BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

2020 AHTF Updated Spending Proposal

7.28.2020

Original Budget

Priority Based

- Policy driven

Hold Harmless Priorities

- Community Land Trust
- Choice Neighborhoods
- Administrative Cap – 5%

Budget Adopted by Consensus

AFFORDABLE HOUSING TRUST FUND PROPOSED SPENDING PRIORITIES FISCAL YEARS 2020-2022 (Amended & Revised)

INTRODUCTION

In an effort to propose a spending plan that would maximize the effectiveness of the Trust funds, DHCD met with leadership from the Fair Development Roundtable and with other stakeholders to reach a consensus on how to best allocate the available Trust funds. The attached plan represents the fruit of those discussions.

PROPOSED SPENDING PRIORITIES

	APPROPRIATION	$17,000,000		$16,500,000		$18,000,000	
		FY20		FY21		FY22	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
	Community Land Trust/Shared Equity	$4,000,000	23.53%	$5,250,000	31.82%	$7,000,000	38.89%
	New Construction - Rental	$3,000,000	18.00%	$2,000,000	12.12%	$2,000,000	11.11%
	Preservation of Existing Rental	$2,500,000	14.71%	$1,630,000	9.88%	$1,500,000	8.33%
*	Preservation of Existing Rental	$2,000,000	11.76%	$1,130,000	6.85%	$1,000,000	5.56%
	Senior Homeownership Repair & Homeownership Preservation	$2,400,000	14.12%	$1,500,000	9.09%	$1,208,650	6.71%
*	Senior Homeownership Repair & Homeownership Preservation	$2,900,000	17.05%	$2,000,000	12.12%	$1,708,650	9.50%
	Choice Neighborhoods	$2,000,000	12.00%	$2,000,000	12.12%	$2,000,000	11.11%
	Rent Supplement (3% annual increase)	$1,500,000	8.82%	$1,545,000	9.36%	$1,591,350	8.84%
*	Rent Supplement	$1,750,000	10.29%	$1,795,000	10.88%	$1,841,350	10.23%
	Inclusionary Housing			$750,000	4.55%	$800,000	4.44%
	Flexible Funds	$1,000,000	5.88%	$1,000,000	6.06%	$1,000,000	5.56%
*	Flexible Funds	$750,000	4.41%	$750,000	4.55%	$750,000	4.17%
	Administrative Costs	$600,000	4.00%	$825,000	5.00%	$900,000	5.00%
	TOTAL	$17,000,000		$16,500,000		$18,000,000	

Original Spending Plan

Challenges

- COVID-19
- Tax revenue shortfall

Adjustments needed

- FY21 anticipated revenue
- Balance spending plan
- Homelessness prevention assistance

FY20 Revenue

Projected - $17 Million

Received - $12.58 Million

Sources of Revenue

1. DHCD Contributions
   - FY19 $2 Million
   - FY20 $2 Million
2. Tax Revenue
   - Projected - $13 Million
   - Received - $8.59 Million
     - ✓ $4.4 Million shortfall

AFFORDABLE HOUSING TRUST FUND PROPOSED SPENDING PRIORITIES FISCAL YEARS 2020-2022 (Amended & Revised)

