



Advocating quality affordable housing development, ownership, management and investment in Maryland

ACTION ALERT

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Response to the Passage of the Debt Ceiling Bill

GOAL

MAHC is asking its membership to reach out to the entire Maryland Congressional Delegation during the August recess in order to promote and defend the LIHTC Program as Congress looks for ways to cut \$1.2 trillion from the Federal Budget.

Contact should be made at district or Washington, DC offices of Senators Cardin and Mikulski and Representatives Cummings, Hoyer, Van Hollen, Sarbanes, Harris, Ruppertsberger, Bartlett and Edwards.

As tools for your use, we are providing two documents:

+ One is a sheet that you can use to leave behind with the legislators after a face-to-face meeting with either them or their staff. A meeting with staff is most typical, but if a member has the ability to meet with a Senator or Congressman that would be tremendous.

+ The second document is a form letter that you can put on your company's letterhead and send to each member of the Maryland Congressional Delegation. You should feel free to modify the letter to make it more personal or as you otherwise feel is appropriate. We also ask that you email the letter and send a hard copy to each Senator and Congressman. Please act swiftly as this is a critical time for our industry.

The list of Maryland's Legislators and Staff is attached.



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PRESERVE AFFORDABLE HOUSING PRODUCTION

MAHC supports Congress' efforts to consider deficit reduction measures including potential major reforms to the tax code. MAHC urges Congress to preserve programs that provide jobs and support low-income workers, families, and seniors including the Low Income Housing Tax Credit (LIHTC). The LIHTC Program is the only production program for affordable housing in the country, utilizing a public/private partnership to maximize resources and provide quality housing. At minimal cost to the government, the LIHTC has created over two million units of affordable housing, and in the process tens of thousands of jobs, since its inception in 1986. There is no market for private sector investment in affordable housing without the tax incentive, so to cut or eliminate the LIHTC would end any production of this housing as well as the jobs that are inherent in the program.

TALKING POINTS

- The LIHTC Program has been the most successful federal affordable housing production and preservation program in the Nation's history since it was signed into law by President Reagan as part of the Tax Reform Act of 1986. Since its inception, the program has produced and financed more than two million affordable housing apartments.
- The success of the LIHTC Program is not only measured by housing production, but by measuring the rate of foreclosures against these properties, which is less than 0.1%. This is a truly remarkable statistic.
- The Maryland Department of Housing and Community Development has reported that from 2010 through 2015 the net shortage of affordable and available rental units exceeds 130,000 units.
- The current Fair Market Rent for a two-bedroom apartment in the State of Maryland is \$1,106. That means the average wage for a renter must be \$14.80, and in order to afford the two-bedroom apartment at this wage a renter must work 57 hours per week, 52 weeks per year. This is not affordable or achievable for thousands of people in our State.
- According to a 2010 Report issued by the Maryland Department of Housing and Community Development, in FY 2010 DHCD's multifamily programs, the largest component of which is the LIHTC, generated \$695.5 million in direct investment in communities throughout Maryland. The total economic impact of multifamily programs, which is the sum of direct and secondary impact, amounted to \$1,022.5 million in expenditures, 11,078 jobs, about \$369.7 million in wages and salaries, and \$25.8 million in State and local tax revenues. Every \$1 million of DHCD State funds allocated to multifamily projects generated a total of 472 full-time equivalent jobs throughout Maryland.