



BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

Affordable Housing Trust Fund 101

Senior Staff Presentation
December 1, 2020



- ◆ **Community Driven History**
- ◆ **Need**
- ◆ **Legal Framework**
- ◆ **Oversight**
- ◆ **Funding**
- ◆ **Spending Priorities**
- ◆ **Future**



Housing for All

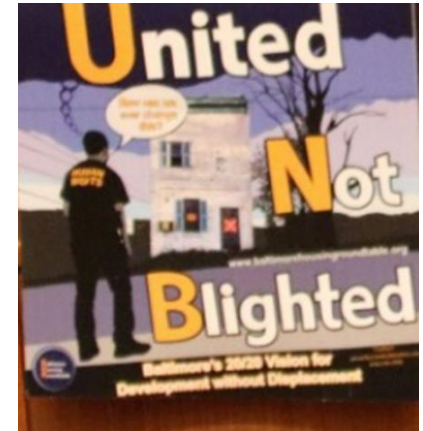
- Grass-roots Advocacy
- 20/20 Campaign
 - > 2016 Mayoral Platform
 - > \$20 Million Affordable Housing
 - > \$20 Million Deconstruction & Job Creation

Question J – 2016

- Created the Affordable Housing Trust Fund
- Petition Driven – More Than 13,000 Signatures Certified
- 83% Approval

Housing Roundtable

- Leadership Coalition: Community Development Network, Housing Roundtable, United Workers Association



Disproportionately Cost-Burdened:

- Pay more than 50% of income

37,000 Households Earn 30% or Less of AMI

- 27,000 Renters
- 10,000 Homeowners
- \$31,200 Household of Four
- \$780 Maximum Allowable Rent

8,400 Households Earn 50% or Less of AMI

- 4,950 Renters
- 3,500 Homeowners
- \$52,000 Household of four
- \$1,300 Maximum Allowable Rent

Support Households Earning 50% or Less of AMI

- At Least Half for Households Earning 30% or Less of AMI in a 3-Year Period

Range of Uses

- Development, Programs & Services
- 5% for Administrative Uses

Establishes DHCD as Administering Agency

Establishes Advisory Board

Creates Reporting Recommendations

Creates Non-Lapsing Fund

12 Member Commission

- Professional Expertise, Advocates, Residents
- 4 Resident Representatives
 - > Renter at 30% AMI
 - > Homeowner at 50% AMI
 - > Homeowner Who Benefitted from Affordable Housing Program
 - > Renter Who has Received Assistance
- Nominated by Mayor – Confirmed by City Council
- Subject to Citywide Boards and Commissions Requirements

Roles and Responsibilities

- Make Recommendations, Advise & Consult, Establish Policies, Rules, Regulations Regarding Implementation of the Trust Fund
- Annual Report to Mayor and City Council
 - > Incomes Served, Expenditures, Units, Type
- Ensure audit occurs

Ordinance 18-215 Creates Dedicated Funding Stream

- Increases Transfer & Recordation Tax - \$1 Million or Greater
 - > 0.6% Excise Tax – Transfer Tax
 - > .15% – Excise Tax Recordation Tax
- Excludes
 - > Loans, Mortgages, Deeds Recorded Within 6 Months of Effective Date
 - > Contracts of Sale Signed Within 2 Years of Effective Date
- \$13 Million Estimated Annual Revenue

City Funds MOU Establishes Commitment to Advocates

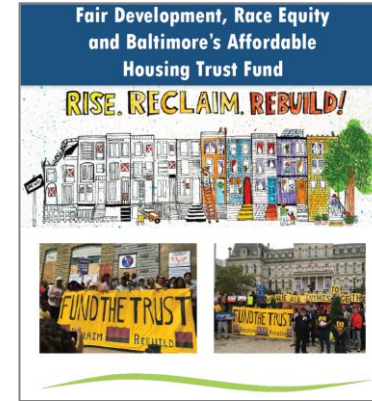
- Executed September 2018
- CDN, United Workers Association, Housing Roundtable
- Commits City Funds:
 - > FY20 \$2 Million
 - > FY21 \$3.5 Million
 - > FY22 \$5 Million
 - > FY23+ \$7 Million

