2-1202.

- (a) The Department[, under a demonstration project,] shall [make] AWARD operating assistance grants to nonprofit organizations for the purpose of building their capacity to participate in housing projects or activities authorized by the programs established in this title that are financed through the Rental Housing Programs Fund, the Homeownership Programs Fund, the Special Loan Programs Fund, or otherwise financed in whole or in part by the Department.
- (b) To be eligible for an operating assistance grant under this section a nonprofit organization must have limited expertise or no recent experience in participating in projects or activities financed in whole or in part by the Department.

2-1203.

The Department[, under a demonstration project,] shall [make] AWARD operating assistance grants to nonprofit organizations [in order] to facilitate the production or rehabilitation of limited income housing by nonprofit organizations or by individuals assisted by nonprofit organizations if:

- (1) The nonprofit organization meets performance and other standards established by the Department; and
  - (2) The nonprofit organization has:
- (i) Completed, or substantially completed, a loan application that has been deemed acceptable by the Department to undertake a housing project which is financed, in whole or in part, by the Department SUBMITTED AN APPLICATION FOR OPERATING ASSISTANCE THAT IS ACCEPTABLE TO THE DEPARTMENT, INCLUDING A DESCRIPTION OF THE HOUSING PROJECT AND, IF THE NONPROFIT ORGANIZATION RECEIVED A GRANT IN THE PRIOR YEAR, EVIDENCE OF ACCEPTABLE PERFORMANCE IN THE PRIOR YEAR; or
- (ii) Provided assistance to individuals making applications for loans from the Department or a local government approved by the Department has certified that the nonprofit organization's efforts were responsible for the origination of the applications.

## 2 - 1203.1.

- (A) THE DEPARTMENT SHALL AWARD PERFORMANCE FUNDING GRANTS TO NONPROFIT—ORGANIZATIONS—FOR—THE—PURPOSE—OF—ENABLING—ELIGIBLE NONPROFIT ORGANIZATIONS TO ENGAGE IN HOUSING PRODUCTION FOR LOW AND MODERATE INCOME HOUSEHOLDS.
- (B) TO BE ELIGIBLE FOR A PERFORMANCE FUNDING GRANT UNDER THIS SECTION A NONPROFIT ORGANIZATION MUST:
- (1) DEMONSTRATE A RECORD OF PERFORMANCE IN HOUSING PRODUCTION ACCEPTABLE TO THE DEPARTMENT;
- (2) DEMONSTRATE EVIDENCE OF A CONTINUING CAPACITY TO ENGAGE IN HOUSING PRODUCTION; AND