BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

AFFORDABLE HOUSING TRUST FUND ANNUAL REPORT



Fiscal Year 2022
(July 1, 2021 - June 30, 2022)

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INTRODUCTION

The Creation of the AHTF

The Baltimore Affordable Housing Trust Fund (Trust Fund) was created through a voter referendum in November 2016. City voters approved a Charter Amendment to create the Affordable Housing Trust Fund. Article I, Section 14 of the City Charter establishes the Trust Fund, sources of revenue, administration and oversight, membership and roles and responsibilities of the Commission, income requirements, permitted uses, and affordability periods under the City of Baltimore Department of Housing and Community Development (DHCD). In 2018, legislation was approved to create a dedicated source of funds for the Trust Fund. The Trust Fund receives its primary income from Excise and Transfer taxes as well as financial contributions from the City of Baltimore. All contributions are restricted for the development, preservation and assistance to support very low and extremely low-income households.

The Charter requires that all revenue of the Affordable Housing Trust Fund be used to serve households with incomes at or below 50 percent of the Area Median Income (AMI) as established by the United States Department of Housing and Urban Development (HUD) and that at least half of the funds be used to serve households with incomes at or below 30 percent of the Area Median Income.

The AHTF Commission Members

Per the Charter, the Affordable Housing Trust Fund Commission members are appointed by the Mayor and confirmed by the City Council. The Charter also defines the following duties of the Commission.

The Commission shall:

I. Make recommendations, advise, and consult with the Department of Housing and Community Development (DHCD) regarding the establishment of essential policies, rules, and regulations relating to the implementation, expenditures, and ongoing operation of the Trust Fund.

II. Submit an annual report to the Mayor and City Council on the activities and usage of the funds in the Trust Fund, including tenure (rental and homeownership), income level served, {and} unit size (number of bedrooms), and make the report available to the public.

III. If necessary, recommend changes to the trust fund to maximize affordability outcomes of the Trust Fund, to the Mayor and City Council.

IV. Ensure an audit of the fund every four years by a certified public accounting firm; and

To review the current Spending Priorities as approved by the Commission please visit: https://dhcd.baltimorecity.gov/allocation-available-trust-funds

Charter Requirement	Nominee	Affiliation
Experience in the fields of housing, community development, Planning, social services or public health-member is specified as appointed by the Mayor	Catherine Stokes	Telesis
Member of the lending community with experience in community development & affordable housing finance	Ramsey Harris	PNC Bank, Community Development Banking
HCD Commissioner or Designee	Kate Edwards	DHCD
Resident who rents and is at 30% or less of AMI	Iletha Joynes	United Workers
Resident homeowners and is at 50% or less of AMI	Vernadine Kimball	United Workers
Homeowner who receive assistance through an affordable homeownership program	Staci Griffin	Habitat
Resident who has received rental assistance	Erika Fox	
Social Service Provider	Kevin Daniels (President)	BSHI, Inc.
Representative of Homeless Service Board	Anthony Williams (Deceased as 2023)	Continuum of Care
Low Income/Fair housing advocate	Matt Hill	Public Justice Center
Nonprofit affordable housing developer	Bree Jones	Parity Development
Homebuilders or realtor association		
Different/additional members designated by ordinance	Tisha Guthrie	United Workers

The AHTF Financial Statements

City of Baltimore Affordable Housing Trust Fund Statement of Revenues, Expenditures & Changes in Net Assets Fiscal Year 2022 July 1, 2021-June 30, 2022	
ASSETS	
Current Assets:	
Fund Balance with City of Baltimore	$40,465,991.67
Total Current Assets	$40,465,991.67
Non-Current Assets:	
Notes Receivable	$0
Total Non-Current Assets	
Total Assets	$40,465,991.67
LIABILITIES AND NET ASSETS	
Liabilities:	
Cumulative Funding Commitments since inception (FY 19, 20, 21 and 22)	$19,689,391
**Other	-
Total Current Liabilities and Non-Current Liabilities	$19,689,391
Total Liabilities	$19,689,391
Net Assets:	$20,776,600.67
Total Net Assets	$20,776,600.67
Total Liabilities and Net Assets	$40,465,991.67
**Other: See notes below on Significant Accounting Policies	

