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BALTIMORE CITY DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

AFFORDABLE HOUSING TRUST FUND COMMISSION MEETING

(Webex)

Tuesday, January 25, 2022

BEFORE: CINDY TRUITT, Interim President
TISHA GUTHRIE, Co-Chair

MEMBERS PRESENT:

- MATT HILL
- ILETHA JOYNES
- VERNADINE KIMBALL
- KATE EDWARDS
- SHANNON SNOW

Reported by:
Bradley E. Weirich

1 Also Present:

2 JOHN MOBLEY, Program Manager, Affordable Housing Trust
Fund, DHCD

3 EBONY RECTOR, Project coordinator, Affordable Housing
4 Trust Fund, DHCD

5 STACY FREED, Senior Advisor to Chief Operations Officer,
DHCD

6 STEPHANI ESTRADA, Project Coordinator, Affordable Housing
7 Trust Fund, DHCD

8 HANA ROSE KONDRATYUK
Baltimore City Law Department

9 CHRISTOPHER LUNDY
10 Chief, Minority and Women's Business Opportunity Office

11 CHARMANE MCDANIEL
Manager, Insurance and Risk Finance Office

12 JOHN FORD
13 Local Hiring Law Project

14 JASMINE ARMSTRONG
Department of Housing and Community Development

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1 INTERIM PRESIDENT TRUITT: Okay. Great.

2 Iletha Joynes.

3 (No audible response.)

4 Okay. Tisha I know is here.

5 CO-CHAIR GUTHRIE: Yes. Thank you.

6 INTERIM PRESIDENT TRUITT: Tiara Watkins.

7 (No audible response.)

8 INTERIM PRESIDENT TRUITT: Ms. Vernadine

9 Kimball.

10 (No audible response.)

11 INTERIM PRESIDENT TRUITT: I know you're here.

12 MS. KIMBALL: Here.

13 INTERIM PRESIDENT TRUITT: Okay. Fantastic.

14 Okay. Thank you so much.

15 I'm going to turn it over to my co-chair.

16 CO-CHAIR GUTHRIE: Yes. Thank you, Cindy.

17 Good evening everyone. Thank you for coming.

18 The next item on the agenda is for the reading and

19 approval and adoption of the summary of the minutes from

20 December 2021. So, I believe, everyone has a summary.

21 If you would please take a few seconds, a few minutes to

1 review the summary. And when someone is so moved, please
2 move to adopt the minutes, unless there are any --

3 COMMISSIONER HILL: I move to adopt.

4 CO-CHAIR GUTHRIE: Okay. Commissioner Hill has
5 moved to adopt the minutes. Do I have a second?

6 INTERIM PRESIDENT TRUITT: Second that, Cindy.

7 CO-CHAIR GUTHRIE: Okay. Commissioner Truitt
8 has moved to adopt the minutes.

9 All in favor.

10 COMMISSIONERS: Aye, aye.

11 COMMISSIONER HILL: Aye.

12 CO-CHAIR GUTHRIE: Any opposed?

13 Any abstentions?

14 Okay. The minutes from December 2021 have been
15 adopted. Thank you, Commissioners.

16 Next on the agenda is an update from the
17 Department.

18 COMMISSIONER HILL: Actually, Ms. Guthrie,
19 could I have the floor to make a quick motion? It's
20 relevant to the minutes that were just adopted.

21 CO-CHAIR GUTHRIE: Yes, Commissioner Hill.

1 Thank you.

2 COMMISSIONER HILL: Thank you. So, briefly,
3 read into those minutes there was a mistake in the motion
4 that was adopted by the Commission last meeting, and if
5 you remember, we nominated two individuals, Tisha
6 Guthrie, and the name on the motion was Anthony Smith to
7 be on the Commission, and this was to fill two seats that
8 had been empty for more than 120 days. And it turns out
9 that Mr. Anthony Smith is actually Anthony Williams. And
10 so the last name was wrong, but Mr. Williams is a member
11 of the Continuum of Care of the Lived Experience
12 Committee, and is willing to serve on the Affordable
13 Housing Trust Fund Commission.

14 And so I just e-mailed all of you right before
15 this meeting with a motion that I'll now just read to
16 correct that error. The motion says, whereas, at the
17 meeting of the Baltimore City Affordable Housing Trust
18 Fund Commission on December 14, 2021, the Commission
19 unanimously adopted a motion nominating Tisha Guthrie and
20 Anthony Smith, in quotes, to become members of the
21 Commission pursuant to Article 4, Section 6(g) of the

1 City Charter; whereas, the true name of the individual
2 referred to in that motion as Anthony Smith is actually
3 Anthony Williams; whereas Anthony Williams is a current
4 member of the Lived Experience Committee of the City's
5 Continuum of Care Board, therefore qualifies for the
6 position of representative of the Homeless Services Board
7 on the Commission that has been vacant for more than 120
8 days. Therefore, I move that the previously adopted
9 motion be corrected to replace Anthony Smith with Anthony
10 Williams; and I further move that Anthony Williams be
11 certified and submitted to the City Council for
12 confirmation as a member of the Affordable Housing Trust
13 Fund Commission for the position of representative of the
14 Homeless Services Board.

15 COMMISSIONER KIMBALL: Ms. Iletha is trying to
16 get in. She's somehow -- she's -- keep throwing her out.
17 So please send her the address for this meeting.

18 COMMISSIONER JOYNES: Thank you, Commissioner
19 Kimball. I'm here. Thank you.

20 COMMISSIONER KIMBALL: Okay. Thank you.

21 CO-CHAIR GUTHRIE: We welcome Commissioner

1 Joynes.

2 COMMISSIONER EDWARDS: Commissioner Edwards. I
3 just have one kind of on the motion that was just
4 submitted, and I don't know if this was also in the
5 notes, but it says that the Commission unanimously
6 adopted the motion. I just wanted to point out that I
7 did abstain from that vote so (indiscernible).

8 CO-CHAIR GUTHRIE: I'm sorry, Commissioner
9 Edwards. We didn't even hear you. I didn't hear that
10 you were in attendance. I apologize. I didn't hear the
11 abstention either.

12 COMMISSIONER EDWARDS: I am -- okay. I was in
13 attendance. We had a conversation with Cindy. I think
14 she didn't hear me at first, but I am here. But I was
15 referring to December 14th that I abstained at that. In
16 the letter it says that it was unanimously adopted, and I
17 just want to point out that (indiscernible) it should
18 reflect the current vote.

19 CO-CHAIR GUTHRIE: Understood. So we need to
20 amend the minutes too?

21 COMMISSIONER EDWARDS: Correct.

1 COMMISSIONER HILL: And I'll -- if I could
2 amend my motion to strike unanimously.

3 CO-CHAIR GUTHRIE: So we have two amendments.
4 We have the amendment of the unanimous vote indicating
5 that Commissioner Kate Edwards abstained. So that is the
6 first amendment. And let the record also indicate that
7 Commissioner Hill is amending his motion to note that
8 there was an abstention, namely, Commissioner Edwards.

9 So at this time we need a, a move, a motion to
10 adopt Commissioner Hill's motion for correction of the,
11 the nomination. Do we have a motion?

12 INTERIM PRESIDENT TRUITT: I move -- this is
13 Cindy -- to approve -- right word.

14 COMMISSIONER KIMBALL: I make a motion.

15 CO-CHAIR GUTHRIE: Okay. We have Commissioner,
16 Commissioner Truitt, who has made a motion, and we have
17 Commissioner Kimball, who has seconded the motion.

18 All in favor.

19 COMMISSIONER HILL: Aye.

20 UNIDENTIFIED COMMISSIONER: Aye.

21 INTERIM PRESIDENT TRUITT: Any opposed?

1 Any abstentions?

2 COMMISSIONER EDWARDS: Abstain. Commissioner
3 Edwards.

4 CO-CHAIR GUTHRIE: Commissioner Edwards'
5 abstention.

6 Let the record stand that we have majority in
7 favor with one abstention.

8 And I think now we turn it over to the
9 Department.

10 MR. MOBLEY: Hello everyone. Can you hear me?

11 UNIDENTIFIED SPEAKER: Yes.

12 MR. MOBLEY: That's great. That's great.

13 Welcome to another (indiscernible) meeting. Thank you
14 for allowing me to come. This time, hopefully, we'll --
15 put up some useful information for about what's going on
16 with the Affordable Housing Trust Fund program, review of
17 the revenue and expense, expenditure updates.

18 The numbers I'm going to be talking about go
19 back to December 2021 because that's the period that
20 closed, even though we are in January 2021 [sic]. We're
21 going to talk about the budget. Going to talk about the

1 revenue. Going to talk about the expenditures of
2 Community Land Trust, the CLT NOFA award winners. We're
3 going to talk about the rest of the Affordable Housing
4 Trust Fund, the Affordable Housing Trust Fund meeting
5 nominations, obviously, and the annual report.

