



## **Happy Spring!**

While the State's legislative session has concluded, there is still much happening on a local and federal level. Read below for updates on those issues that impact the housing and community development arena.

## **Montgomery County**

### **FY15 Budget**

The Council is currently holding worksessions on the Executive's proposed FY15 budget. On April 25<sup>th</sup> the PHED Committee held a worksession on the Department of Housing and Community Affairs' budget. They recommended supporting the Executive's allocations for the Housing Initiative Fund (HIF), which includes \$3.7 million for a new line item "Affordable Housing", in addition to \$2.3 million for Special Needs and Nonprofit Housing and over \$9 million for rental assistance. On May 6<sup>th</sup>, the full Council adopted the committee's recommendations. The full Council is expected to take a straw vote on May 15<sup>th</sup> on the budget, as a complete package, and formally adopt the budget on May 22<sup>nd</sup>.

### **Senior Housing Bills**

Recently, two bills have been introduced to support seniors in maintaining affordable housing. The first – Bill 17-24 was introduced on March 4<sup>th</sup>, and sponsored by Councilmembers Riemer, Andrews, Floreen, Branson, Navarro, and Berliner. The bill would increase the property tax credit for eligible low-income seniors from 25 to 50 percent. This would result in approximately \$200 per household. Currently, there are approximately 3,000 households taking advantage of this credit. A public hearing was held on April 29<sup>th</sup>.

The second is Bill 22-14, introduced on April 22<sup>nd</sup>, and sponsored by Council Vice President Leventhal, and Councilmembers Berliner, Elrich, and Floreen. The bill would provide a credit to property owners who reduce the rent for eligible senior or individuals with certain

disabilities. The credit is calculated at 50 percent of the difference between the market rent and the reduced rent price, assuming the reduced rent price is at least 15 percent below the market rent. The credit would be available on a first come basis, capped at \$250,000 per a fiscal year. No public hearing date is currently scheduled.

### **Planning Chair Position**

Current Planning Board Chair Francoise Carrier is not pursuing re-appointment when her four-year term ends this June. The Council accepted applications through April 7<sup>th</sup> to fill the vacancy. Nineteen individuals applied, including current planning board members Casey Anderson and Norman Dreyfuss. The other applicants are: Messanvi Richard Adjogah, Richard Arkin, Stanley Botts, Rodella Berry, John Britton, Timothy Cadigan, Ella Joyce Cassidy, David Fagan, David Freishtat, Edward Kelty, Mike Knapp, Rose Krasnow, Arquilla Ridgell, Mohammed Siddique, John Stodola, Meredith Wellington, Victor Weissberg. The Council expects to appoint a new chair in early July.

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## **State of Maryland**

### **HB453 Signed Into Law**

On April 14<sup>th</sup> Governor O'Malley signed HB453 – Multifamily Rental Housing Programs Efficiency Act – into law. The law streamlines many of the Department of Housing and Community Development's (DHCD) programs – aligning program requirements and processes. This includes streamlining the local resolution/support process to unify the existing 19 different systems into one process.

### **FY15 Budget**

Overall, the majority of DHCD's programs received full funding. This includes \$24.7 for Rental Housing Works (including \$6 million to support the Federal Rental Assistance Demonstration program), \$7.5 million for Strategic Demolition and Smart Growth, \$6 million for Community Legacy, and \$4.2 million for Neighborhood Business Works.

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## **Federal Government**

### **Housing Finance Reform Bill**

The Johnson-Crapo Bill, introduced by Senators Tim Johnson (D-SD) and Mike Crapo (R-ID) proposes a method to reform housing finance, and addresses how to replace Fannie Mae and Freddie Mac. The bill proposes to create a new entity - the Federal Mortgage Insurance Corporation as a backstop for certain mortgage securities. The bill would also wind down Fannie and Freddie Mac over the next five years. The bill is currently on hold in committee as the Senators work to procure more support.

### **Rental Credit Bill**

On April 10<sup>th</sup>, Representative Charles Rangel (D-NY) introduced HR 4479 – Renters Tax Credit Act of 2014. Property owners would receive a credit equal to the difference of fair market rent, and the reduced rent – which is capped at 30 percent of the qualified household's income. As proposed, the credits would be allocated to each state, based on

need, for disbursement, with a total allocation of \$5.8 billion. It is anticipated that this bill could help upwards of 1.2 million households, with rent reductions on average of \$400/month.

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## Upcoming Events

### May

- 12 - MHP Annual Norman Christeller Golf Classic
- 12 - Community Development Network of Maryland - Maryland Gubernatorial Forum, Turf Valley, Ellicott City, MD
- 14 - National Housing Conference Webinar on Housing Landscape 2014
- 15 - Council scheduled for straw vote on FY15 Budget
- 22 - Council scheduled to adopt FY15 Budget

### June

- 7- 15 - National NeighborWorks Week, including Flowers on Flower Ave event in Long Branch on June 7th
- 10 - MHP and Donohoe Groundbreaking for residential building adjacent to Silver Spring Library at Bonifant and Fenton
- 16 - HAND Annual Meeting, Washington, DC
- 24 - Local and State Election Primary. Register to vote at [http://www.elections.state.md.us/voter\\_registration/](http://www.elections.state.md.us/voter_registration/) by June 3rd at 9 pm.

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