City of Baltimore Affordable Housing Trust Fund Statement of Revenues, Expenditures & Changes in Net Assets Fiscal Year 2022 July 1, 2021-June 30, 2022			
Revenue	Actual	Committed	Total
Operating (Tax Revenue)	$19,085,868.95		$19,085.868.95
Capital (*COB Bonds)	$4,250,000		$4,250,000
Public Contributions			
**Other	$(12,352)		$(12,352)
Total Revenue	$23,323,516.95		$23,323,516.95
Expenditures	Actual	Committed	Total
Program Services	$***(459,550.00)	$(6,243,066)	$ (6,702,616)
Supporting Services	$***(28,460.50)	$	$(28,460.50)
Management	$***(415,000.93)		$(415,000.93)
Total Expenditures	$(903,011.43)	$(6,243,066.00)	$(7,146,077.43)
Changes in Net Assets	Actual	Committed	Total
Net Assets Without Donor Restrictions, Beginning	$25,806,610.00	$(13,446,325)	$12,360,285
Change in Net Assets Without Donor Restrictions During FY22	$23,323,516.95	$(6,243,066)	$17,080,450.95
Net Assets Without Donor Restrictions, Ending FY22	$49,130,126.95		$29,440,735.95

*COB: City of Baltimore
**Other: See notes below on Significant Accounting Policies

*** Actual disbursements during FY 22

Definitions

- Actual: “Actual” funds have been disbursed at the time of the annual report date.
- Committed: “Committed” funds have been conditionally awarded, subject to approval by the City of Baltimore’s Board of Estimates (BOE).

Statement of Functional Expenditures

City of Baltimore Affordable Housing Trust Fund Statement of Revenues, Expenditures & Changes in Net Assets Fiscal Year 2022 July 1, 2021-June 30, 2022				
	Program Services	Management	Support Services	Total
Accounting Services				
Advertising Fees				
Awards	$459,550.00			$459,550.00
Consultant Expenditure			$20,302.50	$20,302.50
Professional Fees (legal, etc)	-0-	-0-	-0-	$-0-
Personnel Costs		$415,000.93		$415,000.93
Purchases			$2779.00	$2779.00
Transcription Services			$5,379.00	$5379.00
Training				
Total Expenditure	$459,550.00	$415,000.93	$28,460.50	$903,011.43

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Balance Cash and Cash Equivalents

As of June 30, 2022, the Trust Fund had balances of $40,465,991.67, which includes the cash and money market balances held by the City of Baltimore in the investment account.

Financial Statement Presentation

The Trust Fund follows all City of Baltimore accounting guidelines established and maintained by the Baltimore City Comprehensive Annual Financial Reports (CAFR). The CAFR rules, guidelines, reports and definitions are available for your review on the City of Baltimore, Department of Audits, Comptroller's website located here: Department of Audits | Baltimore City Comptroller.

Liabilities

Liabilities are categorized as funding commitments made but not yet paid and as other less clear transactions. In 2022, the Affordable Housing Trust Fund has unpaid award commitments of $6,243,066.

Subsequent Event Disclosures

The Department of Housing and Community Development staff has evaluated subsequent events relevant for reporting through June 30, 2022. All known relevant information has been included in the annual report and notes above.

Funding Commitments- Awards

- In January 2022, the Department awarded Charm City Land Trust, a minority led Maryland nonprofit corporation, an award of $750,000 to develop perpetually affordable Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. The Charm City Land Trust is organized and operated for the charitable purposes of its members. Charm City Land Trust will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2022, the department had not made any capital contributions or completed any distributions for this agreement.

- In January 2022, the Department awarded North East Housing Initiative Inc., a minority led Maryland nonprofit corporation, $1,500,000 for two (2) homeownership projects at $750,000 per project to develop perpetually affordable Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. North East Housing Initiative Inc is organized and operated for the charitable purposes of its members. The North East Housing Initiative Inc., will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. Although the agreement and funds are ready to move forward, as of June 30, 2022, the Trust Fund had not made any capital contributions or completed any distributions for this agreement.

- In January 2022, the Department awarded South Baltimore Community Land Trust., a minority led Maryland nonprofit corporation, $750,000 to develop perpetually affordable Homeownership Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. The South Baltimore Community Land Trust is organized and operated for the charitable purposes of its members. The South Baltimore Community Land Trust., will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2022, the Trust Fund had not made any capital contributions or completed any distributions for this agreement.