6 And if we can hold our questions until the end,
7 that's going to be key this time because there's an
8 entire second (indiscernible), but if you guys want
9 (indiscernible) that will be the rest of my amazing team,
10 people that we work with here at DHCD.

11 So next slide, please. So all right, we have
12 received quite a bit of money lately; more than -- right
13 now we're at a little -- 40 million, almost pushing close
14 to \$41 million. \$40,756,000. It's quite a bit higher
15 than we had expected at this point -- to date, and keeps
16 on going, and that's the amount of money collected
17 through December 2021. We see the breakdown by year
18 shown. I mean, we're already -- we're in Fiscal Year
19 '22, halfway through, and we have more revenue than we
20 had in all of Fiscal Year 2021. That's pretty
21 impressive.

1 Next slide. All right. We can see the
2 breakdown by year. As you can see, what we -- not only
3 what we earned, what the City's contribution was as year
4 over year, but we can see that -- in all of Fiscal Year
5 '21, we are \$9.6 million. Halfway through, July through
6 December, we've received as a result of the
7 (indiscernible), et cetera, \$9.9 million. This is quite
8 a bit faster than anticipated, and (indiscernible)
9 expected at the time. This is good news (indiscernible),
10 and I would love to use it.

11 Next slide. You can see the breakdown by
12 percentage split, fund source revenue amount, and
13 percentage split. You can see what contribution
14 Baltimore -- tax revenue.

15 Next slide. And here's the breakdown. This
16 year, by comparison to the last three, is not that big.
17 I mean, \$1.4 million. Well, I mean, that sounds like
18 it's not that big, but when you compare it to \$3.1
19 million and \$2.7 million. The transactions are just
20 coming in as they are. There were 41 transactions this
21 month; 63 transactions in November; and 51 transactions

1 in October. But the average amount just kind of leaves
2 it to where we have \$1.4 million. And so just the
3 average transaction is 34 -- is a little over \$34,000 for
4 (indiscernible).

5 Now, if you're looking at this, you see
6 \$3.1 million in October. November \$2.7 million. And in
7 December \$1.4 million.

8 Next slide. That's not very impressive, but if
9 you look at it compared year-over-year, you can see how
10 these, the last couple of months, have been far exceeding
11 almost every month that we've had so far. May 2020 --
12 May of 2021 was a, was an outlier. But not exactly sure,
13 like, how it's going, and kind of hard to predict the
14 value. But you can see just like how high the revenue
15 dollars from October, November and December are just kind
16 of skewing off more of -- came in more than we'd expect,
17 and so it's kind of skewing our projection and
18 expectations this far for the year.

19 Next slide, please. All right. So I said, you
20 saw how much there was in October. You saw how much it
21 was in November. And then we saw -- see how much it is

1 in December. And that doesn't -- December doesn't look
2 like a lot, but when you compare it to what we were
3 expecting just based off of projections (indiscernible)
4 last year, and the projection that was made, I think, in
5 March of last year, we see that \$1.4 million is double
6 what we had expected for like any particular month. So
7 you can see just the level of magnitude that a \$3.1
8 million and a \$2.7 million month would have.

9 So the amount that we have in total for this
10 year is 9.9 million, and we expected it to be about
11 \$4.3 million so far. It is better than what we hoped.
12 However, don't know how January and February outcome is
13 going to be, but if it continues like this, then I'm --
14 it's noteworthy.

15 Next slide. We can see the expenditures, and
16 our commitments that have going, and as a result this
17 would include the commitments that we're going to talk
18 about today, the (indiscernible) Trust, the NOFA number
19 two award. You can see balances.

20 Next slide, please. All right. Originally, we
21 had you can see -- this is a graphical representation of

1 where the money is committed by project areas. You can
2 see like all the dots where things are kind of supposed
3 -- where the money is supposed to flow. You notice how
4 there's not necessarily one concentration in one area,
5 but every bit -- every time we are committing funds,
6 we're trying to show that it's touching all the City, and
7 not just concentrated into one area of one
8 (indiscernible).

9 So original -- I mean, last month, you could
10 see that there -- the Community Land Trust NOFA number
11 two had \$4 million committed. It turns out
12 (indiscernible) due to circumstances that I will go into
13 in a little bit. We ended up awarding \$3.75 million.
14 So that is reflected here.

15 Next slide, please. All right. The NOFA. The
16 NOFA closed. The applications were under review. The
17 application questions and scoring are not ongoing.
18 They're done. The posting date was 9/1, and the award
19 announcement is today for the Community Land Trust NOFA.

20 Next slide, please. The awards. There were
21 seven applications submitted. The total amount requested

1 was \$5.25 million. The total amount budgeted was
2 \$4 million. And there were out of the seven
3 applications, five of the applications were awarded,
4 which total \$3.75 million. The total targeted units
5 proposed for development is 53 units, and the breakdown
6 is as such: 42 units are going to be 50 percent AMI
7 (indiscernible) area median income, and that's to support
8 people at that level. And there's 11 units going at 30
9 percent AMI area median income to support people at and
10 below that level. The average unit cost is a little over
11 \$68,000. The projected leverage if this all goes as we
12 expect it to, would be about 2.3 -- 2.31. So outside
13 funds to Affordable Housing Trust Fund both.

14 Next slide. And here are the award winners. I
15 believe they were notified earlier today. This is the
16 time that I wasn't actually the person notifying people.
17 So I can only assume. But Charm City Land Trust won an
18 award of \$750,000. NEHI Land Trust won \$750,000 for
19 their first application. The NEHI Land Trust number two
20 (indiscernible) that one was awarded \$750,000. Upper
21 West \$750,000, and South Baltimore Community Land Trust

1 was awarded \$750,000. And this is the breakdown of the
2 projected projects.

3 So next slide, please. Now we're on to the
4 other stuff. The rest of the Community Land Trust, deal
5 structuring, trying to get things through the Board of
6 Estimates (indiscernible) still more of the same just
7 trying to get through. I know there will be more
8 questions about what the status of this is, and I think
9 that we have a project tracking that is going to show up
10 in the next presentation that's taking a little bit more
11 about where things are. And if you have any questions
12 about that, we'll double-back back to that.

13 So next slide, please. The inclusionary
14 housing RFP still supposed to be meetings, still supposed
15 to be third Wednesday of the month, but I've been told --
16 yeah, I really don't have a lot to say about this.

17 The new construction, preservation of existing
18 rental housing NOFAs still structuring. Some people need
19 additional help in (indiscernible) coming together. Some
20 of it is internal issues about getting things through the
21 process and system, and just pushing forward.

1 Next slide, please. And today, I believe, is
2 the awardee on (indiscernible), and the other
3 presentation, and we're going to go over, I think, some
4 of these issues. I have some, some awesome qualified
5 people here to talk about the things that we're looking
6 for, and to help people applying, and talk about the
7 other parts of the Affordable Housing Trust Fund. I
8 think that you'll enjoy hearing that.

9 Next slide. And the Affordable Housing Trust
10 Fund annual report for Fiscal Year '21, it had -- it was
11 sent to the Commission Members who asked for comments or
12 notes, but none have been received that I am aware of.
13 So I don't really know. I can't -- I don't know what
14 we're going to do (indiscernible). So I guess we'll have
15 to talk about that.

16 COMMISSIONER EDWARDS: So if we don't have any
17 comments from the Commissioners, we just -- I think we
18 were supposed to ask for the -- to have those by the, I
19 think, it was the 10th or 11th of January. So we will go
20 ahead and publish, and get this ready to send out unless
21 anybody tells us right now that they meant to send us

1 something and didn't. Otherwise, we'll move forward with
2 it. Oh, well, okay.

3 MR. MOBLEY: Fantastic. Perfect. That's what
4 I like to hear. All right. And (indiscernible) what she
5 said.

6 Next slide, please. And then the commissioner
7 nomination updates. I think Stacy would be the person
8 (indiscernible) nothing further to -- so --

9 Stacy, are you there?

10 MS. FREED: I'm here. Good evening everyone.
11 My name is Stacy Freed. I'm with the Department of
12 Housing and Community Development, and I'm here to
13 provide an update -- nomination process for the upcoming
14 commission.

15 A hearing was held for the first members, who
16 were nominated, Matt Hill, Councilman Stokes and
17 (indiscernible) -- the nominations (indiscernible) at
18 Monday's meeting. There is a Council hearing scheduled
19 for Thursday, the 27th at 2 p.m., for two more additional
20 members, I believe. The Mayor's Office extended the open
21 nomination deadline for four positions that were publicly

1 posted from January 7th until January 30th of 2021, for
2 positions that were publicly posted where the
3 representative -- realtors (indiscernible) Homebuilders
4 Association; a tenant, who owns 30 percent or less of the
5 area median in common would be a -- serve as a
6 representative, city's right to counsel legislation; a
7 tenant who earns 30 percent of the area median income;
8 and a renter who receives housing assistance, and earns
9 50 percent or less of the area median income.

