



2022 LEGISLATIVE PRIORITIES

MAHC supports a one-time increase in capital funding for the State's Rental Housing Programs. These key programs provide valuable financing tools to create and preserve much needed affordable rental housing across the State. An additional \$30 million is needed to keep up with increased development costs and to meet the current high demand for the program.

RENTAL HOUSING WORKS (RHW) PROGRAM

Over the last ten years, Rental Housing Works (RHW) has created 20,000 jobs and generated over \$2.25 billion of other investment in Maryland. The State loan program has strong bipartisan support, receiving \$232.7 million in capital funds to date. All of these funds are deployed to completed projects or are committed to projects closing imminently. One hundred and five (105) projects utilizing \$215.5 million in RHW funds are already completed or finishing construction. Another 53 projects totaling nearly \$103 million in RHW requests are in the review and approval process, exceeding the current available funding by \$65.5 million. In fact, the program is expected to run out of funds by March, leaving shovel-ready projects stalled until FY23 funds become available. **An appropriation of \$75 million is necessary in FY23 for RHW to continue meeting the ongoing demand and provide additional funds to the projects already in the development pipeline that have seen major – and unanticipated- cost increases since the start of the Pandemic, allowing them to move forward.**

OTHER DHCD RENTAL HOUSING PROGRAMS

The Governor has proposed a budget of \$39.1 million for other Rental Housing Programs administered by DHCD. This includes \$16.5 million in State Rental Housing Program funds, \$12 million for the Partnership Rental Housing Program, \$14.8 million for the Empower Energy Program, \$5 million in federal HOME funds, and \$4 million from the federal Housing Trust Fund. Much of the State funding comes from the repayment of previous loans and does not require new appropriations, with the balance coming from federal programs administered by DHCD.

MAHC urges adoption of the DHCD Rental Housing Programs budget as proposed.