



BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

AFFORDABLE HOUSING TRUST FUND ANNUAL REPORT

DHCD Fiscal Year 2021
(July 1, 2020 - June 30, 2021)

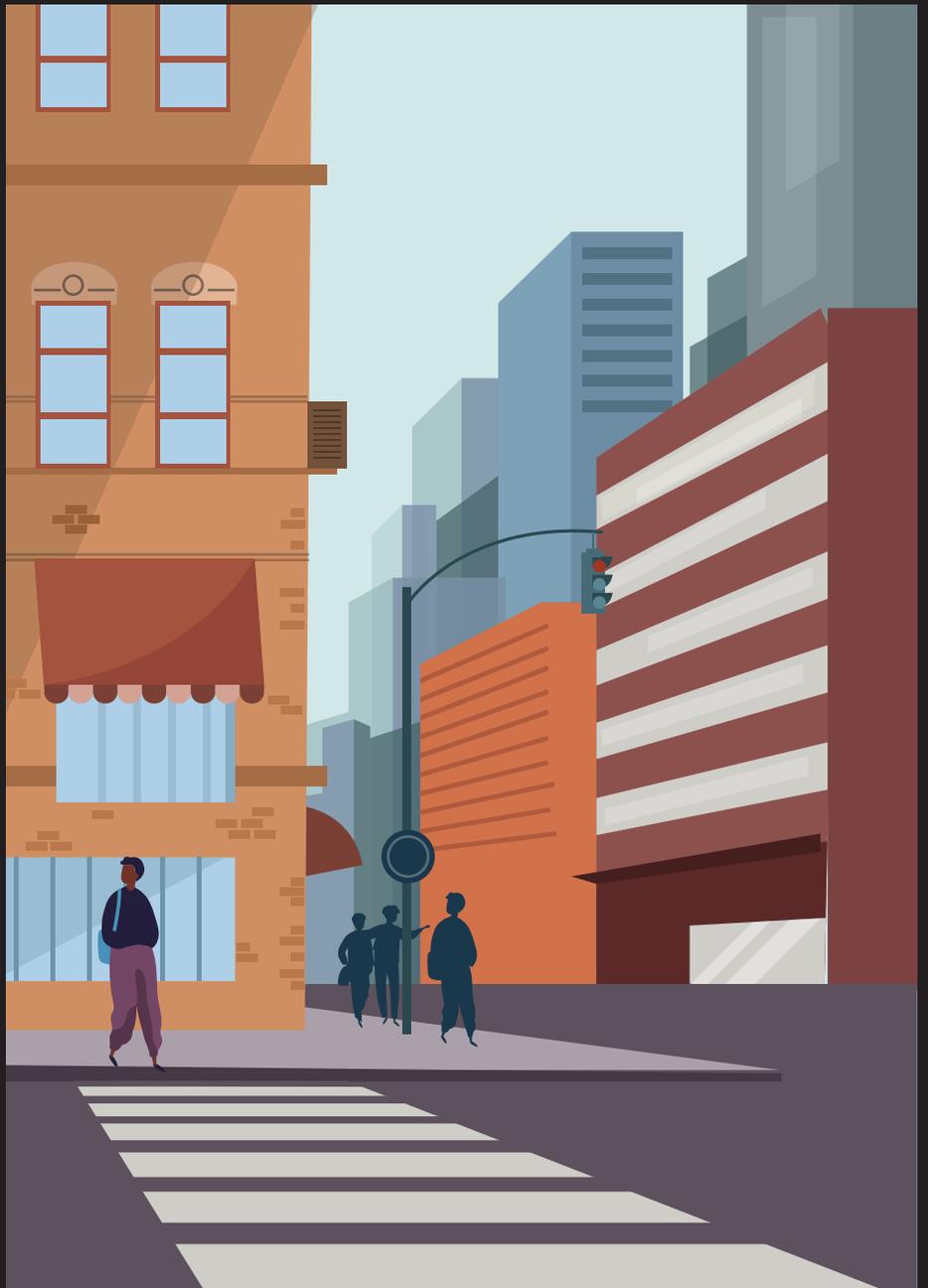


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INTRODUCTION

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

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

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

The Commission shall:

- i. Make recommendations, advise, and consult with the Department of Housing and Community Development regarding the establishment of essential policies, rules, and regulations relating to the implementation, expenditures, and ongoing operation of the Trust Fund;
- ii. Submit an annual report to the Mayor and City Council on the activities and usage of the funds in the Trust Fund, including tenure (rental and homeownership), income level served, {and} unit size (number of bedrooms), and make the report available to the public;
- iii. If necessary, recommend changes to the trust fund to maximize affordability outcomes of the Trust Fund, to the Mayor and City Council;
- iv. Ensure an audit of the fund every four years by a certified public accounting firm; and
- v. Exercise any additional duty related to the Trust Fund as directed by the Mayor and City Council.