10 I think, if I recall, Stephani Estrada did
11 provide an e-mail to all the members of the Commission
12 notifying them that the -- that the application process
13 definitely was extended, and also provided a link as well
14 (indiscernible).

15 Go ahead. Happy to answer any questions, if
16 there are any.

17 CO-CHAIR GUTHRIE: Yes. Hi. Thank you Stacy.
18 Just wondering if, if you have this information, and if
19 it's actually able to be discussed, if we have an idea of
20 how many people have actually applied for this open
21 application?

1 MS. FREED: No, we don't since -- we won't.
2 And we won't know until the, until the nomination process
3 closes on the 30th of January.

4 CO-CHAIR GUTHRIE: Okay. Thank you.

5 MR. MOBLEY: Okay. So thank you for allowing
6 me to help through this section of the presentation.

7 CO-CHAIR GUTHRIE: John, I'm sorry. I do have
8 a question. With regards -- and this is kind of a
9 question I've had for awhile. When we talk about the,
10 the net expenditures, is that, is that including -- is
11 that the administrative spending as well as the awards?

12 MR. MOBLEY: Yes.

13 CO-CHAIR GUTHRIE: Okay.

14 MR. MOBLEY: Yes. So most of the expenditures
15 so far (indiscernible) are -- have so far have been as a
16 result of, of internal costs. We are working to try to
17 get more money out the door to help projects, and we
18 continue to do that. But what we have right now is we're
19 showing internal expenditures, and the external cost.
20 And I don't mean to (indiscernible) I didn't break it
21 down exactly, but the idea here is that it's all

1 expenses, expenditures by this section. The commitments
2 look like a lot more of what we have agreed to fund or
3 have set aside to fund projects currently up.

4 CO-CHAIR GUTHRIE: Yeah. I bring that up only
5 to make the point that we -- if we look at the charter,
6 we are really supposedly be holding to five percent of
7 the money that's getting out the door being allocated --
8 addressing the administrative costs. Just really does
9 make a point that we have to do a better job of getting
10 the money to the awardees.

11 MR. MOBLEY: I agree. I agree. I support
12 that.

13 CO-CHAIR GUTHRIE: Thank you.

14 COMMISSIONER HILL: John, this is, this is
15 Matt. I support that too. In that vein, I believe I had
16 asked at the last meeting about the next rental housing
17 NOFA, and I didn't know if there was an update. I know
18 that was part of your presentation, or at least prior
19 rental housing NOFAs were. Is there an update on when
20 the next rental housing NOFA will be issued? And along
21 those lines too, I'd like to put in a plug to address the

1 issue that came up in the last round of awards, which was
2 that some of the money went to temporary housing however
3 that would be defined. So I want to see if -- I would
4 ask the Department at least address that or this
5 Commission address that before that NOFA goes out.

6 MR. MOBLEY: As far as the coming NOFA, I have
7 not -- I mean, we've talked about it, but it hasn't been,
8 hasn't been something I've been directed to do just as of
9 yet. I know that it's been brought out as an idea. I
10 think that the person who would know the most about that
11 would probably be Kate Edwards and, obviously, Alice.
12 But I'm all for it. Love to do it.

13 COMMISSIONER EDWARDS: So, yes, we are planning
14 to have a next round of rental. We've also been looking
15 into another discussion topic was including within that
16 Community Land Trust rentals. So we've been talking with
17 our consultant about that, and figuring out how we could
18 incorporate that into the next round.

19 So we haven't set the date yet, but we're in
20 the process of looking at the application, figuring out
21 how it needs to be updated to include that. And I think

1 we're going to have the discussion about temporary
2 housing. This would be an appropriate time to do that in
3 preparation for getting that on the street. We're
4 looking at a spring potentially. Definitely will be in
5 the spring. I just don't know which month yet.

6 COMMISSIONER HILL: Great. Thank you. And
7 then -- and I appreciate that you're addressing those
8 issues. That would be fantastic.

9 The inclusionary housing piece. I know that
10 part of the Trust Fund money went to pay for a report by
11 Enterprise is my memory, and Enterprise issued an interim
12 report. And I think that a final report was due before
13 now, but I could be mistaken. Do we have a sense of when
14 that final report will be done?

15 MS. FREED: Well, hi, Matt. Hi, Matt. It's
16 Stacy. I can answer that. The next deadline is at the
17 end of -- the next deadline for work product is at the
18 end February, and it is (indiscernible) policy
19 recommendations to the Council. We received a number of
20 comments of a draft report, and it has not made -- have
21 not issued a final report yet.

1 COMMISSIONER HILL: Thank you.

2 MS. ESTRADA: Okay. So we are about to begin
3 the orientation segment of the meeting. This is -- huh?
4 I'm sorry. Did somebody speak? Okay. So we have a
5 couple of presenters here that's going to help me walk
6 through this presentation. Again, for anybody who
7 doesn't know, I'm Stephani Estrada. I'm one of the
8 project coordinators of the Affordable Housing Trust
9 Fund. I'm going to walk you through the orientation
10 tonight. We decided to start doing an orientation after
11 awards have been made on our NOFAs for the awardees. So
12 because the Commission has some of the same questions
13 that our developers had on how DHCD process work, we
14 decided to do our orientation for the Commission meeting.

15 So I'm going to start with the introductions of
16 our presenters, and I want to thank all of our presenters
17 tonight who took the time out to attend this meeting to
18 help us explain our process.

19 So first we have Hana Rose Kondratyuk. She is
20 one of our chief solicitors from Baltimore City Law
21 Department. She will be walking us through the

1 components of a grant agreement.

2 We have Christopher Lundy. He is the Chief of
3 Minority and Women's Business Opportunity Office. He
4 will present about the MBE/WBE requirements. We have --
5 we're supposed to have Charmane McDaniel. She is in the
6 Insurance and Risk Finance Manager from the Department of
7 Finance. She's supposed to discuss the risk management
8 insurance requirements, but we're trying to reach her
9 now. So, hopefully, by the time it's her turn, she'll be
10 here.

11 After her, we have John Ford. He is from Local
12 Hiring. He's a local hiring initiative specialist.
13 He'll be walking us through the requirements for local
14 hiring.

15 And last but not least, Jasmine Armstrong from
16 the Department of Housing and Community Development
17 physical (verbatim) team. She'll be explaining the
18 payment process, payment and disbursement process.

19 So first is our path to an executed agreement.
20 This is the first -- and I sent this around to all the
21 Commission Members. So you have this because, of course,

1 these charts are a little small. So they're going to be
2 kind of hard to see on the screen. But this first chart
3 is our status of -- our project status chart, and breaks
4 down all of the projects that are en route to being
5 processed. It has the dates on here when it was awarded,
6 the due diligence, and negotiating the grant, the grant
7 agreement when the draft was sent, audit review, audit
8 approved, BOE requested date, BOE approved, disbursing
9 and compliance. So you all can look through this since
10 it was sent out to you. And this, oh, this will be
11 posted to the website.

12 And next this is the affordable housing grant
13 process flowchart. We sent this out before, and this is,
14 again, you will have to look at it because it's kind of
15 small. It was too big to put on here for it to be big.
16 So you'll have to look through it so that you can zoom
17 in. But it basically goes from beginning and a end, from
18 the awardees award list to the time that we notified our
19 awardees, to the acceptance letter, the -- after that is
20 the kickoff meeting, grant agreement, BOE process, the
21 approvals, disbursements, and compliance. This whole

1 presentation though will walk us all the way through
2 there.

3 So first after we sent out our award letters,
4 we reach out to all of the awardees to schedule a kickoff
5 meeting, and this kickoff meeting, which is normally
6 scheduled within two weeks, there are -- we discuss the
7 development process on their side, like what the status
8 of their project, and then the grant process on our side.
9 Now we're adding into this though this orientation where
10 we want to do this right before the kickoff meeting so
11 that they can get all their questions answered by the
12 people that are not in our department.

13 Next is the legal (indiscernible). Hana Rose
14 Kondratyuk will lead us with the, with the grant,
15 components of a grant agreement.

16 MS. KONDRATYUK: Hello. You're close. It's
17 Hana Rose Kondratyuk. You're close. So that's good. My
18 husband was from Ukraine. So that's what I'm stuck with.
19 But hello. I'm with the Law Department, Contract
20 Division, Contracts Division. And I'm just going to
21 briefly talk about the different areas of a grant

1 agreement that are important.

2 First, we'll talk about the exhibits. The
3 exhibits include the Budget and Scope of Work, which
4 needs to be finalized and approved by HCD. And then
5 there's something called a Declaration of Restrictive
6 Covenants, which is specifically tied to the obligations
7 of the grantee for the long term, but are tied to
8 legislation. It is not something that needs to be signed
9 when the grant is signed, but it will need to be recorded
10 with the land records before the termination date of the
11 grant agreement.

