



Affordable Housing Trust Fund (AHTF)

New Construction/Preservation of Existing Rental Housing

Notice of Funding Availability (Round 4)

Questions & Answers Summary (2/15/2023 Preproposal Conference)

1. Is long-term transitional housing eligible for funding?

A: Yes.

2. With the 10 units for 30% AMI section, were you saying that if you have more than 10 units you can only get \$150K per unit or were you saying that you only get \$150K for 10 units or more? And then for the 50% units you'll get \$75K per unit?

A: If the project has 10 or more units at 30% AMI, you may receive up to \$150K per unit and for 50% AMI unit may receive up to \$75K per unit. However, the funding limit is one million per project.

3. Who should be contacted for “Green Building and Sustainable Requirements” questions?

A: The NOFA has been updated w/ the correct contact information as follows: Applicants may contact DHCD's Code Enforcement Division at 410-396-4140 or by email at DHCD_Permits@baltimorecity.gov for additional information regarding the City's Green Construction Requirements.

4. Will the presentation be made available on DHCD's website? And will DHCD update to the NOFA once there are some changes than what was posted in the NOFA?

A: A copy of the presentation and a recording of the preproposal conference will be posted to the [AHTF NOFA webpage](#) on DHCD's website. The revised NOFA (dated 2/16/23) will also be made available on the webpage.

5. Is it okay to have a mixed income development i.e. units up to 80% of AMI?

A: Yes.



6. Will the proforma be available on line or sent to attendees today?

A: The pro forma can be accessed via the application portal in Neighborly. The Maryland CDA 202 form is not in Neighborly (LIHTC Developers).

7. Is the AMI % based on the HUD Baltimore City amount (\$116K) or family household (i.e. 1, 2, 3.....8)?

A: Yes.

8. Is this funding only available for seasoned developers?

A: No.

9. Are there any special stipulations that apply to scattered site projects?

A: No.

10. Are non-profits eligible through this process? Do I have to be a corporation to apply?

A: Yes, non-profits are eligible for this funding source. You do not have to be a corporation to apply. Please see NOFA for eligibility requirements.

11. For projects including MD LIHTC, does a separate operating budget need to be submitted in addition the CDA Form 202 (since the 202 form has an operating budget and pro forma built into it)?

A: The CDA 202 operating budget is acceptable for the application. However, if awarded, a simplified budget may be needed for the agreement.

Is Maryland CDA Form 202 an acceptable Project Budget alternative?

A: Yes.

12. Can the funds be leveraged for existing properties that are being managed?

A: Yes, if those properties are being rehabilitated.



13. Are out of state emerging developers eligible?

A: Yes, but projects must be located in Baltimore City and the corporation must be incorporated and in good standing in the State of Maryland.

14. What is the expected timeline for funding, and when do we need to have 100% of our project funded?

A: Project timelines will be established on a case-by case basis. Once the agreement is approved by the Board of Estimates, projects must be completed within 2 years.

15. If you'd like to use the funds for acquisition of properties, do the properties have to be identified by the application deadline or just a potential budget based on what we would LIKE to acquire?

A: Yes. Site control is required at the time of submission. A contract of sale or LDA is acceptable for site control, but acquisition costs will not be eligible if the property is acquired before the award date.

16. What's DHCD's definition of an active project?

A: An active project is one that's under construction. The project is not considered active when construction is complete and the property has a use & occupancy certificate to occupy the units.

17. Please detail what "support services" are acceptable under this grant. Do new housing units need to be involved to receive funding? Can we get funding for support services to house homeless in existing units?

A: DHCD is considering a NOFA for support services without building/rehabilitating units, but for the purpose of this NOFA, new or existing units must be constructed/rehabbed to be eligible for supportive services costs.

18. Please give more detail about item B7 in the Neighborly application for the NOFA.

A: Item B7 is requesting you specify the number of units for the overall project and the number of units intended for this source of funding (30%-50% AMI).



