secretary determines that the local government:

(i) Currently is making substantial commitments to affordable housing; or

(ii) Is at taxing capacity and does not have discretionary surplus funds.

2-1107.

(b) Local governments may elect to contribute local funds, INCLUDING LOCALLY ADMINISTERED FEDERAL FUNDS AND FEDERAL RENTAL ASSISTANCE, in order to allow for more affordable rents.

2-1108.

The Department may establish:

(1) Maximum amounts of funding which will be provided to individual partnership rental housing units, any 1 project, or any local government;

(2) A process for approving funding for projects that encourages a broad geographic distribution of funds; and

(3) The maximum length of time that a household may be permitted to continue to occupy the partnership rental housing after it has reached an annual income which exceeds the APPLICABLE CONTINUING OCCUPANCY income limits for households of lower income.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

Approved May 2, 1994.