

AFFORDABLE HOUSING TRUST FUND COMMISSION
MEETING SUMMARY
October 25, 2022
6:00 PM – 8:00 PM

Members Present: Kevin Daniels (President), Kate Edwards, Tisha Guthrie, Matt Hill, Vernadine Kimball, Staci Griffin, Amy McClain, Ramsey Harris, Catherine Stokes, Erika Fox

Staff Present: Stephani Estrada-El - Program Manager, AHTF
Paul Stanford - Grants Director, AHTF/DHCD
Ebony Rector - Project Coordinator, AHTF/DHCD
Carolyn E. Watson - Community Aide, AHTF
Joseph Kershner – Managing Attorney, DHCD (Presenter)

1. Call to Order

The meeting was called to order at 6:00 p.m. by Commission President Kevin Daniels. It was determined that a Quorum was present and therefore the Commission would be able to conduct official business, approve minutes, recommendations, etc.

2. Approval of the September 2022 Meeting Summary

Commissioner Stokes initiated the approval of the September 2022 meeting summary. Commissioner Hill motioned to approve the September meeting summary, Commissioner Edwards seconded the motion. Commissioner McClain abstained. The remaining Commissioners voted in favor and the motion carried.

3. Presentations

Joseph Kershner, Managing Attorney of DHCD’s Development Division, provided information on the In Rem Foreclosure Program, a new DHCD initiative, intended to address and expedite vacant property abatement. Mr. Kershner’s department is responsible for providing legal services with respect to the acquisition and disposition of property in the City, usually to address blight and vacant properties.

He provided historical context on property disposition and the traditional tools used by the City to acquire vacant properties and contrasted them with the In Rem Foreclosure tool and how it will help to address blight and vacancies more quickly.

He detailed the tax sale foreclosure process and the extensive time it takes to acquire properties. The intent of the In Rem Foreclosure is to expedite the foreclosure process and bypass some of the steps that tend to delay the acquisition of vacant properties through the tax sale. In Rem Foreclosure is considered for properties that meet the following criteria: 1) The property is a vacant lot or a vacant building, subject to a vacant building notice that hasn't been resolved and 2) City liens on the property exceed the assessed property value.

The City is the only entity authorized to file In Rem foreclosures and has a specialized docket and case management system, allowing for an expedited hearing schedule, within 120 days from the date the scheduling order is issued. The process is overseen by the courts and requirements of due process and notices to all interested parties are still performed as required by law.

The Department is actively building capacity, hiring staff and developing systems to stand the In Rem program up. The first In Rem Foreclosure cases were filed in July and the first hearings are scheduled for November. The Department will be working with developers with a focus on Community Land Trust organizations to identify opportunities with the inventory of properties obtained through In Rem Foreclosure.

4. City Agency Updates

Department of Housing and Community Development (DHCD) staff provided the following updates:

1. The Affordable Housing Trust Fund (AHTF) revenue collected in September 2022 totaled \$690,343. For FY23, to date, the Trust Fund collected \$10,430,818, consisting of \$3,430,818 in tax revenues and \$7 Million in City contributions. Through September 2022, the overall AHTF revenue collected totals \$59,560,944, consisting of \$40,810,939 in tax revenue and \$18,750,005 in Baltimore City contributions.
2. The AHTF team continues working with awardees from rounds 1 and 2 of the New Construction /Preservation of Existing Rental Housing Notice of Funding Availability (NOFA) on deal structuring, Board of Estimates approval and preparing for settlement. Kick off meetings and deal structuring are underway for awardees of round 3.
3. Round 3 of the Community Land Trust Homeownership NOFA and Round 1 of the CLT Rental NOFA closed on September 2. Four applications were received for homeownership and two applications were received for rental. Application review and recommendation of awards have been sent to DHCD Commissioner Kennedy for approval. Awards are scheduled to be announced the week of November 1.
4. Round one of the CLT Operating NOFA opened on August 29 and closed on October 10. This NOFA makes up to \$500,000 available to CLTs for operating support. Applicants could request up to \$100,000 per CLT organization. Awards are expected to be announced the week of December 5.

5. Baltimore City Inclusionary Housing legislation expired as of June 30, 2022. New legislation has been introduced by Councilwoman Ramos and is being considered by the Baltimore City Council. Inclusionary Housing updates will be posted on DHCD's website.
6. There's one AHTF Commissioner yet to be confirmed, for the position of a renter. DHCD is working with the Mayor's Office to determine a confirmation hearing date.
7. Commissioners and DHCD staff revisited the motion to request reconsideration of DHCD's budget proposal. In response to the motion, DHCD increased the CLT priority amount to \$7 Million (or 28% of spending budget), will make the CLT NOFA a rolling application in 2023 and increased the maximum per unit limits.
8. Commissioner Hill requested DHCD implement a recommendation received by SHARE Baltimore, suggesting an elastic budget for CLT's that could range up to 39%, if there is sufficient demand in the rolling NOFA and possibly use the funds from the flexible funds and rent supplement line items. Commissioner Hill made a motion to request DHCD's consideration of this recommendation. Commissioner Kimball seconded the motion. Commissioner Stokes requested the motion be tabled until Commissioners had time to review the SHARE Baltimore letter and get clarification from DHCD on the purpose and plan for the flexible and rent supplement funds. Commissioner Kimball and Commissioner Hill expressed the desire to vote on the motion at the current meeting.

After discussion, Commissioner Hill proceeded with an amended motion, requesting an elastic budget for CLT's that could range up to 39%, if there is sufficient demand in the rolling NOFA, using funds from the flexible funds and rent supplement line items, subject to funds availability. Commissioner Guthrie seconded the amended motion. Commissioner Edwards abstained. All other Commissioners voted in favor and the motion carried.

5. **Other Business**

1. Commissioners discussed modifying the meeting schedule for the upcoming Commission meetings, due to the holidays. The November and December meetings will be combined and Tuesday, December 6 has been identified as the meeting date. Commissioner Edwards motioned to approve the modified holiday schedule. Commissioner Stokes seconded the motion. All Commissioners were in favor and the motion carried. The meeting will be in person and location details will be forthcoming.

6. **Adjournment**

As there was no additional business, Commission president Kevin Daniels requested from Commissioners, a motion to adjourn the meeting. Commissioner Edwards motioned to adjourn; Commissioner Harris seconded the motion. Commission president Kevin Daniels adjourned the meeting at 7:45 p.m.