12 Now, when it comes to the grant terms, the big
13 ones are, of course, well, you're going to see the
14 minority and women business goals that are going to be
15 attached, and Chris Lundy will talk about those. And
16 local hiring, of course, if it's over 300, it will be in
17 there. Employ Baltimore if it's 300 or less, and that
18 will be talked about later on in the presentation.

19 Insurance is another big one. Charmane, if
20 she's on, she can speak about that. But, essentially,
21 they're standard insurance requirements that all the

1 grantees have to comply with.

2 A big one in the grant agreement is the
3 conditions precedent to receiving the funds. So even
4 though the grant is reviewed, and approved, and submitted
5 to the Board, it doesn't automatically mean that the
6 grantee is going to get paid. There are certain
7 obligations that the grantee needs to comply with, and
8 show proof of compliance to be reviewed by HCD before
9 payment would be issued. So conditions precedent it's a
10 critical compliance measure set forth in the grant
11 agreement.

12 We also have the liability protection for the
13 City, and that comes with indemnification and also
14 insurance.

15 And then there's certain obligations that the
16 grantee will need to comply with before the term of the
17 grant expires, or the obligation will be for the -- the
18 money to be paid back by the grantee. Of course,
19 there's the Declaration of Covenants being recorded, but
20 then there's also proof of compliance with the different
21 measures tied to the legislation.

1 But I don't know if questions are allowed now
2 or if, if you want to hold them to the end but --

3 UNIDENTIFIED SPEAKER: Yes.

4 MS. KONDRATYUK: That's pretty much the spiel
5 for what a grant agreement includes. And, of course, BOE
6 approval is required, and then we can get started on
7 implementing it, and paying the grantee.

8 That's pretty much it from my end regarding the
9 grant agreement.

10 MS. ESTRADA: Next we have Christopher Lundy,
11 MBE/WBE requirements.

12 MR. LUNDY: Good evening. My name is
13 Christopher Lundy. I'm the Chief of Minority and Women's
14 Business Opportunity Office for the City. So my office
15 oversees contracts (indiscernible) participation goals on
16 City contracts and City funded grant agreements such as
17 many of which given with the Housing Department. So at
18 \$25,000 or greater, of course, you just need Board of
19 Estimates approval. But at that \$50,000 or greater is
20 when you have Employ Baltimore, but also my purpose is
21 the MBE/WBE participation requirements. And what they

1 are, are actual goal percentages that equate to dollar
2 amounts that are placed on contracts that then say that
3 that contractor is going to utilize the minority business
4 enterprise or women's business enterprise to that level
5 of participation on the contract. And then there are
6 additional local hire requirements beyond that \$300,000
7 mark.

8 When we're entering into these, what we really
9 do is talk to the grantee, talk to the recipient of the
10 City funds, and we get them to execute a Commitment to
11 Comply. What that is, is a separate agreement that just
12 says that the contractor, vendor, grantee, is going to
13 utilize their good faith efforts to actually utilize the
14 subcontractors (indiscernible) they detailed to the
15 extent that they stated in their statements of intent
16 they produced to my office.

17 And all of this is governed by the Baltimore
18 City Code, Article 5, Subtitle 28, and all of this
19 mandates that there be participation to the maximum
20 extent practicable on these city contracts in excess of
21 \$50,000. So they will be asked to meet or exceed that

1 goal that's placed on that project, and they are to
2 submit, and maintain and submit any and all documentation
3 regarding that project. So we're really looking for the
4 executed contracts with their subcontractors, and the
5 service agreements and, of course, the commitment forms.
6 And a very important thing is making sure that they have
7 some sort of evidence of payment because we want to
8 ensure that all of these subcontractors they utilize have
9 been timely paid as well.

10 And what they're doing at that point is they
11 are specifically entering into the contract with that
12 developer grantee. The City hasn't -- does not have a
13 direct contractual privity relationship with those
14 MBE/WBE subcontractors, but we are looking out for their
15 best interests, and making sure, like I said, they're
16 being utilized to the extent that's been agreed upon
17 previously in the documentation. And when they're giving
18 us documentation at the end, we just need to be able to
19 ascertain the race, ethnicity, and sex of the
20 subcontractors that were utilized to see whether that
21 would go towards that MBE minority goal -- business

1 enterprise goal, or the WBE, women's business enterprise
2 goal. And then, also, the type of work that they are to
3 perform. And that's typically all the information that
4 we need, and all of this really is laid out in a form
5 called a Statement of Intent, and that really just says
6 that subcontractor intends to work, and provide those
7 goods or services, and this is the amount they've agreed
8 upon with the developer grantee under those
9 circumstances.

10 Next slide, please. So the important thing to
11 remember with my office MWBOO when we are setting
12 applicable goals on contracts, we're doing it on an
13 individualized basis. So we are looking first and
14 foremost to the extent of the segment, and breakdown of
15 the contract so that there can be room for participation
16 for MBEs and WBEs to participate. So all that really
17 means is there has to be something that can be
18 subcontracted for them to be able to participate, and
19 take part in the project.

20 We look at, obviously, the number of certified
21 businesses. There's MBEs and WBEs that could potentially

1 work on the contract. So we look at that scope of work,
2 what's taking place on that project, and the best
3 resource for that is the certification directory on the
4 MBE website, baltimorecity.gov/law\MWBOO. It is the
5 repository of all of our certified businesses.

6 We also look at the utilization on any past
7 contracts. In the case of grants, we do have some people
8 that have been awarded multiple grants. So we may look
9 at their prior utilization. But, more so, we are looking
10 at these singularly because they're not a contract that
11 comes up annually on behalf of the City to that
12 particular recipient.

13 We also look at the adverse impact that there
14 would be on non-MBEs and WBEs, and any other relevant
15 factors. And a lot of those in terms of adverse impact
16 that has already been addressed by the Code with the
17 statutory findings that are within the codification of
18 the MWBOO office at Article 5, Subtitle 28.
19 Additionally, my office is really governed by a disparity
20 setting where we've done -- well, not we terms of MWBOO,
21 but the City, and with an independent consultant and

1 contractor. We've done a comparative analysis of the
2 utilization of MBE, WBEs in the City and the surrounding
3 jurisdictions of people that engage in contracts with the
4 City. So that's really showing that there's been that
5 ongoing disparity over the course of time historically
6 that needs us to still have a program to the sole benefit
7 of MBEs and WBEs.

8 Next slide, please. And then also waiver
9 request. So as much as we have these goals on all the
10 contracts, and the grant agreements that come through,
11 we do provide and allow for the fact, as provided by the
12 Code, that if they believe that it's impractical to
13 achieve those goals, they just need to really articulate
14 that to us. One of the primary ways that we'll get to
15 that point, is if we just have a lack of available
16 businesses. For the scope of what we deal with for a lot
17 of these grant agreements, that is simply not the case.
18 We have plenty of people to engage in the work. But
19 there may be some other aspect that makes it
20 impracticable due to the nature of the projects.
21 Sometimes it's very particularized sites in development

1 where you need a certain level of expertise, and we may
2 not actually have somebody certified to do that work.
3 But there's never a guarantee of a waiver of these goals.
4 And when we look to see if somebody does have a goal,
5 we're really making sure that they first and foremost
6 check the database to determine are there even MBEs and
7 WBEs that could work on the contract. What the Code
8 refers to as commercial useful functions. So they may
9 not be -- so in the case of a renovation, where a
10 developer is renovating, say, a block of 10 houses, it
11 may not be a contractor that actually performs work on
12 that house. It may be someone that they need to bring
13 fuel for the generators. It may be somebody that needs
14 to do a delivery of supplies, things of that nature. And
15 then in this day and age, obviously, of Covid, sometimes
16 there may be a need for cleaning services as well. So
17 any of those types of supplies and things that go to the
18 project and what they're doing overall so long as they're
19 doing that function that requires some type of expertise
20 and oversight by the MBE or WBE that would also count
21 towards the participation goal. And then we want to make

1 sure we've heard about any sort of problems they're
2 having achieving compliance. Although there are
3 typically certified people available, these businesses,
4 MBEs and WBEs for the types of projects that we see, that
5 is not always the case. And even if people are
6 certified, availability is really the key here where we
7 may have a situation where all the certified businesses
8 are already committed on other projects. And as we're
9 seeing again with Covid, we have workforce impacts. So
10 that sometimes businesses are down a crew, or down a
11 significant number of employees. They can no longer take
12 on work that they anticipated.

13 So when we run into situations like that, there
14 may be a need to consider that waiver, and have
15 additional conversations as needed.

16 Next slide, please. Oh, that is all for me. I
17 thank you all so much for your time, and interest in what
18 we do through this process. And I just want to say that
19 Housing is an excellent partner, and continuing to do
20 well with making sure this process is going seamless from
21 the minority and women's business opportunity standpoint.