19. Please explain more about the 50% area median income and the 30-year certificate?

A: Annually, HUD sets maximum income limits for households adjusted for household size. HUD also set rents based on income limits which cannot exceed these income limits. See [HUD income & rent limits](#) for more details. Developers are required to follow income requirements on AHTF funded units for 30 years.

20. Is funding available to projects that are currently under construction?

A: Yes, but only costs incurred after the award date are eligible for reimbursement.

21. Do “active” projects have to be located in Baltimore City to be eligible for funding?

A: Yes, projects must be located in Baltimore City.

22. Are there any things not explicitly stated in the NOFA that are priorities for DHCD and may help give an application a more favorable rating?

A: Yes. Having 30% AMI units in addition to addressing DHCD’s priorities detailed in the [DHCD Community Development Framework](#).

23. I have a non-profit and own a property with a few residents. We are looking for funding of about \$20K to do some modifications. Can I apply for funding to cover 100% of the costs?

A: No. You may only apply for up to 50% of the total development costs of your project. We don’t recommend applying for this funding source for a \$20K request because the project is required to meet income restrictions for at least 30 years.

24. If my project is a mixed-income development, what documents are required to show the split between the AMI targets for units that exceed 50% AMI.

A: Total unit count and AMI targets for each unit should be specified in the application, to include funding sources for units that exceed 50% AMI.

Is there a point structure to help define the impact my project has? Is there any other criteria, like funding and political support that will help my application stand out?

A: Yes, the NOFA has a point structure. A primary goal of the AHTF is to create as many affordable housing units as possible.



25. I'm applying for Low Income Housing Tax Credits (LIHTC). Is there any negative impact for my application if I've applied for the 9% but technically haven't been awarded yet?

A: No, but if awarded, there's a possibility that receiving AHTF funds will be contingent on your project receiving the 9% LIHTC.

26. Is this grant typically offered annually or is this kind of a "one shot deal"?

A: Yes, the New Construction/Preservation of Existing Rental Housing NOFA will be made available on an annual basis.

If my project is not ready to apply for this round, can we be fairly confident that this source of funds will be available next year?

A: Yes, but the total funding amount may vary.

27. I have a market rate project and am receiving high performance market rate tax credits. If I convert units to 50% AMI and below units with AHTF funds, is my property now ineligible for the tax credits?

A: The High-Performance Market Rate Tax Credit is managed by the Baltimore City Dept. of Finance (not DHCD). Visit the [Dept of Finance tax credits website](#) for more information.

28. How are the row home purchase going to benefit from this development?

A: If you have a scattered site project that includes row houses with rental units, your project could qualify for these funds.

29. Are these funds only for rental units in buildings?

A: This source of funding is only for rental units, but the units can be in buildings or rowhouses if you have a scattered site project.

30. Are brand new developers eligible? I noticed that the definition of emerging means 3-5 projects?

A: You do have to have some experience to be eligible for funding. Emerging developers are defined as developers that have completed at least 3 but no more than 5 projects.

31. Can we use funds for security services for the project?

A: During the construction period, security expenses is an allowable cost.

32. When can we expect award decisions?

A: Awards are expected to be announced the week of May 22. Please see the NOFA schedule for details.

33. Would this include large buildings that offer units for sale at 30AMi?

A: No, this funding source is only for rental units.

34. If we receive funds but want to sell the property in 20 years, how will that work?

A: You may transfer the property, but the new owner will be subject to the deed restrictions.

35. Are the properties on "Buy into Baltimore" eligible for NOFA?

A: You can use funds to Rehab properties you just can't use funds to acquire Baltimore City owned properties.

36. After careful review of the NOFA set aside for Community Land Trusts it states organizations with more than three (3) open contracts are ineligible. Is there an opportunity to request an exception or waiver to the more than 3 open awards rule?

A: Yes. Please submit a letter to the Housing Commissioner explaining the reason an exception or waiver should be granted.

Can you clarify what qualifies as three active awards?

A: An award received in any NOFA that the project has not started construction, is still under construction and/or has not satisfied the requirements of the agreement.

