**MAHC Development Committee Notes – 4/17/2020**

* DHCD updates:
  + The QAP will be going to the Governor “soon” for signature and is expected to return quickly once received in his office.
  + The Department is working internally to design a Rental Assistance Program to provide relief to tenants who cannot pay their rent, but they have not been authorized or given funding for a such a program at this time. MAHC will continue to advocate for the need for rental assistance.
  + The Department is subject to the hiring freeze and some budget reductions as announced by Gov Hogan, but they do not know the extent their budget will be impacted yet. We will provide more information as we receive it but expect there to be a reduction in special funds and general funds.
  + The Department is working to get approval to provide deadline extensions to projects on an individual basis, including placed in service dates and 10% tests.
* Federal Updates:
  + Affordable housing advocates on the federal level are pushing for the next stimulus package to include $48B for the HOME Program and $100B for a rental assistance program, as well as a permanent fix to the 3% tax credit rate and a reduction of the 50% test.
* Investor Updates – Truist and Capital One provided information about their firms. The general consensus of the speakers was:
  + They are honoring pricing/commitments they made before COVID but are looking a lot more closely at deals before closing to ensure the developer and contractor have sufficient procedures in place to handle COVID. They are also looking at construction schedules, lease up schedules and rent impacts more closely and want to make sure guarantors have adequate liquidity today.
  + They are getting requests to purchase materials and store them om the site in advance and to buy-out subs up to 90 days out.
  + They don’t expect the guarantor to fund all deficits and are allowing operating reserves to be used on a case by case basis.
  + They are generally not committing to purchase tax credits for a few months.
* One developer reported that in Queen Anne’s County they had a subcontractor test positive for COVID, so the Health Dept. got involved and required them to complete the necessary cleaning followed by a 3 day shutdown before work could resume. The Health Dept also had concerns about lease ups and implied that they would be getting involved at lease up as well and may require new residents to self-quarantine for 14 days after moving in. No other developers reported having a Health Dept. staff member come to their job site.