JANUARY 2024 NEWSLETTER





Legislative Session Starts Next Week

The 2024 Legislative Session kicks off on Wednesday, January 10 in Annapolis. MAHC is busy preparing for session, and the Legislative Committee will begin meeting next week, but we won't finalize our advocacy plan until the Capital Budget is introduced by the Governor on or before January 17.

Comptroller Lierman just released her office's inaugural State of the Economy Report which highlights the need for more available and affordable housing across the state to boost the Maryland economy. "Low availability of affordable housing for lower and middle income households appears to be the primary driver of cost of living and migration trends" according to the report. You can read the full report here. We

UPCOMING EVENTS

MAHC/ CDN 2024 Legislative Session Preview

January 9, 2024 | 12:00 PM - 1:30 PM | Virtual

SAVE THE DATES

Housing Days 2024:

February 14 - Virtual Program February 15 - Legislative Visits

Ongoing Committee Meetings:

Development Committee

Monthly meetings 1st Fridays Next meeting 1/5

Property Management Committee

Quarterly meetings

will be using this report in our advocacy to highlight how imperative additional State funding is for the construction of more affordable housing.

Save the date for Housing Day 2024. We will hold a virtual program on February 14 followed by in-person visits with Legislators in the House and Senate on the morning of February 15 so please plan to join us in Annapolis!

Also, on January 9 we will co-host a special event with our partners at the Community Development Network (CDN) to learn more about the Governor's housing legislation & a preview of the 2024 Legislative Session. We will discuss what priorities MAHC and CDN will be focused on this year, and industry insider Ann Ciekot will share what we expect to be the priorities in Annapolis next session. NACEDA and NLIHC will also join us to provide an update from Capitol Hill and share more about what they are focused on in Washington DC.

Bring your lunch, sit at your computer, and join us virtually for this timely event to kick off the 2024 Legislative Session in Annapolis! 2nd Wednesdays Next meeting 3/13

Construction & Design Committee

Quarterly meetings Next meeting TBD

Resident Services Committee

Quarterly meetings 3rd Thursdays Next meeting 3/21

DEI Committee

Monthly meetings 1st Mondays Next meeting 1/8

Legislative Committee

Weekly Monday meetings during Legislative Session beginning 1/8

Contact <u>Miranda</u> to sign up for any Committee.

Register Now

BUILDING ENERGY PERFORMANCE STANDARDS FOR NEW REGULATIONS

The Maryland Department of the Environment gives notice of public hearing/comment period concerning the following proposed action: **New Subtitle COMAR 26.28 – Building Energy Performance Standards for new Regulations .01 - .04**

The purpose of this action is to create the Maryland Building Energy Performance Standards (BEPS) as required by the Climate Solutions Now Act (CSNA) of 2022. See, in relevant part, Title 2, Subtitle 16 of the Environment Article, Annotated Code of Maryland.

The regulatory action listed above will not be submitted to the U.S. EPA as part of Maryland's State Implementation Plan (SIP).

The full text of the proposed regulatory action is <u>attached here</u> and appears in the <u>Maryland</u> Register at https://dsd.maryland.gov/Pages/MDRegister.aspx **on December 15, 2023.**

Notice of the public comment period is also available on the Maryland Department of the Environment's website here.

The Department of the Environment will hold a virtual public hearing on the proposed action on **January 18, 2024**, at 10:00 a.m.

Please join the meeting from your computer, tablet or smartphone: Click here

You can also dial in using your phone:

Access Code: 696-708-285

United States (Toll Free): 1 866 899 4679

Interested persons are invited to attend and express their views.

Comments must be received by 5:00 pm on January 18, 2024.

IT'S TIME TO RENEW YOUR MAHC MEMBERSHIP

Members should have received invoices in late December for your 2024 membership or sponsorship dues renewal. Renewing your membership shows your support for the organization, and members receive a full year of benefits for unlimited staff in your organization, including attendance at all MAHC networking and educational events. It is vital that we continue to work as a Coalition to advocate as a collective voice for affordable rental housing in Maryland and to ensure that state rental housing funds are increased in the upcoming capital budget.

If you aren't a MAHC member yet, it is a great time to join. If you did not receive an invoice, or want to upgrade your membership level, please contact Miranda.

Thanks to everyone who has already renewed their membership for 2024, we appreciate your continued support!

MEMBER NEWS

Maryann Dillon, MAHC Board Member and Co-Chair of the MAHC Legislative Committee, has announced her retirement from Housing Initiative Partnership (HIP) effective January 31, 2024. Maryann has had a 36-year career in affordable housing, including stints at Enterprise Community Partners, Bank of America Community Development Company, and Housing Opportunities Commission of Montgomery County. Maryann will remain on the MAHC Board until her term ends this June. **Stephanie Proestel**, long-time HIP Deputy Director, will succeed Maryann as the next HIP Executive Director.

MAHC would like to thank Maryann for her dedication and long standing career in public service and congratulate Stephanie on her promotion!