Our organization has 2 Grant Agreements and 3 New Awards that have not cleared BOE would we be ineligible?

A: Yes. You are not eligible to apply until you have completed at least 3 of your awarded projects.



37. If we have houses under contract for purchase, can the seller continue to do renovation work on the houses prior to the Closing on our purchase? We presume that on or before closing, an appraisal/accounting for prior costs would be done, as close as possible to the closing date, to set our ultimate purchase price for the houses. This would enable faster delivery of houses into service.

A: As long as you have site control of the property you are rehabbing you should be fine. Site control at the time of submission is a requirement (Examples of site control are Contract of sale, Deed, ENP from the City and/or an LDA).

38. AHTF funds cannot be used to fund any expenditures already made prior to the award, but can the ultimate use of the funding, whether for renovation or tenant support or for another prospective (but allowed) use, be set after the award date?

A: Yes.

39. Qualified applicants who work in more than one community can submit more than one project for funding and will not be penalized – Does community = neighborhood?

A: Yes.

40. If it's a 30-unit building, do the grant proceeds, compliance requirements, etc. only apply to the 10 units for which the grant is awarded. Example: 10 units at 50% AMI and 20 units at market rate.

A: Yes, those 10 units would be required to follow AHTF compliance requirements.

41. To receive the bonus points related to 30% AMI: If the building is 100 units, do 26+ units need to be at 30% AMI to receive the bonus points or do 3 units (25%+ of the specific units for which funds are subsidizing) need to be at 30% AMI?

A: Yes. To qualify for bonus points a minimum of 25 units out of 100 units have to be 30% AMI.

42. How much of the awarded funding can be advanced (non-reimbursement)?

A: Up to 25% of the award can be advanced for grant recipients only. The advance can only be used for predevelopment and/ or acquisition cost of properties brought after the award date. All awards will not be grants.

43. Are Impact Investment areas eligible for NOFA?

A: Yes, projects in Impact Investment Areas are encouraged.

44. How do I know the difference between city/non-city owned properties?

A: By researching ownership. SDAT will tell you who the owner is. If it is City owned, it will say Mayor and City Council of Baltimore.

45. Is approved based on credit?

A: No. If you have judgments it will need to be disclosed. Results will be taken into consideration when selecting on awards.

46. Are nonprofit organizations without 501c3 eligible to receive NOFA?

A: Yes. Nonprofit, for-profit, Community Land Trust and Joint ventures are all eligible.

47. If we commit to accepting only tenants at or below 30% AMI for all units, may we still accept a tenant if they are holding a Housing Choice Voucher? Or are we required to only take non-voucher holding tenants?

A: Yes. We encourage developers that are offering 30% AMI units to accept Housing Choice Vouchers to house voucher holders.

48. In light of the tight time frame for submission of the application, would DHCD consider allowing until April 17 for securing site control of houses? We would still submit the application by March 17, but would withdraw the application if we are unable to secure site control by April 17.

A: No. Site control is required at the time of submission.



49. If we are to use AHTF funds for any aspect of the project, that we cannot close on purchase of the houses until the award is made.

A: If you want to use the funds for acquisition costs, we advise you not to close on the property before you are notified of being awarded. Any cost accrued before the award date cannot be reimbursed with the funds. Awardees will be notified the week of May 22nd.

50. So, if by chance we are awarded funds, the funds could be available for a closing on our purchase by July 1?

A: No. We will allow an advancement of funds up to 25% of your award towards acquisition cost. If you are awarded by end of May, there is no way to have the grant approved and a check cut by July. There is a process that ranges between 2 to 6 months to have funds disbursed to awardees.

51. So, assuming that we do not propose to use any AHTF funding for acquisition, we can go ahead and close with a seller on our contract to buy houses immediately, even if before the award?

A: Yes.

52. Could we propose to use AHTF funds exclusively for Support Services to tenants with 30 to 50% AMI?

A: No. You can only use up to 10% of award for support services.