1 Thank you all.

2 MS. ESTRADA: Thank you, Chris.

3 Okay. So next is Charmane McDaniels {sic}.

4 She will be presenting on insurance requirements.

5 Hi, Charmane.

6 MS. MCDANIEL: Hi. This is Charmane McDaniel.

7 I'm the Insurance and Risk Finance Manager for the City

8 of Baltimore, the Department of Finance, Bureau of Risk

9 Management.

10 So the first question I always get is why is
11 insurance necessary, or why should I have it? And,
12 basically, it's a financial tool. It helps cover the
13 cost associated with property damage and liability
14 claims. And without insurance, businesses may have to
15 pay out of pocket for costly damages and injury expenses.
16 So what we have here in this slide examples of our
17 standard insurance liability -- insurance provisions.
18 And we'll start with (indiscernible) for the owners of
19 the business; standard general liability in case someone
20 gets hurt on the premises; errors and omissions through -
21 - errors for develops or architects and that sort of

1 thing where someone has given advice to the business.
2 Automobile, if it's used in the process of whatever the
3 business is doing. Workers' Compensation. I don't see
4 it on this slide, but there's Workers' -- Workers'
5 Compensation, of course, protects the employees of the
6 business. And then we also have, as (indiscernible)
7 mentioned earlier, indemnification, which protects the
8 City against losses associated with a business.

9 So pretty much these are standard clauses.
10 Some of them may be higher depending on the business, or
11 we may add additional coverages such as builder's risk
12 coverage, which comes in during the construction of
13 property.

14 And that's pretty much my spiel unless folks
15 have questions later on.

16 MS. ESTRADA: Thank you, Charmane.

17 Next is local hiring requirements. John Ford
18 will be presenting.

19 MR. FORD: Hello. Good evening. I'm John Ford
20 I'm the local hiring project initiative specialist with
21 the MOED, Mayor's Office of Employment Development, the

1 City's Workforce Development Agency. MOED has been
2 tasked with administering and coordinating for the City's
3 Local Hiring Law, which was passed at the end of 2013,
4 and recently amended as well, but more to come on the
5 implementation for that.

6 Talking a bit about the existing Local Hiring
7 Law. That applies to any contract that the City makes
8 with any person for more than \$300,000, and there are
9 some exceptions for federal grants, but in general
10 \$300,000 contract than local hiring is going to apply.
11 3,000 plus. Or any project that has at least \$5 million
12 in indirect subsidies, such as pilots, loans, gifts,
13 infrastructure development, those types of arrangements.
14 So any project that has more than \$5 million in indirect
15 subsidies also there is a local hiring requirement.

16 So the two requirements of the Local Hiring Law
17 that are substantive for contractors when they have job
18 openings is that any job openings that they have that are
19 new to complete the work on the project or on the
20 contract, or whatever they're doing for the City's
21 contract, need to be shared with MOED for at least seven

1 days before they're publicly posted elsewhere. So that
2 MOED has a chance to refer over any City candidates that
3 are in our workforce system to make sure they get the
4 first access to those jobs.

5 And then, second, whether or not those folks
6 are hired in particular, at least 51 percent of City --
7 of those openings should be filled by City residents. So
8 a majority of City residents for any new job openings.

9 And each of those requirements can be, can be
10 waived individuals with a list of certain circumstances,
11 but those are the two requirements for any, any new job
12 openings. If there aren't any new job openings, then
13 it's just a reporting requirement. They still need to
14 meet with us to tell us that, and to fill out the forms,
15 and the monthly reports that tell us that information.

16 That's also an opportunity for us to talk to
17 contractors about MOED's free employer services that we
18 offer to people who are employing folks in the Baltimore
19 area, including recruitment assistance, training, tax
20 credit information, any sort of services related to
21 layouts or outplacements. And an apprenticeship program.

1 There is now a (indiscernible) subsidy through ARPA. A
2 whole bunch of stuff. So use that as a marketing
3 opportunity for those as well.

4 If there are any questions, then let me know.

5 MS. ESTRADA: Thank you, John.

6 Okay. So next is we're going to discuss the
7 steps to Board of Estimates approval. At this point,
8 grantees need to send in final documents. They need to
9 -- this is the time that we'll be drafting a grant
10 agreement, and get it approved by the City's Law
11 Department. Grantees reviews and approves agreement to
12 go to Audits. After we go through negotiations, and we
13 agree on it, this is when we'll send it to Audits. The
14 Department of Audits review, and then they'll approve it,
15 which they are looking for the budgets, scope of work,
16 schedule, construction contracts, and payment
17 requirements. The agreement is sent for digital
18 signatures after we get an approval from the audits.
19 Sent for digital signatures from internal and external
20 party. The grantee meets with Employ Baltimore, Local
21 Hire. The agreement is then -- will then be scheduled

1 for the BOE agenda, and the Board of Estimates Approval.

2 So this is the final documents that we will
3 need, which is an updated budget. It needs to reflect
4 award grant amounts, and changes in any other funding
5 sources. We need an updated scope of work. The final
6 project needs to reflect what can be realistically
7 achieved, what grant award. Has to be on organization's
8 letterhead, and has to include an evaluation criteria.
9 We also will need a updated schedule. Has to include
10 project goals and timelines for entire 24 months of the
11 project.

12 Hold on one second. Okay. Next is the
13 physical path. This is a budget form that we would like
14 for you all to use. You should have a copy of this. I
15 believe we actually give a link in the NOFA to use this
16 form. This is just the budget, and we're going to go
17 over it. The budget it has to reflect the awarded grant
18 amount, and the changes in any other funding sources. On
19 the left side of the budget, it should have the total
20 project development, total project development budget,
21 and that's in that column. It should include the

1 Affordable Housing Trust Fund award and other funding
2 sources. We need the project address, and include all
3 addresses within the project, add additional columns, if
4 needed. On the right side, budget amounts column should
5 match total project development column on the left side.
6 The Affordable Housing Trust Fund capital grant column
7 has to include breakdown of how Affordable Housing Trust
8 Fund funds will be spent. Other source column should
9 include breakdown of how other funding sources will be
10 spent in your particular project. Funding sources, we
11 need them listed, and it should state if they have been
12 committed already, pending, or not requested.

13 This is the second part of the budget, personal
14 tags, personnel tags. Provide a breakdown of salary and
15 benefits if funds are used for the employees, job
16 descriptions if funds are used to hire your new staff.
17 The personnel tab breakdown must match information
18 provided on the budget tool. The performer tag.
19 Complete only if this is for rental project. Only if
20 it's a rental project. We need a 20-year cash flow
21 projection for rental properties. Please complete the

1 cost of the square foot section. Rent rates tag must be
2 completed in order for residential rents lines to
3 populate. The rents rate tag. Complete the total number
4 of units, and monthly rent per unit columns. The other
5 columns will auto populate. Homeownership tag. Complete
6 columns with breakdown per house.

7 These are the conditions before receiving the
8 money. So in each instance a payment is requested
9 grantee agrees to provide DHCD with the following: a copy
10 of executed contracts for grantees, general contract and
11 consulting, proof of site control, construction schedule,
12 proof of commercial property insurance for each of the
13 properties included in the project, copy of insurance
14 certificate in accordance with the requirements set forth
15 in the grant agreement, proof of sufficient approved
16 financing including fully executed applicable loan
17 documents to sufficiently fund the total project, detail
18 invoices, and proof of payment by grantee, evidence that
19 work subject to inspection has been approved and passed
20 such inspection, copy of the grantee contractor's
21 performance and payment bonds, copies of all necessary

1 building permits, licenses, and approvals as required by
2 federal, state, and local law, an executed and recorded
3 Declaration of Restrictive Covenants for each of the
4 properties included in the project.

5 These are the different type of grant payments.
6 The first is the initial advance payment. This will be
7 decided on a case-by-case basis most likely during the
8 kickoff meeting. You will let us know if you need an
9 advance payment. Grantees may submit a request for an
10 advance payment for up to 25 percent of the grant funds
11 using the Request for Payment Form. The disbursement
12 shall only cover pre-development costs set forth and
13 included in the project budget. Payment is conditioned
14 on verification by DHCD.

15 The next is the permissible retroactive
16 expenditures. Expenses incurred between the awarded date
17 and the effective date, shall be eligible for
18 reimbursement as part of the reimbursement payment or
19 initial advance payment, if applicable, provided that the
20 permissible retroactive expenditures are included in the
21 approved budget and scope of work, grantee has met all

1 other terms and conditions, and DHCD has approved and
2 received the following required documentation related to
3 the retroactive expenditure.

4 The next one is the subsequent reimbursement
5 payment. This is on or before the termination date.
6 Grantees shall submit a final request for payment using
7 the request for payment form for the remaining available
8 grant funds not already disbursed by DHCD as the initial
9 advance payment, if applicable. Along with the request
10 payment, grantee shall also include the following
11 required documentation. Its proof of payment itemized in
12 accordance with approved budget, along with approved
13 payroll, invoices, purchase orders, contracts, work
14 products, print material, reports, and any other
15 information necessary to support the request for payment.