DEICORNER

Are you an MBE, WBE, or DBE certified business? Did you know that the MAHC website allows you to search for members who are MBE, WBE, or DBE certified? Be sure to update

your membership profile so that your fellow members can find you when searching the website using this criteria.

MEMBER SPOTLIGHT

MAHC would like to welcome our newest member **H&H Realty Group**, a woman owned small business led by Genevieve Hanson. Genevieve has spent over 19 years overseeing real estate transactions and assets valued over \$6 Billion and has more than 10 years' experience as a strategy and operations consultant. Genevieve is the CEO and Founder of H & H Realty Group focused on leveraging real estate consulting and multi-family development to generate social and environmental impacts.

Prior to H & H, Genevieve was a Partner at Ernst & Young, LLP, providing real estate strategy services to the Dept of Commerce, Veterans Affairs, Army, Navy, Air Force, HUD, City of Baltimore and University of Pittsburgh.

H&H is seeking equity partners and investors for housing developments, as well as teaming partners for real estate portfolio optimization engagements for public and private sector organizations. To learn more, visit their website here. To view their recent work, go here.

FUNDS AVAILABLE

The Baltimore City Department of Housing and Community Development (DHCD), the Mayor's Office of Homeless Services (MOHS), the Corporation for Supportive Housing (CSH), and the Housing Association for Non-Profit Developers (HAND) are hosting the first Baltimore City Supportive Housing Institute beginning in February 2024. **Applications for the Institute are due by 5pm on January 17, 2024**. This is an opportunity for supportive housing service providers, housing developers, and property/asset managers in Baltimore City to receive 4 months of practical training and individualized technical assistance on developing supportive housing. Additionally, each project team participating in the Institute will be eligible to apply for up to \$150,000 in grant funding to help support the successful initiation and development of high-quality supportive and deeply affordable housing in Baltimore City.

If you weren't able to attend the information session, the recording is <u>here</u> and the PowerPoint presentation is <u>here</u>.

WHO CAN APPLY: This application is only open to those whose project concepts are in the City of Baltimore. Black-owned and managed development groups are encouraged to apply and will receive priority. To learn more about how to apply, visit the CSH <u>website</u> to read the <u>request for applications</u> and the <u>Baltimore City SHI Application</u>.

INDUSTRY NEWS & EVENTS

THANK YOU TO OUR 2024 SPONSORS

The HFA Institute 2024
January 7-12 | Washington, DC

DIAMOND

Next week NCSHA will host the <u>HFA Institute 2024</u> — an opportunity to hear directly from federal officials, expert trainers, and experienced practitioners as you strengthen your understanding of fundamentals and advanced practices in administering these major federal housing programs.

View Details & Register





GOLD













Klein Hornig LLP





FHFA Announces Fannie Mae and Freddie Mac Housing Credit Investment Caps

The Federal Housing Finance Agency (FHFA) announced that the Government-Sponsored Enterprises (the Enterprises) Fannie Mae and Freddie Mac will now have an annual investment cap of \$1 billion each, totaling \$2 billion, in the Low-Income Housing Tax Credit (Housing Credit) market as equity investors, starting in 2024. This marks an increase from the previous limit of \$850 million each or \$1.7 billion in total. However, the Enterprises will solely invest in Housing Credit developments that waive the qualified contract option. FHFA also stipulated that investments over \$500 million in a year must target developments facing investment challenges. This move aims to amplify support for housing in rural areas, sustain affordable housing, promote mixed-income and supportive housing, and fulfill other affordable housing objectives. FHFA Director Sandra L. Thompson emphasized the impact of these investments on affordable housing, praising the Enterprises' efforts since resuming their LIHTC investments in 2018 and highlighting the additional stability this announcement brings. This expansion of investment caps follows their doubling since 2018, initially set at \$500 million each and later raised to \$850 million in 2021, as part of an initiative to support the Biden-Harris Administration's Build Back Better Agenda.

Update from Capitol Hill

The new Speaker of the House, Mike Johnson, is threatening a potentially challenging full-year CR instead of finalizing FY24 appropriations, including HUD, which remains under a FY23-level continuing resolution expiring on January 19. The tight 9-day window upon Congress's return poses difficulty for HUD bill completion. Meanwhile, a new Workforce Housing Tax Credit Act modeled after the LIHTC was

introduced and aims to aid renter households facing affordability challenges without federal subsidies. Additionally, a proposed rule maintains a 30-day eviction notice for non-payment in Section 8 PBRA and 202/811 properties, in line with prior COVID regulations, noting the variance in state laws on eviction notice periods for PBRA properties.

WHAT'S GOING ON AT MARYLAND DHCD

DHCD Announces New Deputy Secretary, Leadership Hires

DHCD Secretary Jake Day announced Julia Glanz is the Department's new Deputy Secretary. Glanz served as an Assistant Secretary and was appointed to Deputy Secretary.

