

grams, and Housing Management. Programs are funded by the sale of tax-exempt revenue bonds; construction loan notes; taxable bonds; State general obligation bonds; general funds; special funds generated through loan repayments, fees, and charges; and federal housing subsidies. The Administration also issues essential function bonds for the Local Government Infrastructure Financing Program administered by the Division of Community Assistance.

Projects proposed for financial assistance must be consistent with local priorities and complement and supplement local community development programs and initiatives. Projects also must meet eligibility criteria and financing requirements (Code 1957, Art. 83B, secs. 2-203 through 2-208).

HOUSING FINANCE REVIEW COMMITTEE

Chairperson: Patricia J. Payne, Deputy Secretary of Housing & Community Development
(410) 514-7007

The Housing Finance Review Committee was created in 1983 (Chapter 668, Acts of 1983). The Committee reviews specific loan requests or categories of loan requests, and the investment and project financing policies of the Division of Housing Finance. After review, the Committee makes recommendations to the Secretary of Housing and Community Development.

Appointed by the Governor, the Committee is composed of seven members. Three are Department employees; two are public members who serve four-year terms; one is a public member who is the chairperson of the Maryland Housing Policy Commission; and one is an employee of the executive branch of State government who is not employed by the Department (Code 1957, Art. 83B, sec. 2-202).

RENTAL HOUSING PROGRAMS

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The *Rental Housing Production Program (RHPP)* was established by the legislature in 1986 to stimulate production of rental housing for lower-income households. Funds can be used for capital assistance to cover costs of construction, rehabilitation, or acquisition of rental housing, or for mortgage assistance to reduce the operating costs of rental housing. Local governments must make a contribution to reduce costs or otherwise support developments financed through the Program. Priority is given to developments that serve households at 30 percent or less of area median income. The Program is funded with general funds and repayments of principal and interest on outstanding loans.

The *Multi-Family Bond Program* provides below-market-rate construction and permanent financing

using taxable and tax-exempt bonds and notes. To be eligible, developments must set aside a portion of the units for limited-income households.

The *Maryland Housing Rehabilitation Program—Multi-Family (MHRP—MF)* is designed to preserve the State's stock of existing housing by making direct, low-interest loans available to the owners of apartment buildings of five or more units and commercial properties for repair and renovation. Under the requirements of the Program, recipients of loans for the renovation of rental properties must make units available to low-income tenants in the same proportion as MHRP financing to total project costs. Authorized by the General Assembly in 1975, MHRP—MF is funded by State general obligation bonds, general funds, and by repayments of principal and interest on outstanding loans.

The *Home and Energy Loans Program—Multi-Family (HELP—MF)* provides loans for energy conservation, home improvements, and general rehabilitation of multifamily rental housing. Loans are made directly through the Community Development Administration for rental housing with one or more units. Funds are generated by the sale of mortgage revenue bonds and taxable bonds. In multifamily developments, a certain percentage of units must be rented to limited-income families.

Created by the legislature in 1984, the *Elderly Rental Housing Program (ERHP)* provides below-market-rate or deferred payment loans to developers who agree to construct or rehabilitate rental housing for occupancy by low-income elderly households. Priority is given to developments that serve the lowest income households.

The *Nonprofit Rehabilitation Program (NRP)* was formed by the General Assembly in 1986. The Program makes loans to nonprofit organizations and local governments to rehabilitate buildings for rental housing, congregate housing, group homes, shelters, and other housing facilities that serve low-income households.

The *Partnership Rental Housing Program (PRHP)* was authorized by the General Assembly in 1988 as a two-year pilot program to expand the supply of affordable housing for the working poor. The Program was established by statute in 1990 (Chapter 343, Acts of 1990). In a partnership, local governments provide the finished site, including roads, water, sewer, and other infrastructure, while the Community Development Administration provides construction and permanent financing for rental housing units.

The *Construction Loan Program (CLP)* was created in 1987 with Community Development Administration reserve funds to provide construction financing to nonprofit organizations and local governments to acquire, build, or rehabilitate single-family owned homes, multifamily rental housing, congregate housing, group homes, and sheltered housing. Housing