

State of Maryland

2010 Bond Bill Fact Sheet

1. Senate		House		2. Name of Project
LR #	Bill #	LR #	Bill #	
lr1903	sb0263	lr1902	hb0587	Maryland Affordable Housing Trust
3. Senate Bill Sponsors				House Bill Sponsors
DeGrange				Jones
4. Jurisdiction (County or Baltimore City)			5. Requested Amount	
Statewide			\$2,000,000	
6. Purpose of Bill				
<p>Authorizing the creation of a State Debt in the amount of \$2,000,000, the proceeds to be used as a grant to the Board of Trustees of the Maryland Affordable Housing Trust, Inc. for awards to help acquire, build, rehabilitate, and preserve affordable housing and to help nonprofit organizations develop affordable housing.</p>				
7. Matching Fund				
Requirements:		Type:		
Grant				
8. Special Provisions				
<input type="checkbox"/> Historical Easement		<input checked="" type="checkbox"/> Non-Sectarian		
9. Contact Name and Title		Contact Phone	Email Address	
Kimberly Fry			kfry@mdahc.org	
10. Description and Purpose of Grantee Organization (Limit Length to Visible area)				
<p>MAHT is authorized by Chapter 265 of the Laws of Maryland and was created in 1992. MAHT is an instrumentality of the State housed in and staffed by the Department of Housing and Community Development. The organization is overseen by a Board of Directors appointed by the Governor. MAHT provides flexible and creative financing for affordable housing intended for households with incomes less than 50 percent of area median income. Program funds may be used to make grants and loans for predevelopment costs and capital costs for housing developed by nonprofit organizations, local area governments and public housing agencies. Eligible costs also include operating subsidies to nonprofit organizations and affordable housing communities. Funds are usually awarded twice annually on a competitive basis. MAHT is funded by a portion of the interest earned on trust accounts held by Title Insurers or Title Insurance Producers under Insurance Article Section 22-103 of the Annotated Code of Maryland. Since its creation, MAHT has made 581 funding awards totaling over \$34 million. Throughout its history MAHT has made awards in all 23 Counties and Baltimore City.</p>				

11. Description and Purpose of Project (Limit Length to Visible area)

The request will supplement the declining revenue generated by the interest earnings that are remitted to MAHT in a time when demand and need are growing. Declining activity in the real estate market has reduced the number of transactions title companies undertake and therefore the interest earned on these transactions has reduced significantly. These reduced contributions are occurring at a time when demand for affordable housing is growing due to families losing their homes to foreclosure and the high rate of unemployment in the State. The requested contribution will provide a much needed infusion of cash to the fund to permit it to provide gap funding to newly developed or rehabilitated affordable housing. MAHT leverages and supplements other resources; in FY 2009, the organization leveraged over \$69 million in other resources achieving a 21:1 leverage ratio. In FY07 and FY08 MAHT awarded over \$3.5 million annually but estimates only \$2.4 million will be available in FY10 to allocate to affordable housing projects. The FY 11 estimate is less than \$2 million.

Round all amounts to the nearest \$1,000. The totals in Items 12 (Estimated Capital Costs) and 13 (Proposed Funding Sources) must match. The proposed funding sources must not include the value of real property unless an equivalent value is shown under Estimated Capital Costs.

12. Estimated Capital Costs

Acquisition	
Design	
Construction	
Equipment	
Total	

13. Proposed Funding Sources – (List all funding sources and amounts.)

Source	Amount
n/a	
Total	

14. Project Schedule			
Begin Design	Complete Design	Begin Construction	Complete Construction
n/a	n/a	n/a	n/a
15. Total Private Funds and Pledges Raised		16. Current Number of People Served Annually at Project Site	17. Number of People to be Served Annually After the Project is Complete
n/a - funds leverage on average at a 21:1 ratio per yr		n/a -- see comments	n/a -- see comments
18. Other State Capital Grants to Recipients in Past 15 Years			
Legislative Session	Amount	Purpose	
2006	\$1M	Additional funds to the MAHT	
19. Legal Name and Address of Grantee		Project Address (If Different)	
Maryland Affordable Housing Trust 100 Community Place Crownsville, MD 21032		Funds are allocated in every jurisdiction throughout the State	
20. Legislative District in Which Project is Located			Multiple - throughout entire State
21. Legal Status of Grantee (Please Check one)			
Local Govt.	For Profit	Non Profit	Federal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Grantee Legal Representative		23. If Match Includes Real Property:	
Name:		Has An Appraisal Been Done?	Yes/No
Phone:			
Address:		If Yes, List Appraisal Dates and Value	

24. Impact of Project on Staffing and Operating Cost at Project Site			
Current # of Employees	Projected # of Employees	Current Operating Budget	Projected Operating Budget
		\$100,000 (administrative overhead per yer)	\$100,000 (administrative overhead per yr)
25. Ownership of Property (Info Requested by Treasurer's Office for bond issuance purposes)			
A. Will the grantee own or lease (pick one) the property to be improved?			n/a
B. If owned, does the grantee plan to sell within 15 years?			n/a
C. Does the grantee intend to lease any portion of the property to others?			n/a
D. If property is owned by grantee and any space is to be leased, provide the following:			
Lessee	Terms of Lease	Cost Covered by Lease	Square Footage Leased
n/a			
E. If property is leased by grantee – Provide the following:			
Name of Leaser	Length of Lease	Options to Renew	
n/a			
26. Building Square Footage:			
Current Space GSF	n/a		
Space to Be Renovated GSF	n/a		
New GSF	n/a		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion			n/a

28. Comments: (Limit Length to Visible area)

Sections 12, 13, 14, 15, 25, 26 and 27 are not applicable as the projects to be funded have not yet been identified. For the past four fiscal years, MAHT has funded an average of 48 projects annually throughout the State. The organization maintains a leverage ratio of 21:1 and awards a maximum of \$150,000 to each project. MAHT provided funds for gaps not filled by other State programs and funds some activities for which there is no other resource in State programs.

Maryland has great needs as evidenced below:

-Cost of housing has risen faster than wages and now 33% of Marylanders pay in excess of 30% of their income for housing cost;

-DHCD's Office of Research reports there is a need for an additional 130,315 affordable housing units in the State

-The National Low Income Housing Coalition reported that Maryland is the 6th least affordable state for housing