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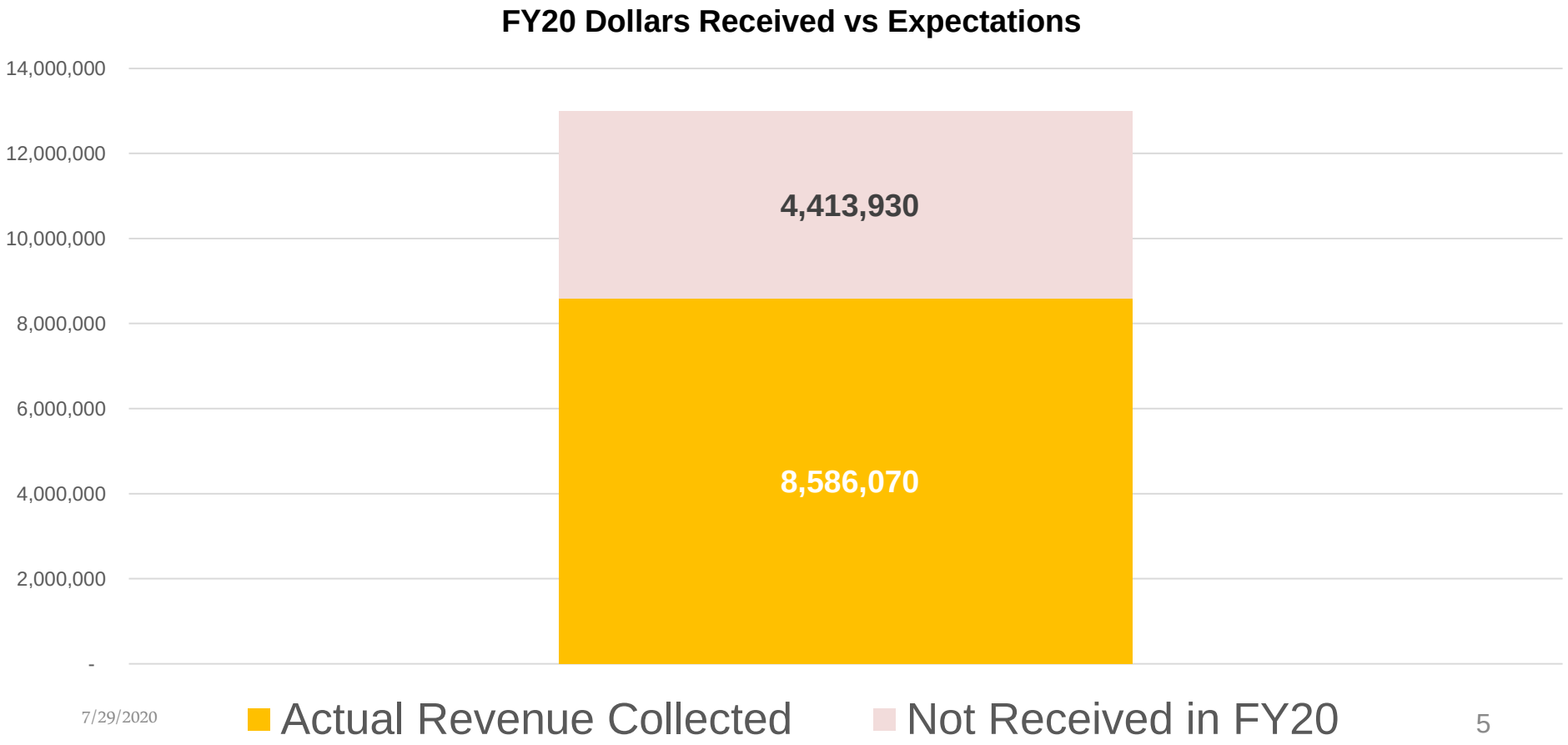
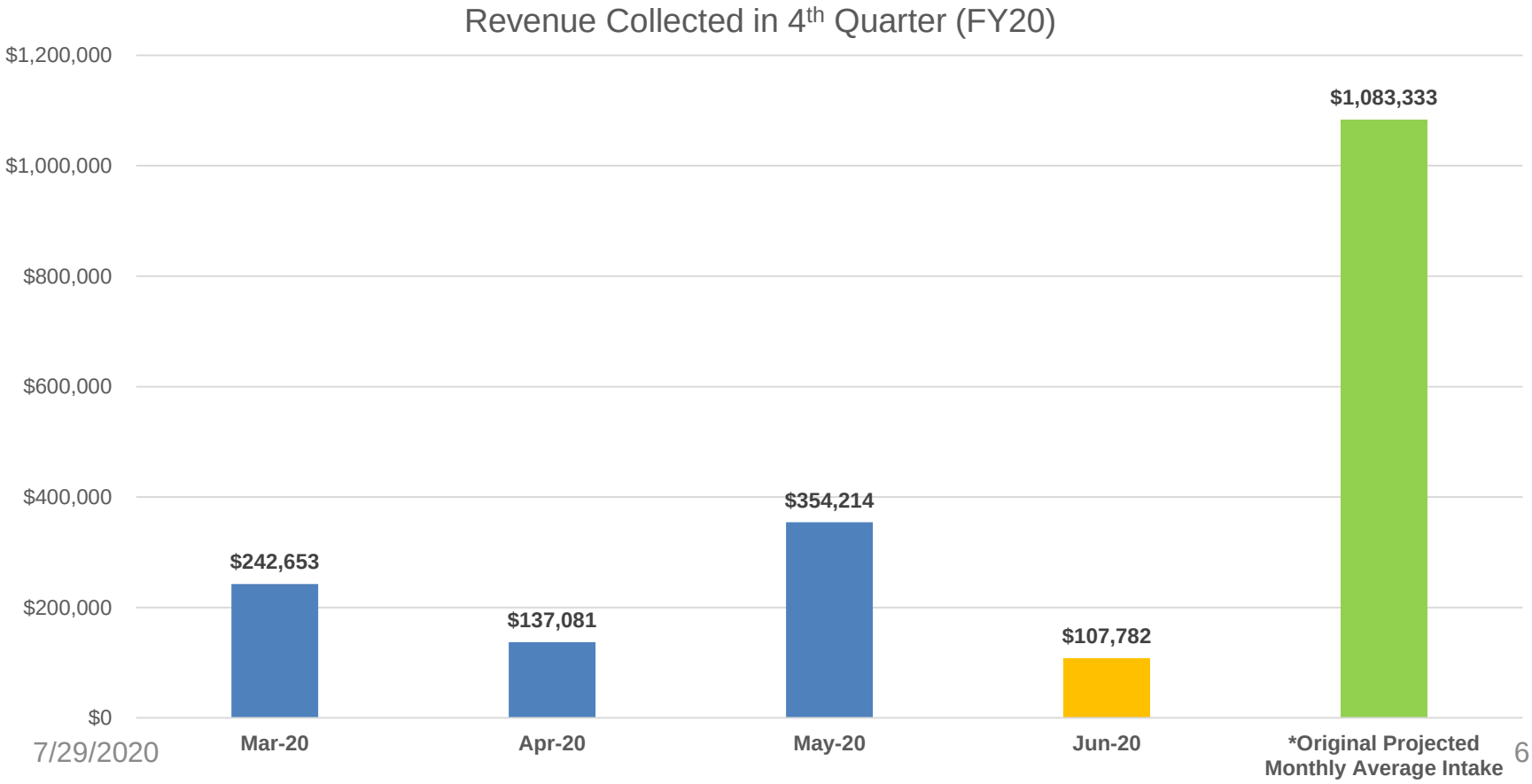
Administrative Costs	$600,000	4.00%	$825,000	5.00%	$900,000	5.00%
TOTAL	$17,000,000		$16,500,000		$18,000,000	