16 Next is the payment request form, and Jasmine
17 Armstrong will be discussing.

18 MS. ARMSTRONG: So the payment request --
19 excuse me. Hello everybody. So for the payment request
20 form, this form is filled out by the grantee. So they
21 would get a form that looks similar -- well, they would

1 get this form. And basically you want to list down your
2 budgeted items that were already approved that you've got
3 a budget for. You want to put down your available
4 balance, how much this particular request is for, and you
5 want to say -- if it's reimbursement, you want to mention
6 how much the funds that are being requested to be
7 reimbursed, and then you also want to talk about the
8 total funds being requested.

9 And from there, you want to sign off that it's
10 accurate, that it's true, and that you definitely -- the
11 grantee is entitled to a disbursement of these -- of the
12 amount of funds that's being requested. And they're
13 going to sign their name. And this is typically filled
14 out by an executive level person from the grantee. And
15 they would basically just make sure and confirm that they
16 filled out everything. They do want to put the invoice
17 number. Certain aspects they have gotten multiple
18 payments. So we want to keep track of the amount of
19 payment or what invoice this would be. So that's
20 important to us. Of course, date of request. And then
21 if you look at the next slide, it's just a bigger slide

1 of -- so you can see it a little better, but this is
2 going into what I just explained.

3 We can go to the next slide. Thank you. The
4 payment request should have, again, as I said, the
5 grantee name, amount, invoice number, all the things that
6 I discussed, item and approved budget column should be --
7 to match the CPG (indiscernible) in this case the
8 Affordable Housing Trust Fund operating budget.

9 The reimbursement for payment, proof of payment
10 that is itemized in the budget. Approved payroll
11 invoices, purchase orders, contracts, printed materials,
12 reports, any other information that would be pertinent to
13 the reimbursement request, and previous advance payment,
14 if applicable. And advance payments would be on a case-
15 by-case basis.

16 Go to next slide. Something that's important
17 to highlight that we try to highlight too would be
18 grantees is that in order to be paid, you must be a
19 vendor within the payment system. So in order to become
20 a payment -- excuse me -- to become a vendor, you must
21 submit a W-9 form. Payment options would be check

1 payment, which is the default option, or the EFT,
2 electronic funds transfer. If an EFT payment is desired,
3 they have to make sure that they have a vendor payment
4 and electronic funds transfer form on file with that.
5 And this form can be requested at the e-mail address that
6 we have city-payables@baltimorecity.gov. So we try to
7 stay out of that communication. We try to let them go
8 directly to city-payables@baltimorecity.gov to handle
9 anything regarding how they'd like to be paid.

10 The grantee cannot -- excuse me -- the grantor
11 cannot request on the grantee's behalf. So this is
12 important that we try to advise them in the orientation
13 so that they're not looking at us to figure out why they
14 haven't received EFT versus a physical check, and those
15 type of things. So we try to make sure that they are
16 aware that we try to let them go directly through this
17 route with (indiscernible) to get their payments
18 processed.

19 Next. Okay. So the next one is steps after
20 BOE approval. That's not me. So I'll pass the baton.

21 MS. ESTRADA: Thank you, Jasmine.

1 Okay. So that's after BOE approval. So the
2 payment request submission, which Jasmine just passed on,
3 the payment request cannot be submitted or paid until
4 after BOE approval of AHC -- agreement. Final payment
5 requests can be submitted once all advance payment funds,
6 if applicable, are spent. Reimbursement must include all
7 supporting documentation, must be signed by all parties,
8 including physical (verbatim) agent.

9 After the BOE approval, there will be a
10 requirement for reporting. The final report is due
11 within 30 days of the termination date or earlier
12 termination of this agreement.

13 Grantee shall submit to the City a final report
14 indicating all invoices, expenditures, rent roll
15 (indiscernible) plan, AMI requirements, which is already
16 a medium (verbatim) requirement, and activity.

17 Annual reporting requirements. This is just
18 for the rental projects. Copy of the rent rolls, copy of
19 (indiscernible) plans, proof of tenant AMI requirements,
20 copy of multi-family dwelling license, copy of each new
21 lease, copy of lease amendments, and renewal leases.

1 The Community Land Trust Home Ownership
2 project. The restrictive covenant covers them. The
3 restrictive covenant will stay on the properties included
4 in the project for 30 years. So that should cover the
5 area medium (verbatim) income requirement.

6 Now, questions, which I know you have a lot.

7 Ebony, do you see any in the comment section?

8 MS. RECTOR: Yes. I see a few. From Melanie
9 Thomas. This question is for John Ford. For the local
10 hiring requirements, does it count if the majority of
11 employees, who are contractor, are City residents? And
12 she has another question. And, also, are the percentages
13 of goals in the NOFA the requirement or aspirational
14 goals if the project falls under the 15 unit requirement?

15 UNIDENTIFIED SPEAKERS: Is John Ford --
16 John still here?

17 MS. KONDRATYUK: I can take a stab at the
18 requirement. Yeah, of course. The local hiring
19 requirements is applicable if the original grant that the
20 City is issuing over 300,000. Now, as far as the
21 reporting requirements, and the obligation to do the

1 hiring, that's based on how the grant is progressing. I
2 don't believe any hiring requirements even come up unless
3 there's new hires for the employees, if they're going to
4 be directly working on the grant agreement.

5 So I don't know if that answered you, but this
6 is something that is -- due to the reporting requirements
7 is going to be monitored on a monthly basis, and MOED
8 will be able to advise as the grant progresses through
9 the duration of the contract, or the duration of the
10 term.

11 MS. RECTOR: Thank you, Hana.

12 One more question from Melanie. Thank you very
13 much for announcing the awards. Can we have a timeline
14 for when the award letters will be issued or released?

15 UNIDENTIFIED SPEAKER: Yes. They will be --
16 some have gone out already. The rest will be sent out
17 tomorrow. Could you guys hear me? I'm sorry. I --

18 MS. RECTOR: Yes.

19 Okay. That's the last question I see.

20 MS. ESTRADA: The floor is also open for the
21 Commission Members if they have any questions.

1 COMMISSIONER HILL: Hi. This is Matt. First,
2 I just want to say thank you for this very extensive
3 presentation. This is a lot of information, and it's
4 very helpful to understand the entire process. And it's
5 an extensive process. I knew it was extensive. I didn't
6 realize how extensive, I think, until this presentation.
7 So that was very helpful.

8 I think I want to come back to the question
9 that we've kind of struggled with in some of the prior
10 Commission meetings. And in light of this process, I'm
11 going back to the timeline chart, and I'm just trying to
12 summarize for those of us who are not developers like
13 myself, and are trying to distill this so that my brain
14 can process it. It looks like the primary goal is to get
15 to the Board of Estimates, and then once it's in the
16 Board of Estimates, things tend to move a little more
17 freely is my impression at least from looking at this
18 chart, and looking and hearing from other folks who have
19 gotten awards from the City in the past, or and are
20 working to get the Trust Fund awards now.

21 And so if I -- and correct me if I'm wrong --

1 it should be about 30, 60, 90 days, at least that's the
2 goal, to get to the Board of Estimates process. And I
3 realize there are things that can extend it, but that's
4 kind of the goal, right? Is that a correct
5 understanding? I'm seeing some heads nod yes. So I'll
6 take that as a yes.

7 COMMISSIONER EDWARDS: I'm trying to remember
8 what we had put on the flowchart. Did we put 30 to 90
9 days? Because it can vary. I just don't remember
10 exactly what we put down there, but it's whatever we put
11 on the flowchart is definitely the goal, and it's really
12 dependent on getting all the information that we need
13 from the applicant, and that kind of helps us to proceed
14 when we get responses.

15 COMMISSIONER HILL: Yeah, no, of course. So,
16 yeah, 90 days is the goal to get to the Board of
17 Estimates. And then as you just said, it sounds like
18 there's something that the applicants have to provide
19 you. But then from what I understand from prior
20 meetings, and talking with folks who are waiting on
21 awards, there have also been holdups that aren't

1 necessarily from the applicants, and so I wanted to
2 understand, if I could, because I looked back at the
3 dash, kind of dashboard, and that -- the dashboard's very
4 helpful too. I really appreciate that addition, and
5 being a little more extensive too so we can understand
6 where these projects are in that pipeline or on the
7 flowchart.

8 But I want to -- and I don't know how much you
9 guys can comment on this, and I think we've, again, we've
10 talked about it a little bit, but in light of all this,
11 can you speak to why some of these projects are being --
12 that were -- it looks like there was an award date back
13 in April, June 2021, some of them dating back to 2020,
14 some from August of 2021. So that's a little sooner.
15 But they're well outside the 90-day timeframe to get to
16 the Board of Estimates. And I didn't know from your
17 perspective as city agencies beyond applicants not
18 providing you exactly the information that you just went
19 through, what are the other sort of frictions in the
20 process? Why are these significant number of the
21 applications taking more than 90 days? Sorry for the

1 very long question.