Advocates Identify Spending Priorities

- Focus on Community Land Trusts
- Focus on Equitable Development & Racial Equity
 - > Emphasis on City Hiring
 - > Emphasis on Fair Wages
 - > Priority for Community Ownership

Public Process & Approved Spending Priorities:

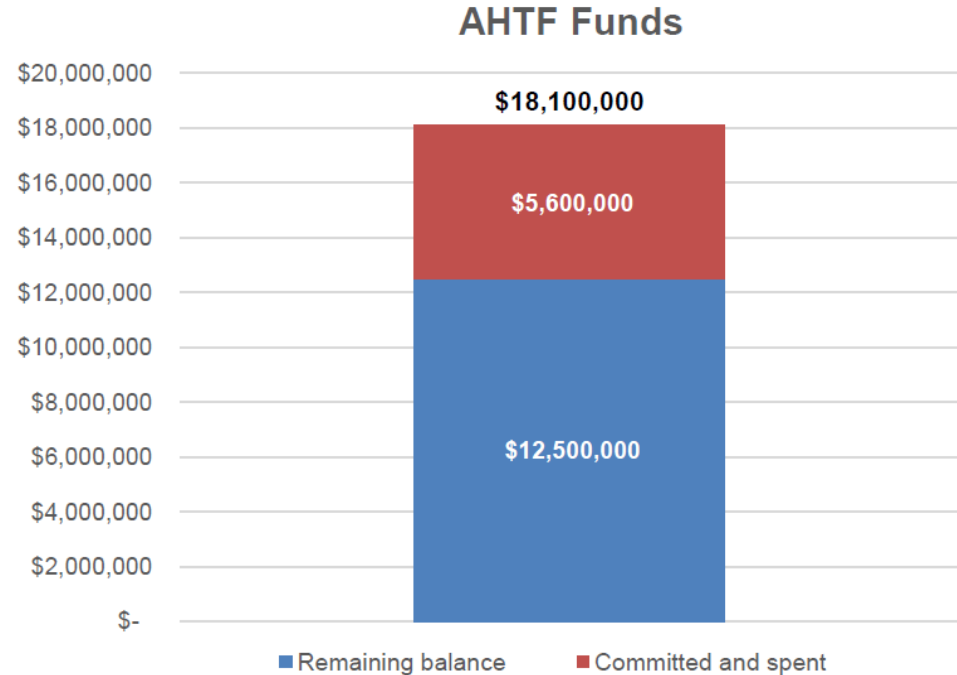
- FY20-22
 - > Community Land Trusts
 - > Choice Neighborhoods
 - > New Construction/Preservation of Existing Rental Housing
 - > Housing Preservation
 - > Rent Supplement
- Assumed between \$16-18 Million Available to Spend



Revenues and Balance

- As of October 31, 2020
 - \$18.1 million recovered in fund total
 - \$5.6 million spent and committed from fund
 - About \$12.5 million remaining

- Fund Revenues – two (2) main sources
 1. \$7.5 million - DHCD Contribution
 - 2018 - \$2.0 million
 - 2019 - \$2.0 million
 - 2020 - \$3.5 million
 2. \$10.66 million - Transfer/excise tax