FY20 Tax Revenue Received



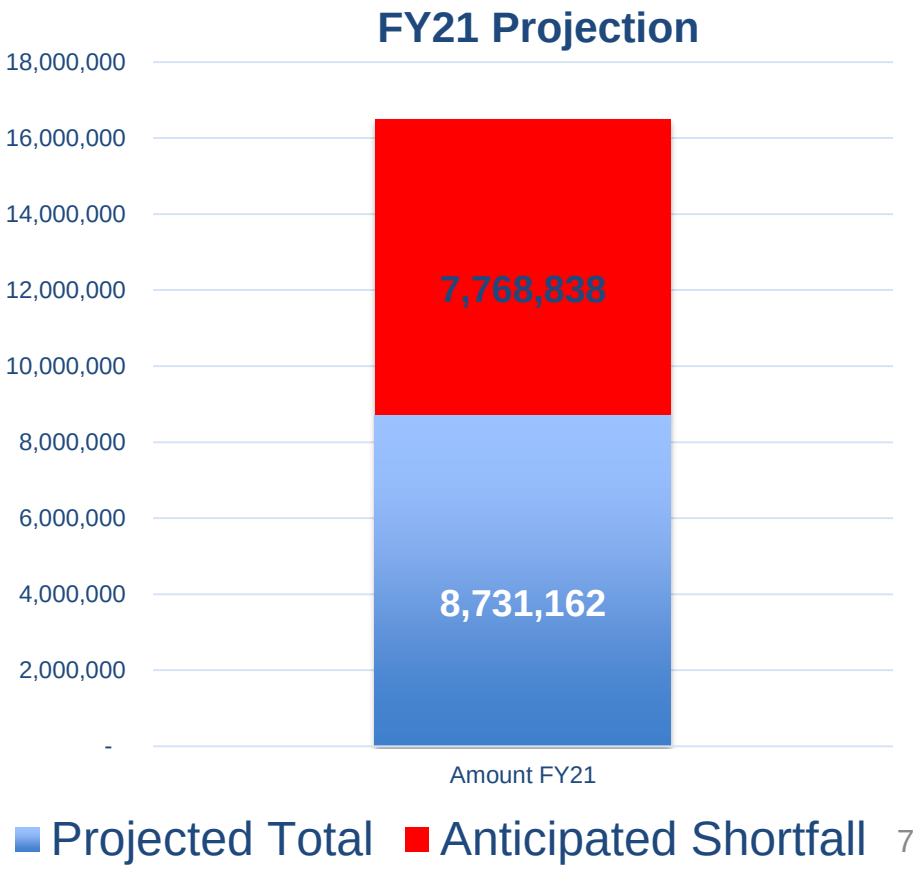

Revenue Collected in 4th Quarter (FY20)
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
$242,653
$137,081
$354,214
$107,782
$1,083,333
Mar-20
Apr-20
May-20
Jun-20
*Original Projected Monthly Average Intake