2 COMMISSIONER EDWARDS: So I don't know if any
3 of the presenters wanted to add anything, but what I'm
4 aware of is that we do have several -- that in addition
5 to maybe not just getting us the information we need, but
6 some awardees have to -- still are working on other
7 financing packages to make sure they have the entire --
8 all their financing in place. Because when you're doing
9 especially the larger rental projects, you have to have
10 all that financing in place before we can give the money
11 out. Now, we have, I think, added into some of our grant
12 agreements that before we will actually disburse money so
13 we can at least get the grant agreement going, but before
14 we disburse money they're going to have to show that they
15 have all the financing in place; but that's one holdup
16 that we're trying to address by at least allowing our
17 piece to go forward. But, also, some of the projects are
18 still working on site control. So they may not even have
19 all of the sites lined up that they need. So site
20 control needs to be confirmed.

21 Then getting their budget nailed down. We have

1 to work back and forth with them on their budgets. And
2 so it's really that negotiation period where we're going
3 back and forth on both the terms, and all of the making
4 sure the project is ready to go. Because we don't want
5 to put the money out into -- it's a significant amount of
6 money. We don't want to put it into a project that's not
7 ready to actually get off the ground. So that's where
8 we're having a balancing act. And we did talk about that
9 25 percent pre-development money. So that is one way
10 that we're trying to address that so that we can at least
11 -- because some of -- talking with some the groups,
12 especially some of the smaller groups, they really do
13 need some of that pre-development money to help them to
14 get to the next stage. So we've agreed to provide 25
15 percent, up to 25 percent up front, if needed, so that
16 they can do some of that work. They may need some
17 architectural drawings. There's a variety of things that
18 they may need to help them get their budget, and all of
19 that stuff. So we're working to do that, but we know
20 that the majority of the money needs to go towards actual
21 units, and building actual units. So we also have to

1 make sure that we're not releasing funds that aren't
2 going to ultimately lead to construction of units.

3 COMMISSIONER HILL: Just to make sure I
4 understand you correctly. So because I know this has
5 come up too in a prior meeting related to not moving
6 forward until all the money is lined up. But now you're
7 saying that there's a kind of somewhat newer process
8 where you will allow the process to go forward. The
9 money just won't be actually disbursed until the rest of
10 the capital stack is put together. Is that correct?

11 COMMISSIONER EDWARDS: Right. I mean, we'll
12 still need the budget. We still need all the information
13 that we need to put together the grant agreement, and to
14 get it through the Board of Estimates and through Audits.
15 But if they are finalizing some of their other financing,
16 we can go ahead with the grant agreement, get that
17 approved by Board of Estimates, but we won't release
18 funds until they've finalized that financing.

19 MS. ESTRADA: Well, that and the advance
20 payment action, that can be released for the --

21 (Simultaneous comments.)

1 COMMISSIONER EDWARDS: Right --

2 MS. ESTRADA: -- before the rest of their --
3 their financial commitments are in place. So that was
4 one that we're giving.

5 But just to tap on some of my files, the site
6 control and financial commitments have been the biggest
7 holdups. And as in for site control, one of the biggest
8 holdups of that is if when we have a project that doesn't
9 have an address. So like Hana Rose has spoke on earlier
10 with the restrictive covenant that has to be on all the
11 projects. That's a part of the grant agreement. So if
12 we don't have an address, that's a big hurdle that we're
13 trying to get over right now. And our Law Department is
14 working to figure out how we can do that so that they can
15 get like those initial advancement payments. But if we
16 don't have an address for the covenant to go on, that's
17 been causing a big issue.

18 UNIDENTIFIED SPEAKER: One thing I want to say
19 to that piece about site control because this is
20 something that we're also looking at the other side of
21 this, is that in our application process going forward

1 we're going to require site control before we award a
2 property. I mean, an award, make an award. So that will
3 be part of the application process so that we don't have
4 projects that aren't ready at all because they don't have
5 any type of site control. And that doesn't mean that
6 they necessarily have to have title to the property yet,
7 but they could have an agreement with -- if they're
8 purchasing property from the City, they would have an
9 executed, at least an exclusive negotiating privilege or
10 an executed land disposition agreement, but some proof
11 that they're on the path to site control, and will have
12 that shortly within the timeframe that we need to get an
13 executed agreement. So it's something that we have
14 noticed was a problem in our previous rounds, and we're
15 going to fix that going forward.

16 MS. KONDRATYUK: And just keep in mind that the
17 award may be issued, but the project may not be viable
18 yet. So there may be a long timeframe, a long period
19 between award and grant agreement being approved by the
20 Board. Because it's not a responsible use of the funds
21 to go forward with a grant agreement, and go forward with

1 contemplating or allocating funding to a project until
2 you're sure that it's viable, it's something where they
3 can actually complete it, and it could be used as a long-
4 term rental or a land trust. So awards may be given
5 before they're 100 percent viable, and then it just
6 doesn't move forward to award by the Board of Estimates.
7 So that's the long period.

8 MR. LUNDY: And can I also just add as a
9 practical consideration in terms of that timetable,
10 Commissioner Hill, there was also a vacuum in leadership
11 in my office for a period of time. I joined on in
12 August of 2021. The prior chief left in June of 2021.
13 There was somebody acting for a period of time, but as a
14 result, I think some things got delayed in getting some
15 reviews and approvals from the MWBOO as well. We're
16 working in close collaboration now, and we have an
17 excellent partnership. So things are moving along a lot
18 quicker, and we have much better communication. So I
19 think I'd also -- it's unfortunately the result of some
20 of the delays as well.

21 COMMISSIONER HILL: Thank you all. That was

1 really helpful. I mean, I said that -- so one -- and I
2 appreciate the 25 percent pre-development money I've
3 heard from folks that that's a real challenge for them.
4 And then I have heard some about the capital stack issue,
5 and what it means to be a viable project, and who is
6 making that determination, and when money gets released
7 or doesn't get released if -- or not released, but at
8 least committed, and a grant agreement signed. In other
9 words, and I think we've talked about this before does
10 the City need to be the last money in? And I just hope
11 that the City, that DHCD takes -- doesn't take that
12 position because I would hope that the Trust Fund money
13 can be used to support some of the smaller developers,
14 some of them who are just getting started, some of them
15 don't necessarily have all the financing lined up. But
16 if they can get a grant agreement from the City, they can
17 use that to go get the rest of their capital stack. And
18 so, again, not my area of expertise, but I appreciate
19 some of the feedback tonight from you all. And I would
20 just suggest that maybe we think about for a future
21 Commission meeting inviting in some of the awardees to

1 explore things from their side, and maybe even folks not
2 from the Trust Fund awardees, but even say I know the
3 community development network, and I know that other City
4 funds go through a similar process. And so just hearing
5 from them, and maybe fostering a dialog about which parts
6 of this process could be -- could work with the goal that
7 you all set, which is a good goal, of the 90 days.

8 MS. SNOW: So this is Shannon Snow. If I could
9 just step in here. And, Matt, I definitely would like to
10 add on to your comment about the City Trust Fund money
11 being one of the first ones in. I think that is a
12 crucial role that the Trust Fund plays. And when you are
13 the first money in, that means that you have to wait
14 longer to get it out the door, and that's just a reality
15 of it. But I completely agree with you that I think it's
16 really important. So many funders want to be the last
17 one in. And when you're trying to put together all the
18 funding sources for a project, that makes it incredibly
19 challenging if nobody is going to be willing to be first.
20 So I think that's a real strength of the Trust Fund, but
21 I think then what we have to recognize is that that money

1 is going to be sitting out there for a bit before it can
2 actually start going into the project. So just echo what
3 you said, Matt.

4 COMMISSIONER EDWARDS: Yeah. And I would just
5 like to say from the Department's point of view that --
6 it is our policy. We're not saying that we're not going
7 to award funds, and we're not going to be the last one in
8 as far as awarding the funds. So I think that we are
9 following what you're saying. We are making awards that
10 may not be -- have all the financing quite lined up. But
11 like Shannon pointed out, which Commissioner Snow pointed
12 out, it is part of the reason that we have this long
13 period of time of getting the project ready because
14 although we will award the funds, we still feel like it
15 is our responsibility before we put significant amount of
16 the funds into the project beyond that 25 percent pre-
17 development that we do make sure it's a viable project.

18 CO-CHAIR GUTHRIE: Well, yes. And this was
19 very informative. I have to echo Commissioner Hill's
20 sentiment. I think I'm echoing it. I was just really
21 thinking about what viability looks like in these

1 different housing models, and if we are kind of jumping
2 from a conventional stance of what bigger developments
3 look like, and that kind of project, how that -- those
4 kind of projects are deemed viable. Or if we're really
5 looking at development that is more community-based, and
6 that's a much smaller, a smaller scale, and is
7 specifically geared toward permanently affordable
8 housing. If the same standards or the same definition of
9 viability is, is relevant, or if there is a different way
10 of actually deeming a project viable. I don't have the
11 answer, but I'm just wondering if there are other
12 municipalities or other jurisdictions that are more
13 experienced with CLTs and affordable housing trust funds
14 that have a different way of ranging or rating the level
15 of viability. So just something to think about.