August 2020

- Below Revised projection

September 2020

- Below Revised projection

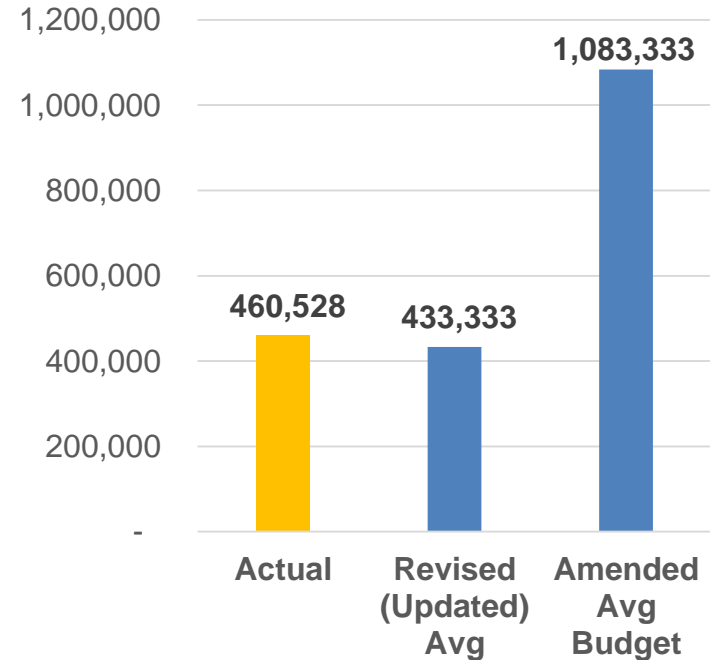
October 2020

- Above Revised projection

FY21 Revenue Recovered

- Below Revised projection
 - ❖ Through October 2020

Actual vs Projected Revenue



A New Reality

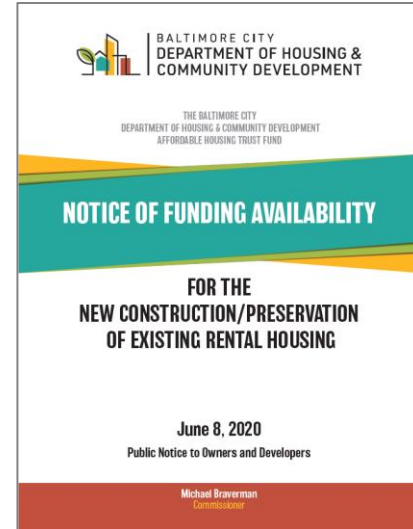
- COVID19
- Eviction Crisis
 - > 25% of Renters Behind in Payments
- Uncertain Revenue Climate
 - > Combined Funds for FY20-21
 - > One-time allocation for Homeless Prevention

SPENDING PRIORITIES	AMENDED FY20 & FY21	REVISED FY20 & FY21
Community Land trust/Shared Equity	9,250,000	6,250,000
New Construction - Rental Housing	5,000,000	2,000,000
Preservation of Existing Rental Housing	3,130,000	1,706,766
Senior Homeownership Repair & Homeownership Preservation	4,900,000	3,000,000
Choice Neighborhoods	4,000,000	3,000,000
Rent Supplement (3% Annual increase)	3,545,000	1,342,800
Inclusionary Housing	750,000	201,804
Flexible Funds	1,500,000	-
Administrative Costs (5% of total funds)	1,425,000	1,065,862
Pandemic Homelessness Prevention (One-Time Expenditure)	-	2,750,000
Total	33,500,000	21,317,232

\$2 Million Rental: New Construction/Preservation

- NOFA Posted June 8
- \$750,000 Maximum Request
- 10 Submissions
- 4 Awards
 - > 127 Units

Project Name	Requested Amount	Units @30% AMI	Units @50% AMI
CHAI 1	\$750,000	27	56
Episcopal Housing	\$180,000	9	
Druid Heights CDC	\$379,500		24
ReBuild Metro	\$750,000	9	2
Total	\$2,059,500	45	82



\$2 Million Single Family Homeownership

- Perpetual Affordability
- \$750,000 Maximum
- Predevelopment & Operating
- 6 Submissions
- In Review

\$395,000 CCG Grantees

- Charm City Land Trust
- Cherry Hill CDC

\$200,000 Share Baltimore

- Supports Creation of Citywide CLT Network

\$125,000 Grounded Solutions

- Develop Internal Program
- Build Capacity & Infrastructure



New Commission

Legislation Impacting Spending Plan

- Right to Counsel in Eviction Cases 20-625
 - > Establishes mechanism for providing legal counsel to individuals facing legal proceedings related to eviction.
 - > Expands role of Commission
 - > adopting rules and regulations
 - > oversight for annual report
 - > Adds new Commissioner who is a tenant in an ELI household
- Establish Office to End Homeless 20-592
 - > Establishes permanent Housing Voucher Program
 - > Funded with \$1.3 million in Trust Funds annually



QUESTIONS?

THANK YOU!