FY21 Projection Vs Original Expectation

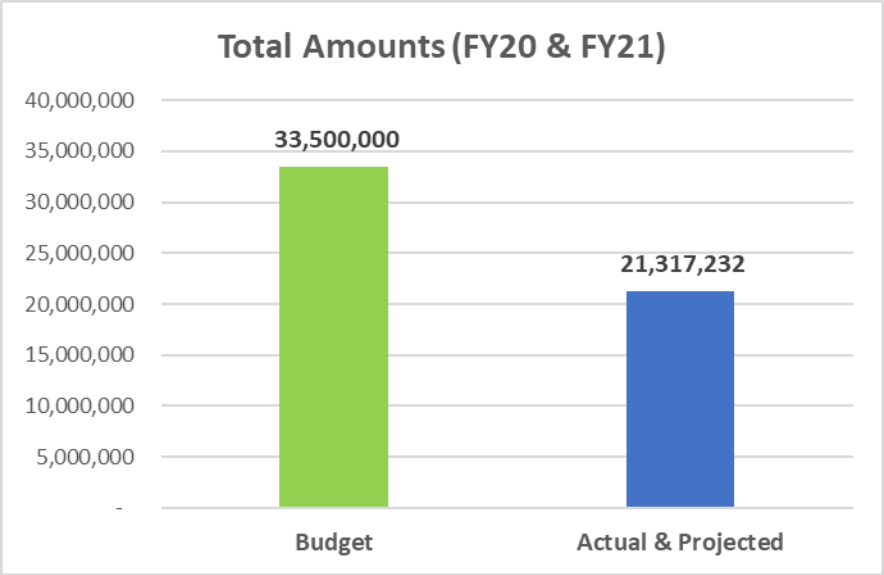
Original Budget
$16,500,000

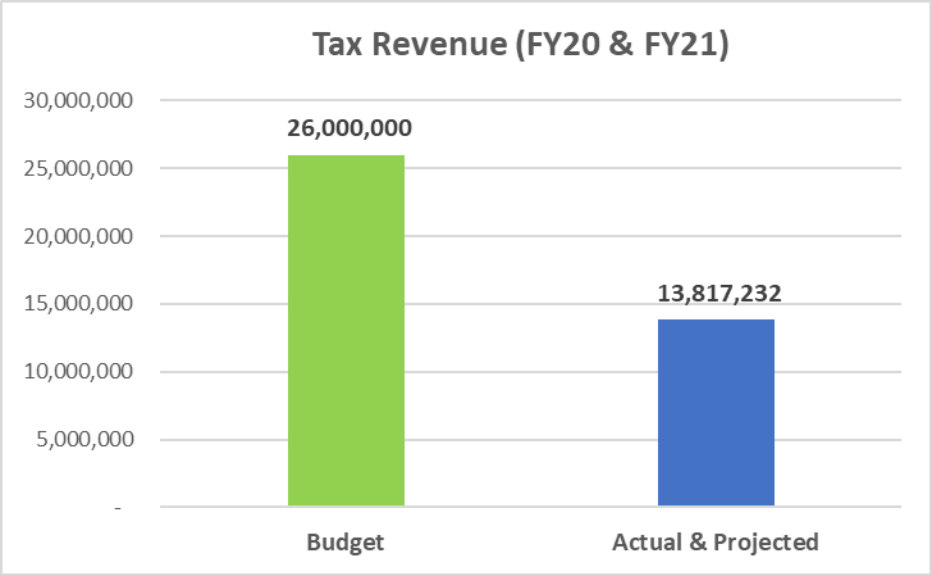
Updated DHCD Estimate
$8,731,162

❖ DHCD Estimate Includes:
1. DHCD contribution
2. Tax revenue



Budget v Projection





Option #1:

Percentage Based (Percent)