In addition to Glanz's new role, Secretary Day announced two new divisions at the Department: The Division of Policy, Strategy and Research and the Division of Just Communities. Assistant Secretary Scott Gottbreht oversees the Division of Policy, Strategy and Research, which leads the Department's legislative affairs, policy creation and data-driven insights to housing and community development programs. And Assistant Secretary Cat Goughnour will oversee the Division of Just Communities, which is responsible for developing, implementing, and accelerating strategies to lift up communities that have experienced historical and ongoing socio-economic marginalization.

Fall/Winter 2023 Competitive Funding Round Update

The Maryland Department of Housing and Community Development (DHCD) received 23 applications requesting \$46.9 million in Rental Housing Financing Program (RHFP) Funds, including \$1 million in HOME funds, and \$31.7 million of federal Low Income Housing Tax Credits (LIHTC) in the Fall/Winter 2023 Competitive Round. Three applications included requests for a total of \$5.6 million in Partnership Rental Housing Program Funds (PRHP). The 23 applications proposed to create or rehabilitate 1,119 units in 11 counties and Baltimore City. There were 8 projects involving the "twinning" of 9% LIHTC and MBP/4% LIHTC. A complete list





SILVER

AGM Financial Services

Ballard Spahr

Bozzuto Construction

Conifer Realty

Gallagher, Evelius & Jones

Hamel Builders Inc.

Howard County Housing

Maryland DHCD

PNC Bank

STUDIO 343

Truist Bank

USI Insurance

BRONZE

Architecture By Design

Chase

Chesapeake Contracting Group

Delaware Valley Dev. Corp.

Foundation Development

Habitat America

Housing Authority of Baltimore City

Hudson Housing Capital

Humphrey Management

Ingerman Management

Morgan Keller Construction

Moseley Architects

National Foundation for Affordable Housing Solutions

Pando Alliance

Pax-Edwards

of the applications can be found here: View applications

DHCD is in the process of conducting threshold reviews on the applications received. As projects are reviewed, applicants will be notified if their projects fail to satisfy the threshold criteria. Applications that pass the threshold will move forward to scoring.

If you have any questions, please email at alvin.lawson@maryland.gov.

Green and Resilient Retrofit Program

As the State continues its focus on energy efficiency and greenhouse gas reduction, DHCD recently shared information on the availability of funding for affordable housing properties.

Earlier this year, HUD announced federal funding for the Green and Resilient Retrofit Program (GRRP)- View here

There are two remaining application rounds with deadlines on February 28, 2024, and May 30, 2024.

Multifamily properties that are eligible for HUD's GRRP are encouraged to contact DHCD about related DHCD program funds. HUD's GRRP funding can complement and leverage DHCD programs. Questions regarding HUD's GRRP should be sent to grrp@hud.gov.

In addition to several existing programs, DHCD has launched the MEEHA-Greenhouse Gas Reduction Program (MEEHA-GHGRP). This program provides grants to affordable multifamily properties to reduce direct greenhouse gas emissions. Total available funding in FY24 is \$8.75m, and funding will be provided of up to \$15,000 per unit with a project cap of \$1,250,000.

More information about DHCD's energy programs can be found on its website- <u>View here</u>

If you have any questions, please reach out to <u>cindy.castro@maryland.gov</u>.

Quinn Evans

R4 Capital

Real Property Research Group

Red Stone Equity Partners

S C & H Group

Somerset Development

Taft Mills

Wells Fargo

NONPROFITS

AHC of Greater Baltimore

CHAI

Cinnaire

Corporation for Supportive Housing

Episcopal Housing

Milford Housing Development Corp.

Mission First Housing

NHP Foundation

NFP Affordable Housing Corp

Park Heights Renaissance

The Community Builders

Victory Housing

WELCOMENEW MEMBERS:

Allen and Son Moving

Donohoe Construction Co.

H & H Realty Group

USI Insurance

Thanks to everyone who attended our December events, including the Holiday Mixer in Annapolis and a Pop-up Tailgate in the DHCD parking lot to celebrate with developers dropping off their LIHTC applications.







PROJECT SPOTLIGHT

Ellicott Gardens 2 is a new 70-unit family community in Ellicott City. It was developed by Homes for America in partnership with the Housing Commission of Howard County. It is in a designated Community of Opportunity with access to many amenities, high performing schools, and employment opportunities and complements the adjacent Ellicott Gardens 1 community.

Ellicott Gardens 2 is a four-story elevator building with structured parking. Income restrictions range from 20% - 80% of AMI. 14 units have project based rental subsidies from Baltimore Regional Housing Partnership and an additional 14 units are set aside for Persons with Disabilities.

Community space includes a community room, lounge and business center/computer lab, fitness center, game room/kids nook, and multiple indoor and outdoor gathering spaces. The community provides an array of resident serves and programs to meet the needs of the residents and actively connect the residents to the community.

Development team members included Grim and Parker Architects, Harkins Builders, and Humphrey Management. Financing was provided by AGM Financial, Maryland DHCD, Weinberg Foundation, BRHP, and Boston Financial.