- In January 2022, the Department awarded Harbor West Collaborative Affordable Housing Land Trust, LLC a minority led Maryland nonprofit corporation, $750,000 to develop perpetually affordable Homeownership Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. Harbor West Collaborative Affordable Housing Land Trust, LLC is organized and operated for the charitable purposes of its members. Harbor West Collaborative Affordable Housing Land Trust, LLC, will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2022, the Trust Fund had not made any capital contributions or completed any distributions for this agreement.

Funding Commitments – Unexpired Contracts

- Grounded Solutions Network is a national consultant who specializes in Community Land Trusts. To facilitate the development, selection and structure of the Affordable Housing Trust Fund's Community Land Trust program in November 2020, the City of Baltimore agreed to a contract of $125,000 to support the Community Land Trust program. Since then, Grounded Solutions Network has helped the Trust Fund by using its experienced professionals and their expertise to develop and expand the Community Land Trust program. In May 2022 DHCD renewed its contract with Grounded Solutions to continue to use their services for the remaining balance of the contract. As of June 2022, the balance of the contract was $90,112.50. The Trust Fund has paid $26,775.00 which $9,950.00 was paid in FY2022 toward this agreement. The remaining funds associated with this contract are likely to be paid in the upcoming months as per the agreement.

- Enterprise Community Partners is a national consultant who specializes in Community engagement, policy, and program structure. To facilitate the development, selection and structure of the Affordable Housing Trust Fund's Inclusionary Housing program in March 2020, the City of Baltimore agreed to a contract of $100,000 to support this program. As of June 30, 2022, the Trust Fund has paid $10,352.50 toward this agreement. The remaining funds associated with this contract are likely to be paid in the upcoming months as per the agreement.

- In April 2022 the Affordable Housing Trust Fund made an agreement of $2,293,066 million with a related section, the Weatherization and Home Improvement division of the Department of Housing and Community Development to support senior housing repair for qualifying Baltimore city residents 55 years of age and older. Each of the residents to be supported need residential housing repair assistance and these funds will go directly to improve the living condition habitability and safety of qualifying senior residents in the City of Baltimore. As of June 30, 2022, the Trust Fund had not made any capital contributions or completed any distributions for this agreement.

- In May 2022, the Department awarded Share Baltimore, Inc., a minority owned corporation formed and in good standing with the State of Maryland and North East Housing Initiative, Inc., a corporation formed and in good standing with the State of Maryland and acting as fiscal agent for Share Baltimore. Share Baltimore is a local consultant who specializes in Community Land Trust structuring. To facilitate the development, selection and structure of Baltimore City's Community Land Trust the City of Baltimore agreed to a contract of $200,000 to support

building the capacity of the local Community Land Trust. Since then, the consulting organization has helped Community Land Trust by using its experienced professionals and their expertise to develop Community Land Trust affordable housing. As of June 30, 2022, the Trust Fund had not paid any funds toward this agreement.

Projects Awarded AHTF Funds

Up to $4,000,000.00 in funding was available through the FY2022 round of the AHTF Program. The Fund reported that five (5) applicants submitted applications requesting $3,750,000 in funding. On January 25, 2022, the Fund announced that it had awarded grants totaling $3,750,000 through the FY2022 round 2 of the AHTF Community Land Trust Program. The organizations that received awards are shown below.

AHTF Awardees	Amount
1. South Baltimore Community Land Trust	$750,000
2. North East Housing Initiative (NEHI) 1	$750,000
3. North East Housing Initiative (NEHI) 2	$750,000
4. Charm City Community Land Trust-2	$750,000
5. Harbor West Community Land Trust	$750,000
Total	$3,750,000

Other Transfer/Awards of AHTF Funds

AHTF Awards	Amount
1. Senior Housing Repair	$2,293,066
2. Share Baltimore, Inc. c/o NEHI Fiscal agent	$200,000
Total	$2,493,066

Subsequent Event Disclosures

The Department of Housing and Community Development Staff has evaluated subsequent events relevant for reporting through June 30, 2022. All known relevant information has been included in the annual report and notes above.

AHTF Monthly PowerPoint Presentation

August 2022 AHTF Commission Meeting - Financial Update Presentation (PDF)- Note this meeting covered through June 2022 AHTF data as the meeting time and date was adjusted.