Get Up-to-date!
Lots is happening in Montgomery County, the State, and on Capitol Hill related to affordable housing. Check out our update for more information.

Montgomery County

Capital Budget. County Executive Ike Leggett released his recommended FY19 Capital Budget Mid-January and six-year FY19-24 Capital Improvements Program (CIP), including a $33 million boost in support for affordable housing - bringing the County Executive’s total investment in this area to more than one billion dollars during the past 12 years. The Operating Budget is scheduled to be released on (or about) March 15th.

Bill 34-17. Councilmember Floreen introduced Bill 34-17 (Housing - Moderately Priced Dwelling Units (MPDUs) – Amendments) in October 2017. The Bill proposes changes to the procedure for alternative locations, and alternative payments through the MPDU program, in addition for calling for developments of less than 20 homes to make a payment to the Housing Initiative Fund. The public hearing on this bill was December 5, 2017, at which MHP testified. The Planning, Housing and Economic Development (PHED) Committee is scheduled to hold a work session on March 5th at the Council building.

Bill 38-17. Councilmember Riemer introduced Bill 38-17 (Moderately Priced Dwelling Units (MPDUs) - Requirement to Build) in November 2017. This bill would expressly provide in the Code that the minimum MPDU requirement Countywide is 12.5 percent, with 15 percent required in any development in an MCPS High School Service Area where the FARMS (free and reduced priced meals) rate is less than 15%. The public hearing was December 5, 2017, with the PHED Committee work session scheduled for March 12th.

Sector Plans in Process
The Bethesda Downton Sector Plan was approved and adopted May 27, 2017 by the County Council.
The Planning Department continues to work through the White Flint 2 Master Plan. County Council approved a draft plan with revisions on November 14, 2017. The Veirs Mill Corridor Master Plan presented preliminary recommendations to the planning board on January 1th, 2018. This master plan is specifically making recommendations for the corridor in order to provide compatibility for the future Bus Rapid Transit corridor, as well as improve walkability, connectivity, and safety along the corridor.

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**State of Maryland**

2018 Legislative Session Started January 10th. The Maryland Legislature began its 90-day session on Wednesday, January 10th. Schedules are viewable on the [Legislature's website](#).

**State Budget.** Governor Hogan released his proposed budget for Fiscal Year 2019 in January. Currently, the legislature is reviewing the budget. Key programs to note: Rental Housing Works is proposed at $20 million and Community Legacy at $6 million. We are working with our statewide coalitions to grow these numbers to $25 million and $10 million, respectively. Budget hearings on the Department of Housing and Community Development’s budget are on February 27th and 28th. For more information visit the [budget page](#).

**Legislation to Watch Out For:**

- **SB821** - Community Development Program Act of 2018 - Establishes the Community Development Program and a Community Development Board in the Department of Housing and Community Development, and establishes the Community Development Fund which serves to provide financial assistance for community development projects and community development organizations around the State.

- **HB303** - Increases the maximum sum of contributions for projects under the Neighborhood and Community Assistance program that are eligible for certain tax credits from $3.5 million to $6 million.

- **HB418** - Authorizes the Washington Suburban Sanitary Commission to establish an Indirect Customer Assistance Program. An ‘indirect costumer’ is an individual who receives water or sewer service from the commission, but is not billed by the commission for the service. This applies to many of MHP’s tenants. The purpose of the program is to provide financial assistance to eligible indirect customers for water and sewer service.

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**Federal**

**Tax Cuts and Jobs Act.** On December 22, 2017, Congress Passed the ‘Tax Cuts and Jobs Act’. We are closely observing the potential consequence to the National Housing Trust Fund, the Low-Income Housing Tax Credit Program, and charitable giving. The corporate tax rate was lowered from 35% to 25% under the new tax bill which significantly reduced the value of tax deferred assets owned by the Enterprises (Fannie May and Freddie Mac). The enterprises announced they will likely need an advance from the U.S. Treasury as a result. This move risks suspension of the Enterprises statutorily
required funding for the National Housing Trust Fund, under regulations set forth by the
Federal Housing Finance Agency (FHFA). Additionally, with the decline in the corporate tax
rate, the value of LIHTC has been reduced

**President releases Fiscal Year 2019 Budget.** On February 12th, President Trump
released his proposed FY19 Budget. The budget calls for decimating cuts to safety net,
education, and housing programs. The budget proposes severe cuts to Medicaid and TANF.
Additionally, the budget proposed the elimination of 21st Century Community Learning
Centers, which would impact almost 2 million children, nationwide, leaving them without
quality, and reliable after-school programming. Further, the budget calls for a minimum cut
to HUD of at least $6.8 Billion dollars, which would eliminate at least 200,000 housing
choice vouchers, and the elimination of the HOME and CDBG programs. Tell your
representatives on Capitol Hill that these cuts are not acceptable. You can find your
congressional representatives [here](#).

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**Upcoming Events**

**February**

15  – 8AM-12PM – 2018 Maryland Affordable Housing Coalition (MAHC) Housing Day, House
Office Building, 6 Bladen St, Annapolis

28  – 6 pm - Montgomery Planning Department Winter Speaker Series: Ethan Kent: The
Economic Future of the Suburbs – Placemaking

**March**

5   – 2 pm – County Council PHED Committee Meeting on Bill 34-17: Housing –
Moderately Priced Dwelling Units (MPDU), and CIP amendment - Long Branch Town Center
Redevelopment. 100 Maryland Avenue, Rockville, Council Hearing Room

12  – 2 PM - County Council PHED Committee Meeting on Bill 34-17: Housing –
Moderately Priced Dwelling Units (MPDU), and Bill 38-17, Moderately Priced Dwelling Units
(MPDUs) - Requirement to Build 100 Maryland Avenue, Rockville, Council Hearing Room

19  – 2 PM - County Council PHED Committee Meeting on Bill 34-17: Housing –
Moderately Priced Dwelling Units (MPDU), and Bill 38-17, Moderately Priced Dwelling Units
(MPDUs) - Requirement to Build 100 Maryland Avenue, Rockville, Council Hearing Room

Please visit our website at www.mhppartners.org
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