

SENATE BILL 235

C9

(PRE-FILED)

5lr0147
CF HB 90

By: **Chair, Education, Energy, and the Environment Committee (By Request – Departmental – Housing and Community Development)**

Requested: October 6, 2024

Introduced and read first time: January 8, 2025

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Housing and Community Development – Project Restore Program –**
3 **Establishment**

4 FOR the purpose of establishing the Project Restore Program within the Department of
5 Housing and Community Development; authorizing the Department to distribute
6 Program funds to certain place-based community development organizations and
7 units of local governments; requiring certain recipients of Program funds to
8 distribute subgrants to certain qualified entities; specifying the eligible uses of the
9 Program funds; and generally relating to the Department of Housing and
10 Community Development.

11 BY adding to

12 Article – Housing and Community Development

13 Section 6–1401 through 6–1403 to be under the new subtitle “Subtitle 14. Project
14 Restore Program”

15 Annotated Code of Maryland

16 (2019 Replacement Volume and 2024 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Housing and Community Development**

20 **SUBTITLE 14. PROJECT RESTORE PROGRAM.**

21 **6–1401.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
2 **INDICATED.**

3 **(B) “PLACE-BASED COMMUNITY DEVELOPMENT ORGANIZATION” MEANS A**
4 **NONPROFIT ORGANIZATION THAT ENGAGES IN:**

5 **(1) WORK THAT IMPROVES A SPECIFIC NEIGHBORHOOD OR BUSINESS**
6 **DISTRICT IN THE STATE;**

7 **(2) WORK THAT CONTRIBUTES TO THE ECONOMIC DEVELOPMENT OR**
8 **HISTORIC PRESERVATION OF A LOCAL BUSINESS DISTRICT WITHIN THE**
9 **ORGANIZATION’S JURISDICTION; AND**

10 **(3) PROGRAMS AND ACTIVITIES THAT SUPPORT SMALL BUSINESSES**
11 **WITHIN THE ORGANIZATION’S JURISDICTION.**

12 **(C) “PROGRAM” MEANS THE PROJECT RESTORE PROGRAM.**

13 **(D) “QUALIFIED APPLICANT” MEANS:**

14 **(1) A PLACE-BASED COMMUNITY DEVELOPMENT ORGANIZATION; OR**

15 **(2) A UNIT OF LOCAL GOVERNMENT.**

16 **(E) “QUALIFIED ENTITY” MEANS A BUSINESS OR NONPROFIT**
17 **ORGANIZATION THAT:**

18 **(1) IS LOCATED IN A SUSTAINABLE COMMUNITY; AND**

19 **(2) PLANS TO IMPROVE A VACANT PROPERTY AND BE OPEN AND**
20 **OPERATIONAL IN THE PROPERTY WITHIN THE TERM OF A SUBGRANT AWARDED**
21 **UNDER THIS SUBTITLE.**

22 **(F) “SUBJECT PROPERTY” MEANS ALL OF, OR A PORTION OF, A PROPERTY**
23 **THAT:**

24 **(1) IS A VACANT PROPERTY AT THE TIME THAT A QUALIFIED**
25 **APPLICANT APPLIES FOR PROGRAM FUNDS; AND**

26 **(2) WILL BE IMPROVED AND OPEN AND OPERATIONAL BY A**
27 **QUALIFIED ENTITY WITH THE TERM OF A SUBGRANT AWARDED UNDER THIS**
28 **SUBTITLE.**

1 **(G) “SUSTAINABLE COMMUNITY” MEANS AN AREA DESIGNATED AS A**
2 **SUSTAINABLE COMMUNITY UNDER § 6-205 OF THIS TITLE.**

3 **(H) “VACANT PROPERTY” MEANS ALL OF, OR A PORTION OF, A PROPERTY**
4 **THAT IS UNOCCUPIED BY A TENANT WITH A LEASE.**

5 **6-1402.**

6 **(A) THERE IS A PROJECT RESTORE PROGRAM IN THE DEPARTMENT.**

7 **(B) THE PURPOSE OF THE PROGRAM IS TO ASSIST QUALIFIED BUSINESSES**
8 **AND ORGANIZATIONS WHOSE MISSION AND WORK CONTRIBUTE TO THE ECONOMIC**
9 **DEVELOPMENT OR HISTORIC PRESERVATION OF LOCAL BUSINESS DISTRICTS AND**
10 **WHOSE ACTIVITIES SUPPORT THE SMALL BUSINESSES WITHIN THE JURISDICTIONS**
11 **THEY SERVE.**

12 **(C) THE DEPARTMENT MAY DISTRIBUTE PROGRAM FUNDS TO QUALIFIED**
13 **APPLICANTS THAT:**

14 **(1) SERVE WITHIN A SUSTAINABLE COMMUNITY; AND**

15 **(2) APPLY FOR PROGRAM FUNDS.**

16 **(D) (1) EACH QUALIFIED APPLICANT THAT RECEIVES PROGRAM FUNDS**
17 **UNDER SUBSECTION (C) OF THIS SECTION SHALL DISTRIBUTE SUBGRANTS TO**
18 **QUALIFIED ENTITIES.**

19 **(2) ELIGIBLE USES OF SUBGRANTS AWARDED UNDER THIS**
20 **SUBSECTION INCLUDE:**

21 **(I) RENTAL PAYMENTS TOWARD THE LEASE OF A SUBJECT**
22 **PROPERTY;**

23 **(II) THE RENOVATION OR IMPROVEMENT OF THE INTERIOR AND**
24 **EXTERIOR OF A SUBJECT PROPERTY;**

25 **(III) THE PURCHASE OF FURNITURE, FIXTURES, AND EQUIPMENT**
26 **FOR A SUBJECT PROPERTY; AND**

27 **(IV) THE PURCHASE OF A SUBJECT PROPERTY BY A QUALIFIED**
28 **ENTITY.**

1 **(3) THE DEPARTMENT MAY AUTHORIZE A QUALIFIED APPLICANT TO**
2 **USE UP TO 15% OF THE PROGRAM FUNDS AWARDED TO THE QUALIFIED APPLICANT**
3 **UNDER SUBSECTION (C) OF THIS SECTION FOR SALARIES AND OTHER OPERATING**
4 **COSTS.**

5 **6-1403.**

6 **THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2025.