%BB - View

PROPOSED SPENDING PRIORITIES

	APPROPRIATION	$17,000,000		$16,500,000	
		FY20		FY21	
		Amount	Percentage	Amount	Percentage
	Community Land Trust/Shared Equity	$4,000,000	23.53%	$5,250,000	31.82%
	New Construction - Rental	$3,000,000	18.00%	$2,000,000	12.12%
	Preservation of Existing Rental	$2,500,000	14.71%	$1,630,000	9.88%
*	Preservation of Existing Rental	$2,000,000	11.76%	$1,130,000	6.85%
	Senior Homeownership Repair & Homeownership Preservation	$2,400,000	14.12%	$1,500,000	9.09%
*	Senior Homeownership Repair & Homeownership Preservation	$2,900,000	17.05%	$2,000,000	12.12%
	Choice Neighborhoods	$2,000,000	12.00%	$2,000,000	12.12%
	Rent Supplement (3% annual increase)	$1,500,000	8.82%	$1,545,000	9.36%
*	Rent Supplement	$1,750,000	10.29%	$1,795,000	10.88%
	Inclusionary Housing			$750,000	4.55%
	Flexible Funds	$1,000,000	5.88%	$1,000,000	6.06%
*	Flexible Funds	$750,000	4.41%	$750,000	4.55%
	Administrative Costs	$600,000	4.00%	$825,000	5.00%
	TOTAL	$17,000,000		$16,500,000	

Appropriation - FY20 & FY21 (Combined Original)	Beg. FY20 & FY21 Total	Original FY20 & FY21 %
Community Land trust/shared Equity	9,250,000	27.61%
New Construction - Rental	5,000,000	14.93%
Preservation of Existing Rental	3,130,000	9.34%
Senior Homeownership Repair & Homeownership Preservation	4,900,000	14.63%
Choice Neighborhoods	4,000,000	11.94%
Rent Supplement (3% Annual increase)	3,545,000	10.58%
Inclusionary Housing	750,000	2.24%
Flexible Funds	1,500,000	4.48%
Administrative Costs	1,425,000	4.25%
Pandemic Homelessness Prevention (One-Time Exp)	-	
Grand Total	**33,500,000**	

Appropriation - FY20 & FY21 (Combined Updated)	Remaining Budget Plan FY20 & FY21	FY20 & FY21 (Same %)
Community Land trust/shared Equity	5,886,101	27.61%
New Construction - Rental	3,181,676	14.93%
Preservation of Existing Rental	1,991,729	9.34%
Senior Homeownership Repair & Homeownership Preservation	3,118,043	14.63%
Choice Neighborhoods	2,545,341	11.94%
Rent Supplement (3% Annual increase)	2,255,809	10.58%
Inclusionary Housing	477,251	2.24%
Flexible Funds	954,503	4.48%
Administrative Costs	906,778	4.25%
Pandemic Homelessness Prevention (One-Time Exp)		
Grand Total	**21,317,232**	

%BB - Option

Approach Consideration

- Pandemic response
- Across the board reductions
- Administration limit – 5%

Appropriation - FY20 & FY21 (Combined Updated)	Original Budget %	Updated Budget % Close	Beg. FY20 & FY21 Total	Updated dollars w/ close percentage	Suggested Adjustments Add / (Reduction)
Community Land trust/shared Equity	27.6%	27.6%	9,250,000	5,872,897	(3,377,103)
New Construction - Rental	14.9%	14.8%	5,000,000	3,154,950	(1,845,050)
Preservation of Existing Rental	9.3%	9.3%	3,130,000	1,971,844	(1,158,156)
Senior Homeownership Repair & Homeownership Preservation	14.6%	14.5%	4,900,000	3,090,999	(1,809,001)
Choice Neighborhoods	11.9%	11.8%	4,000,000	2,515,433	(1,484,567)
Rent Supplement (3% Annual increase)	10.6%	2.5%	3,545,000	532,931	(3,012,069)
Inclusionary Housing	2.2%	0.8%	750,000	170,538	(579,462)
Flexible Funds	4.5%	0.0%	1,500,000	0	(1,500,000)
Administrative Costs	4.3%	5.0%	1,425,000	1,065,862	(359,138)
Pandemic Homelessness Prevention (One-Time Exp)	0.0%	12.9%	-	2,749,923	2,749,923
			33,500,000	**21,125,377**	(12,374,623)

Option #2:

Priority Based (Dollars)