16 COMMISSIONER EDWARDS: Yeah. I mean, I think
17 that's something that's worth us thinking about. I think
18 the way that we're looking at viability is that
19 regardless of the size of your project, that your budget
20 that you -- that they would supply their budget to us,
21 and that they are able to show that they can finance that

1 budget. I mean, that's kind of -- so even if you have a
2 smaller project, if your budget is only \$250,000, and
3 we're giving you \$50,000, we need to see that you have
4 that other 200,000 coming from somewhere. So that we're
5 going to actually see at the end units being built. So
6 we do adjust it based on the size of the project, but
7 still the bottom line is we need to know that we're going
8 to get, get to construction, get to actual units.

9 We have discussed another possibility of
10 perhaps having different types of funds available. So
11 all of our funds have really been focused on
12 construction. But maybe if we need to support some of
13 these organizations, especially the Community Land Trust,
14 with other types of funds like either for a portion of
15 operating funds or pre-development -- just pre-
16 development money. We've talked about trying to figure
17 out ways to do that too. So maybe that would be a
18 separate category within the NOFA, which would allow us a
19 little more flexibility in providing some of those types
20 of funds. But we have to balance that with the
21 legislation that does require the money to be directly

1 linked to creation of new units.

2 COMMISSIONER KIMBALL: I'm not sure how you --
3 can you hear me?

4 COMMISSIONER EDWARDS: Yes.

5 COMMISSIONER KIMBALL: Okay. With that funding
6 that you're talking about now, maybe that should go
7 towards the senior citizens, you think, that need to have
8 improvements on their house? They need a roof, and they
9 can't really afford it. That money could be used for
10 that.

11 COMMISSIONER EDWARDS: Yeah. Well, we do have
12 a separate pot of money for that because we have the
13 money that's --

14 COMMISSIONER KIMBALL: Yeah.

15 COMMISSIONER EDWARDS: -- yeah. So we have
16 money specifically for that.

17 COMMISSIONER KIMBALL: How do a person get
18 money for those type things through what Affordable
19 Housing has put in the process for us?

20 COMMISSIONER EDWARDS: Yeah. That's through
21 our office of Homeownership. We could get more

1 information perhaps at the next Commission meeting so
2 they could give more details how that money is coming
3 out.

4 COMMISSIONER KIMBALL: That would be --

5 (Simultaneous comments.)

6 COMMISSIONER KIMBALL: That would really be
7 excellent because a lot of seniors they just don't have
8 the money to keep on putting in their house.

9 COMMISSIONER EDWARDS: So we can give an update
10 on that.

11 COMMISSIONER KIMBALL: Okay. That's February,
12 correct?

13 COMMISSIONER EDWARDS: Um-hmm.

14 MS. KIMBALL: Okay.

15 MR. MOBLEY: Just to add on to that note. In
16 FY '22, there was an allocated \$1.1 million additional
17 for that exact use. So on top of prior year, little over
18 a million dollars also added for senior housing repair.
19 Just so you can put a number on --

20 COMMISSIONER KIMBALL: Okay. Have any seniors
21 applied for that as of yet?

1 MR. MOBLEY: I believe that there's some funds
2 going out, but I do not have the exact dollar amount. So
3 I think it would be best to go back and do it, and have
4 some specific to say probably the next Commission
5 meeting.

6 COMMISSIONER KIMBALL: Thank you so much.

7 MS. ESTRADA: Any other questions from the
8 Commission?

9 Well, this is the end of the --

10 CO-CHAIR GUTHRIE: I'm sorry. I did have a --
11 this may be kind of a remedial question for Hana. I'm
12 just not familiar with all this. What would be an
13 example of a beach of declaration of restrictive
14 covenants? Just so I have a better understanding.

15 MS. KONDRATYUK: So that's actually a different
16 section of the Law Department that advises on the
17 declaration of covenants in the real estate section. I'm
18 in the contract section. But that's definitely something
19 that HD can connect you with one or two of the attorneys
20 in that section that advise HCD on the declaration of
21 covenants piece. They were unable to attend today's

1 meeting, but can definitely speak to any breaches and
2 recourse for the City at a later date for you.

3 CO-CHAIR GUTHRIE: Okay.

4 MS. KONDRATYUK: And it's not remedial. That's
5 a very good question. I mean, you want to make sure that
6 the property is being used -- property or properties,
7 project are being used appropriately given the funding
8 source, and the obligations that are tied to the funding
9 source for that extended 30-year period. So that's a
10 very good question.

11 UNIDENTIFIED SPEAKER: Yes, it is.

12 CO-CHAIR GUTHRIE: Thank you for your
13 affirmation.

14 MS. KONDRATYUK: Sorry it didn't come with an
15 answer, but I -- an answer will be forthcoming.

16 COMMISSIONER EDWARDS: Yeah, if you could --
17 Tisha, if you could send that to us, and to me, and to
18 the staff, then we will work on (indiscernible) answer to
19 that.

20 CO-CHAIR GUTHRIE: Thank you, Ms. Edwards.

21 MS. ESTRADA: Well, if that is all, I thank the

1 presenters for helping me with all of this, and you can
2 stay if you like, or you can drop off.

3 (Simultaneous comments.)

4 CO-CHAIR GUTHRIE: All right. Well, I think
5 we, I think we're supposed to be turning it over for
6 public -- well, business, I believe. I'm having a hard
7 time finding my other screen.

8 So do we have any further public comments?

9 MS. ESTRADA: I don't see any. Oh, are you
10 able to share the PowerPoint via e-mail? No. It will be
11 posted onto the website, hopefully, tomorrow, yeah.

12 Ebony, you should be able to have it up by
13 tomorrow.

14 And I think that's it. That's all I see.

15 Oh, hold on. Sharon Hunt just sent something.
16 One second.

17 I have a question about Mobley's disogram
18 (ph.), diagram? Hold on. Let me see if I can unmute
19 your mic, Ms. Hunt.

20 CO-CHAIR GUTHRIE: Could it be the dollar house
21 program?

1 MS. HUNT: Am I open?

2 MS. ESTRADA: You're on. You're on now.

3 MS. HUNT: My question is about -- I put it in
4 earlier about the diagram of disbursement or the, the
5 particular -- because you were saying that part of what
6 has been disbursed is towards administrative expenses,
7 and some of it is toward awardees. And my question is
8 why can that not be broken out? So that if we see \$2
9 million in disbursements or whatever the figure, that it
10 be broken down by category so you can say that \$500,000
11 is administrative, and \$1.5 million has been disbursed
12 for the awardees.

13 MR. MOBLEY: Oh, it can be, Miss -- it can be.
14 We should do that.

15 MS. HUNT: I think so because all -- those of
16 us who are looking at it month over month we don't under
17 -- we don't see clearly because whatever that diagram was
18 that showed where each of the awardees are along some
19 track, it was little.

20 MR. MOBLEY: Okay. I will go back, and I will
21 get my graphs to be more descriptive. So that way it

1 will be, it will be better. I'm willing to make changes.
2 Make changes every -- I make changes every month. I have
3 to --

4 MS. HUNT: I think that would be appreciated
5 because that way we then could focus inn on how much
6 money has actually gone out the door, so to speak, to the
7 awardees. And that would help us also to begin to flush
8 out the dialog about why isn't more money going out to
9 the awardees in a reduced timeframe? Okay.

10 MR. MOBLEY: Sounds good.

11 MS. HUNT: Works for me. Thank you.

12 MR. MOBLEY: You're welcome.

13 MS. ESTRADA: No more questions. No more
14 comments or questions.

15 CO-CHAIR GUTHRIE: Okay. Well, thank you,
16 John. Thank you for -- and thank you, Ms. Hunt for that
17 question.

18 Okay. Do we have any other business to attend
19 to?

20 Opening it up to the other Commissioners.

21 Okay. Do we have Commissioner Truitt on the

1 line?

2 INTERIM PRESIDENT TRUITT: Yes. Thank you. I
3 guess, if there is no other business, then -- no other
4 comments, I think that we are officially adjourned.

5 (Whereupon, at 7:33 p.m., on January 25, 2022,
6 the meeting was adjourned.)

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C E R T I F I C A T E

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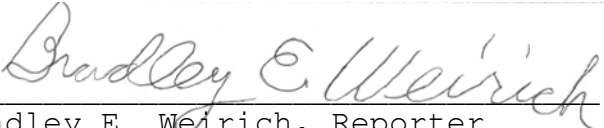
AFFORDABLE HOUSING TRUST FUND COMMISSION MEETING

BEFORE: Cindy Truitt, Interim President

DATE: January 25, 2022

PLACE: (Webex)

Represents the full and complete proceedings of the aforementioned matter as reported and reduced to typewriting by Free State Reporting, Inc.



Bradley E. Weirich, Reporter
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