

Results of the 2010 Legislative Session

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MAHC Key Priorities:

- Department of Housing and Community Development Budget
 - All DHCD program funds originate from special funds, federal funds, or general obligation bond funds. Funding levels are flat or slightly elevated from the previous year.
- Maryland Affordable Housing Trust
 - The Affordable Housing Trust bond bills (SB 263/ HB587) did not pass; however, \$2,000,000 funding for the Trust was included directly in the budget. Typically, the Trust is funded from interest earned on title insurance escrows through home sales. This funding shores up the decrease in the Trust due to low home sales.
- Budget highlights:

Budget Code	Project Title	General Obligation	Revenue	General	Special	Federal	Total
DW0110A	MD Historical Preservation Loan Program	\$200,000	\$0	\$0	\$100,000	\$0	\$300,000
S00A2402	Community Development Block Grant Program	\$0	\$0	\$0	\$0	\$10,000	\$10,000
S00A2507	Rental Housing Programs	\$0	\$0	\$0	\$21,000,000	\$5,200,000	\$26,700,000
SA24A	Community Legacy Program	\$4,646,000	\$0	\$0	\$0	\$0	\$4,646,000
SA24B	Neighborhood Business Development Program	\$6,666,000	\$0	\$0	\$0	\$0	\$6,666,000
SA25A	Partnership Rental Housing Program	\$4,100,000	\$0	\$0	\$1,900,000	\$0	\$6,000,000
SA25B	Homeownership Programs	\$8,500,000	\$0	\$0	\$0	\$0	\$8,500,000
SA25C	Shelter and Transitional Housing Facilities Grant Program	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
SA25D	Special Loan Programs	\$9,520,000	\$0	\$0	\$0	\$2,700,000	\$12,220,000
SA25E	Maryland Affordable Housing Trust	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
	Subject Category Total:	\$37,632,000	\$0	\$0	\$23,500,000	\$17,900,000	\$79,032,000

Related Legislative Action:

Bills that passed to support affordable housing needs include:

- HB 869/SB 780- Real Property- Affordable Housing Land Trust: establishes in law the ability to create permanently affordable home ownership programs through shared equity agreements between the nonprofit affordable housing trust agency or local government housing agency and the qualifying home purchaser. These bills passed unanimously in both House and Senate.
- SB 83-DHCD Group Home Refinancing Program- Refinancing: allows DHCD to refinance mortgage loans for group homes at risk of foreclosure. This bill may set a precedent that can be expanded to other DHCD-financed projects. This bill passed unanimously in both House and Senate.
- HB 475-Smart, Green and Growing-The Sustainable Communities Act of 2010: this bill reorganizes the way funding for community development will take place. Outcomes of the law change include:
 - Secretary of Economic Development can designate BRAC zones based on applications received and recommended by the Smart Growth Subcabinet. Previously, zones had to be approved by the Secretaries of DHCD, Transportation, Environment, and Planning.
 - Defines ‘sustainable communities’ as “places where public and private investments and partnerships achieve development of a healthy local economy; protection and appreciation of historic and cultural resources; a mix of land uses; affordable and sustainable housing and job options; and growth and development practices that protect the environment and conserve air, water, and energy resources, encourage walkability and recreational opportunities, and, where available, create access to transit.
 - Requires coordination of Community Legacy and Business Development programs with other state programs such as the Sustainable Communities Tax Credit in order to maximize the State’s investment.
 - Defines “Sustainable Community Plan” as a plan consisting of one or more community legacy projects or other revitalization projects to prevent or reverse the decline or disinvestment in a sustainable community through improvements in residential, commercial, or other public or private properties.
 - Eliminates the Community Legacy Board.
 - The Secretary of DHCD may designate areas as Sustainable Communities with the recommendation of the Smart Growth Subcabinet. If the Smart Growth Subcabinet has not acted within 90 days of the recommendation of the Secretary, the Secretary may proceed without the Smart Growth Subcabinet’s input.
 - The application process now includes local governments in the list of entities supporting and pledging resources for the redevelopment project in the application to become a sustainable community; and demonstrated need for financing assistance for small businesses, nonprofit organizations, and microenterprises.
 - To maintain Sustainable Community designations, the sponsor must file and updated plan every 5 years with DHCD. The Secretary will make recommendations to the Smart Growth Subcabinet regarding designation reapprovals.

- DHCD must convene an interagency review team from the members of the Smart Growth Subcabinet agencies to review applications and plans, offer assistance to applicants, and make recommendations to the Secretary.
- The Secretaries of DLLR, Health and Mental Hygiene and the Director of the Energy Administration are added to the Smart Growth Subcabinet.
- Requires the Department of Transportation to take sustainable communities into account when annually revising the consolidated transportation program, and consult with the Subcabinet to ensure mutual investments toward creating sustainable communities.
- Defines Historic structures and qualifying rehabilitated structures for the purpose of designating preference in granting tax credits. The competitive award process for Sustainable Communities tax credits favors the award of tax credits to rehabilitation projects that are located in historically underrepresented areas, targeted revitalization and economic development areas, and, beginning in 2012, have local government regulations and development incentives to foster redevelopment; include workforce housing options, affect buildings more than 50 years old, and determine whether a structure is a high performance building.
- Tax credits for certified historic high performance buildings equals 25% of qualified rehabilitation expenses. Tax credits for qualified rehabilitated structures equals 10% of qualified rehabilitation expenses.
- SB940/HB1416- Vehicle Laws- Parking for Individuals with Disabilities- Zoning: this bill allows owners of parking lots to restripe to allow adequate parking for handicap accessible vans, which require more space than typical handicap parking spaces, without facing zoning implications.

The Legislative Committee monitored the following bills which failed:

- SB545- Assisted Housing - Protected Actions - Extended Leases for Seniors
- HB860- Montgomery County - Tenant Credit Check Restriction Act MC 4-10
- SB215/HB1040- High Performance Buildings Act - Applicability to Recipients of State Aid
- HB1344-Construction and Development - Permits and Approvals - Expiration Dates
- HB1450- Vehicle Laws- Parking Lot Requirements-Exceptions to Local Zoning Ordinances

