Funding Approval and Tax Credit Assistance Program (TCAP) Agreement

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

1. Grantee Name and Address

Maryland Department of Housing and Community Development
100 Community Place
Crownsville, MD 21032

2. Grantee Number
M09-ES240100

3. Tax Identification Number
52-6002033

4. Appropriation Number
869/10203

5. FY (yyyy)
2009

6. Previous Obligation (Enter “0” for initial FY allocation)

   a. Formula Funds
   $ 0.00

7. Current Transaction (+ or -)

   a. Formula Funds
   $31,701,696.00

8. Revised Obligation

   a. Formula Funds
   $0.00

9. Special Conditions (check applicable box)

   - [ ] Not applicable
   - [ ] Attached

10. Date of Obligation (mm/dd/yyyy)

    JUN 26 2009

This Agreement between the Department of Housing and Urban Development (HUD) and the Grantee is made pursuant to the American Recovery and Reinvestment Act of 2009, Public Law 111-5, 123 Stat. 115 (February 17, 2009) (Recovery Act) provisions under the HOME Investment Partnerships Program heading, 123. Stat. at 220-221. The provisions under the HOME Investment Partnerships Program heading and sections 1512, 1515, 1553, and 1606 of the Recovery Act, CPD Notice 09-03 “Implementation of the Tax Credit Assistance Program (TCAP)” issued May 4, 2009 (as now in effect and as may be amended from time to time), the Grantee’s approved TCAP submission, and this Tax Credit Assistance Program Agreement form HUD-40092, including any special conditions, constitute the Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Grantee upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Grantee’s execution of the amendment or other consent. HUD’s payment of funds under this Agreement is subject to the Grantee’s compliance with HUD’s electronic funds transfer and information reporting procedures.

TCAP assistance may only be provided to a qualified low-income building for which a housing credit agency has made an allocation of low-income housing credits under Section 42 of the Internal Revenue Code. Although the housing credit agency may reduce the amount of the allocation, the entire credit may not be returned to the housing credit agency, and the project must maintain eligible basis and comply with all other requirements of Section 42 throughout the compliance period. In addition, there must be equity investments for the credits.

The Grantee is responsible for the use of its TCAP grant. The use of subgrantees or contractors does not relieve the Grantee of this responsibility. The Grantee shall include all applicable requirements in its written agreement with each TCAP project owner. The Grantee shall include in its written agreement with each project owner, a project signage provision consistent with criteria established by HUD. All applicable requirements must be enforceable through the recordation of a restriction that is binding on all owners and successors (e.g., a covenant on the property) and that is enforceable by the Grantee, HUD, and the residents of the project.

The Grantee’s deadline for expending all grant funds is February 16, 2012. The grant period ends on the date of the Grantee financial status report for financial closeout of the grant, which must be submitted in accordance with HUD’s instructions. Program income received after the end of the grant period must be used for development or operation of housing that remains affordable, for a period of not less than 15 years, to households whose annual incomes do not exceed 80 percent of the median family income for the area.

The Grantee must continue reporting until all TCAP projects are placed in service, all units are rented, and all required data is entered into IDIS. During the grant period, the Grantee must repay TCAP funds used for ineligible activities to its TCAP Line of Credit, in accordance with procedures established by HUD.

11. For the U.S. Department of HUD (Name and Title of Authorized Official)
   Nelson R. Bregón, General Deputy Assistant Secretary

12. Signature

13. Date
   JUN 26 2009

14. For the Grantee (Name and Title of Authorized Official)
   RAYMOND A. SUNDER, SECRETARY, DHCD

15. Signature

16. Date
   7/7/09

17. Check one:
   - [ ] Initial Agreement
   - [ ] Amendment #___________

Form HUD-40092