Priority Based - View

PROPOSED SPENDING PRIORITIES

	APPROPRIATION	$17,000,000		$16,500,000	
		FY20		FY21	
		Amount	Percentage	Amount	Percentage
	Community Land Trust/Shared Equity	$4,000,000	23.53%	$5,250,000	31.82%
	New Construction - Rental	$3,000,000	18.00%	$2,000,000	12.12%
	Preservation of Existing Rental	$2,500,000	14.71%	$1,630,000	9.88%
*	Preservation of Existing Rental	$2,000,000	11.76%	$1,130,000	6.85%
	Senior Homeownership Repair & Homeownership Preservation	$2,400,000	14.12%	$1,500,000	9.09%
*	Senior Homeownership Repair & Homeownership Preservation	$2,900,000	17.05%	$2,000,000	12.12%
	Choice Neighborhoods	$2,000,000	12.00%	$2,000,000	12.12%
	Rent Supplement (3% annual increase)	$1,500,000	8.82%	$1,545,000	9.36%
*	Rent Supplement	$1,750,000	10.29%	$1,795,000	10.88%
	Inclusionary Housing			$750,000	4.55%
	Flexible Funds	$1,000,000	5.88%	$1,000,000	6.06%
*	Flexible Funds	$750,000	4.41%	$750,000	4.55%
	Administrative Costs	$600,000	4.00%	$825,000	5.00%
	TOTAL	$17,000,000		$16,500,000	

Appropriation - FY20 & FY21 (Combined Original)	Beg. FY20 & FY21 Total	Original FY20 & FY21 %
Community Land trust/shared Equity	9,250,000	27.61%
New Construction - Rental	5,000,000	14.93%
Preservation of Existing Rental	3,130,000	9.34%
Senior Homeownership Repair & Homeownership Preservation	4,900,000	14.63%
Choice Neighborhoods	4,000,000	11.94%
Rent Supplement (3% Annual increase)	3,545,000	10.58%
Inclusionary Housing	750,000	2.24%
Flexible Funds	1,500,000	4.48%
Administrative Costs	1,425,000	4.25%
Pandemic Homelessness Prevention (One-Time Exp)	-	
Grand Total	**33,500,000**	

Appropriation - FY20 & FY21 (Combined Updated)	Updated Plan FY20 & FY21	Total Suggested Add / (Reduction)
Community Land Trust/Shared Equity	6,250,000	(3,000,000)
New Construction - Rental	2,000,000	(3,000,000)
Preservation of Existing Rental	1,706,766	(1,423,234)
Senior Homeownership Repair & Homeownership Preservation	3,000,000	(1,900,000)
Choice Neighborhoods	3,000,000	(1,000,000)
Rent Supplement (3% Annual increase)	1,342,800	(2,202,200)
Inclusionary Housing	201,804	(548,196)
Flexible Funds	-	(1,500,000)
Administrative Costs	1,065,862	(359,138)
Pandemic Homelessness Prevention (One-Time Exp)	2,750,000	2,750,000
Grand Totals	**21,317,232**	**(12,182,768)**

Priority Option

Step 1: Merge (FY20 & FY21)		Step 2: Reduce		Step 3: Adjust		
Appropriation - FY20 & FY21 (Combined Updated)	**Beg. FY20 & FY21 Total**	**Suggested Adjustments Add / (Reduction)**	**FY20 & FY21 Adj Total**	**Suggested Adjustments Add / (Reduction) - $2.75M**	**Updated Plan FY20 & FY21**	**Total Suggested Add / (Reduction)**
Community Land Trust/Shared Equity	9,250,000	(2,000,000)	7,250,000	(1,000,000)	6,250,000	(3,000,000)
New Construction - Rental	5,000,000	(3,000,000)	2,000,000		2,000,000	(3,000,000)
Preservation of Existing Rental	3,130,000	(1,423,234)	1,706,766		1,706,766	(1,423,234)
Senior Homeownership Repair & Homeownership Preservation	4,900,000	(1,900,000)	3,000,000		3,000,000	(1,900,000)
Choice Neighborhoods	4,000,000	(1,000,000)	3,000,000		3,000,000	(1,000,000)
Rent Supplement (3% Annual increase)	3,545,000	(1,245,000)	2,300,000	(957,200)	1,342,800	(2,202,200)
Inclusionary Housing	750,000	(548,196)	201,804		201,804	(548,196)
Flexible Funds	1,500,000	(707,200)	792,800	(792,800)	-	(1,500,000)
Administrative Costs	1,425,000	(359,138)	1,065,862		1,065,862	(359,138)
Pandemic Homelessness Prevention (One-Time Exp)	-			2,750,000	2,750,000	2,750,000
	33,500,000	**(12,182,768)**	**21,317,232**	**0**	**21,317,232**	**(12,182,768)**

BALTIMORE CITY

DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

THANKS!

@BmoreDhcd