

MARYLAND AFFORDABLE HOUSING COALITION

LEGISLATIVE COMMITTEE REPORT

MAY, 2010

The Maryland General Assembly session ended on April 12, 2010. In prior years, MAHC was represented by a professional lobbying firm for all legislative activities. However, this year we decided to modify this approach in light of MAHC's decision to hire Kim Fry as our Executive Director and our decision not to advance any major policy issue that required a high profile lobbyist. Kim assumed significant responsibility for day to day legislative activities, and we entered into a more limited agreement with lobbyist Laura Carr to monitor legislation and assist in implementing our action strategies. We believe that this approach worked very well, and we would expect to continue it and consider third party engagements on an as-needed basis. Attached is a report prepared by Laura Carr summarizing our activities during the session and other matters of interest to our membership.

The 2010 MAHC Legislative Committee included Kevin Bell (The Woda Group), Mark Dambly (Pennrose Properties), Rob Goldman (Montgomery Housing Partnership), Roscoe Johnson (Druid Heights CDC), Meg Manley (HTA Development), Trudy McFall (Homes for America), Tedi Osias (Housing Opportunities Commission), Dave Raderman (Gallagher Evelius & Jones), and Jeff Stern (Riverside Advisors). The Committee had monthly meetings prior to the session and bi-weekly meetings or conference calls during the session to plan our strategy, implement our priorities and monitor issues of importance to our membership. I want to thank all members of the Committee for their hard work on behalf of the Coalition. We also welcome any other Coalition members to join the Committee next year.

We had two priorities for the 2010 session: assuring maximum funding for DHCD's rental housing programs and increasing funding for the Maryland Affordable Housing Trust (MAHT). With respect to DHCD Rental Housing and Partnership programs, we realized that it was not viable to obtain an increase this year, but we worked hard to prevent any cuts to these programs or supplantation by one-time funds available to DHCD from federal stimulus programs. We worked closely with DHCD and advanced our efforts by meeting with legislators, promoting grass roots letter and e-mail campaigns and hosting the annual Housing Day with over 50 co-sponsoring organizations. This strategic approach conveyed the importance of these programs. We are very pleased that these programs were level funded with the prior year and suffered no cuts.

MAHT is an incredibly important program to provide more flexible funding for community development projects and sponsors. MAHT is funded through interest earned on title insurance escrow accounts from Maryland home sales. Due to historic lows in both home sale activity and interest rates, that funding source has declined almost 50% due to the economic slowdown. We proposed a \$2M bond bill to offset this decline, and worked very hard to get sponsorship from the chairs of the House and Senate Capital Budget Subcommittees and co-sponsorship from a majority of the members of both committees. The support for this initiative was so strong that the leadership decided to move the funding request and include it in the final capital budget, eliminating the need for a one-off bond bill. This is a much stronger Administration and Legislative statement of support for the program and provides a potential funding base for future years.

We achieved both of our major priorities in a very difficult budgetary environment. We made our points effectively, and we know that our industry's voice was heard. MAHC is very grateful for the Governor's and Legislature's support of DHCD's affordable rental housing programs and the MAHT. The Committee Chairs for DHCD's capital budget are Senator Ulysses Currie and Delegate Mary Dulany James, and the sponsors and Committee Chairs for the MAHT bond bill are Senator James DeGrange and Speaker Pro Tem Delegate Adrienne Jones. We encourage all MAHC members to write letters or e-mails thanking these individuals for their support as well.

The Legislative Committee also represented MAHC in efforts at the federal level to address the crisis in the low income housing tax credit program. MAHC has signed onto the census agenda promoted by the ACTION Coalition for reforms intended to provide temporary support, make the credit more attractive and expand the potential investor pool. Members of the Legislative Committee are actively involved in trying to advance this agenda, and MAHC will continue to support efforts to identify and promote ideas that will help stabilize and reinvigorate the tax credit program.

The balance of the Committee's focus was on supporting bills that were beneficial for our industry and opposing bills that would or might be detrimental to our industry. Our highest priorities were supporting DHCD's Group Home Refinancing bill and the Affordable Housing Land Trust and Sustainable Communities bills, and we are pleased that each of these initiatives was ultimately successful. These issues (and many others we were involved in or monitored) are described in more detail in the accompanying summary.

Going forward, we have decided as a Committee that it is important to expand our efforts beyond specific legislation and start to work to better educate all legislators about the desperate need for affordable rental housing and the critical role that DHCD's programs play in meeting this need. Affordable rental housing is absolutely essential as a component of economic and community development, and we want to build relationships with housing champions who will work with us as times improve to increase support for our financial and legislative priorities. We will pursue this effort outside the legislative session, and we welcome the support of any Coalition members who are interested in working with us.

Finally, we worked closely with DHCD during the session, and we appreciate DHCD's cooperation and support. While we do not necessarily always agree on specific issues or strategies, we maintain strong communication and mutual respect throughout the year on legislative and policy issues that are important to our industry.

Respectfully, submitted.

Jeffrey Hettleman, Legislative Committee Chair