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

City of Baltimore
Affordable Housing Trust Fund
Statement of Revenues, Expenditures & Changes in Net Assets
Fiscal Year 2021
July 1, 2020 - June 30, 2021

Revenue	Unallocated	Committed	Total
Operating (Tax Revenue)	\$ 9,607,695	\$ -	\$ 9,607,695
Capital (*COB Bonds)	\$ 3,500,000	\$ -	\$ 3,500,000
Public Contributions		\$ -	\$ -
**Other		\$ -	\$ -
Total Revenue	\$ 13,107,695	\$ -	\$ 13,107,695
Expenditures	Unallocated	Committed	Total
Program Services	\$ 250,000	\$ 13,071,325	\$ 13,321,325
Supporting Services	\$ 27,380	\$ 208,175	\$ 235,555
Management	\$ 308,107	\$ -	\$ 308,107
Total Expenditures	\$ 585,487	\$ 13,279,500	\$ 13,864,987
Changes in Net Assets	Unallocated	Committed	Total
Net Assets Without Donor Restrictions, Beginning	\$ 12,462,533	\$ -	\$ 12,462,533
Change in Net Assets Without Donor Restrictions During FY21	\$ 12,522,208	\$ 13,279,500	\$ (757,292)
Net Assets Without Donor Restrictions, Ending FY20	\$ 24,984,741	\$ 13,279,500	\$ 11,705,241
*COB: City of Baltimore			
**Other: See notes below on Significant Accounting Policies			

DEFINITIONS

- Unallocated: "Unallocated" funds have not been spent or conditionally allocated to a particular expenditure at the time of the annual report date.
- Committed: "Committed" funds have been conditionally awarded, subject to approval by the City of Baltimore's Board of Estimates (BOE).

STATEMENT OF FUNCTIONAL EXPENDITURES

City of Baltimore				
Affordable Housing Trust Fund				
Statement of Functional Expenditures				
Fiscal Year 2021				
July 1, 2020 - June 30, 2021				
	Program Services	Management	Support Services	Total
Accounting Services				\$ -
Advertising Fees				\$ -
Awards	\$ 150,000			\$ 150,000
Applicant Awards Expenditure				\$ -
Appraisal Expenditures				\$ -
Computer Expenditure				\$ -
Conference Expenditure				\$ -
Consultant Expenditure	\$ 100,000		\$ 16,825	\$ 116,825
Coupons (Parking)				\$ -
Depreciation Expenditure				\$ -
Dues and Subscriptions				\$ -
Escrow Services				\$ -
Employee Training				\$ -
ID Cards				\$ -
Insurance				\$ -
Lease Expenditure				\$ -
License Fees				\$ -
Supplies Expenditure				\$ -
Marketing and Communication				\$ -
Office Expenditure				\$ -
Personnel - Payroll Accrual		\$ (18,430)		\$ (18,430)
Postage				\$ -
Professional Fees				\$ -
Personnel Costs		\$ 448,236		\$ 448,236
Purchases			\$ 10,555	\$ 10,555
RCLS Admin Costs		\$ (121,700)		\$ (121,700)
Real Estate Services				\$ -
Rental Expenditure				\$ -
Telephone Expenditure				\$ -
Training	\$ -			\$ -
Total Expenditure	\$ 250,000	\$ 308,107	\$ 27,380	\$ 585,487

City of Baltimore
Affordable Housing Trust Fund
Statement of Financial Position
Fiscal Year 2021

July 1, 2020 - June 30, 2021

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 24,984,741
Investments	
Prepaid Deposits	
Total Current Assets	\$ 24,984,741

Non-Current Assets:

Accrued Interest	
Notes Receivable	
Settlement Receivable	
Property and Equipment, Net of Accumulated Depreciation	
Total Non-Current Assets	\$ -
Total Assets	\$ 24,984,741

LIABILITIES AND NET ASSETS

Current Liabilities:

Funding Commitments	\$ 13,279,500
**Other	\$ -
Total Current Liabilities and Non-Current Liabilities	\$ 13,279,500
Total Liabilities	\$ 13,279,500

Net Assets:

Net Assets	\$ 11,705,241
Total Net Assets	\$ 11,705,241
Total Liabilities and Net Assets	\$ 24,984,741

**Other: See notes below on Significant Accounting Policies

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For the purpose of recording cash flows, the Trust Fund considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. As of June 30, 2021, the Trust Fund had balances of \$24,984,741 which includes the cash and money market balances held by the City of Baltimore in the investment account.

Financial Statement Presentation

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

Liabilities

Liabilities are categorized as funding commitments made but not yet paid and as other less clear transactions. Currently the Affordable Housing Trust Fund has unpaid award commitments of \$13,262,675 and Other Revenue of \$12,352. Additionally, there is an entry totaling \$-29,625.00 of Other Revenue seen in the General Ledger.

Other Revenue

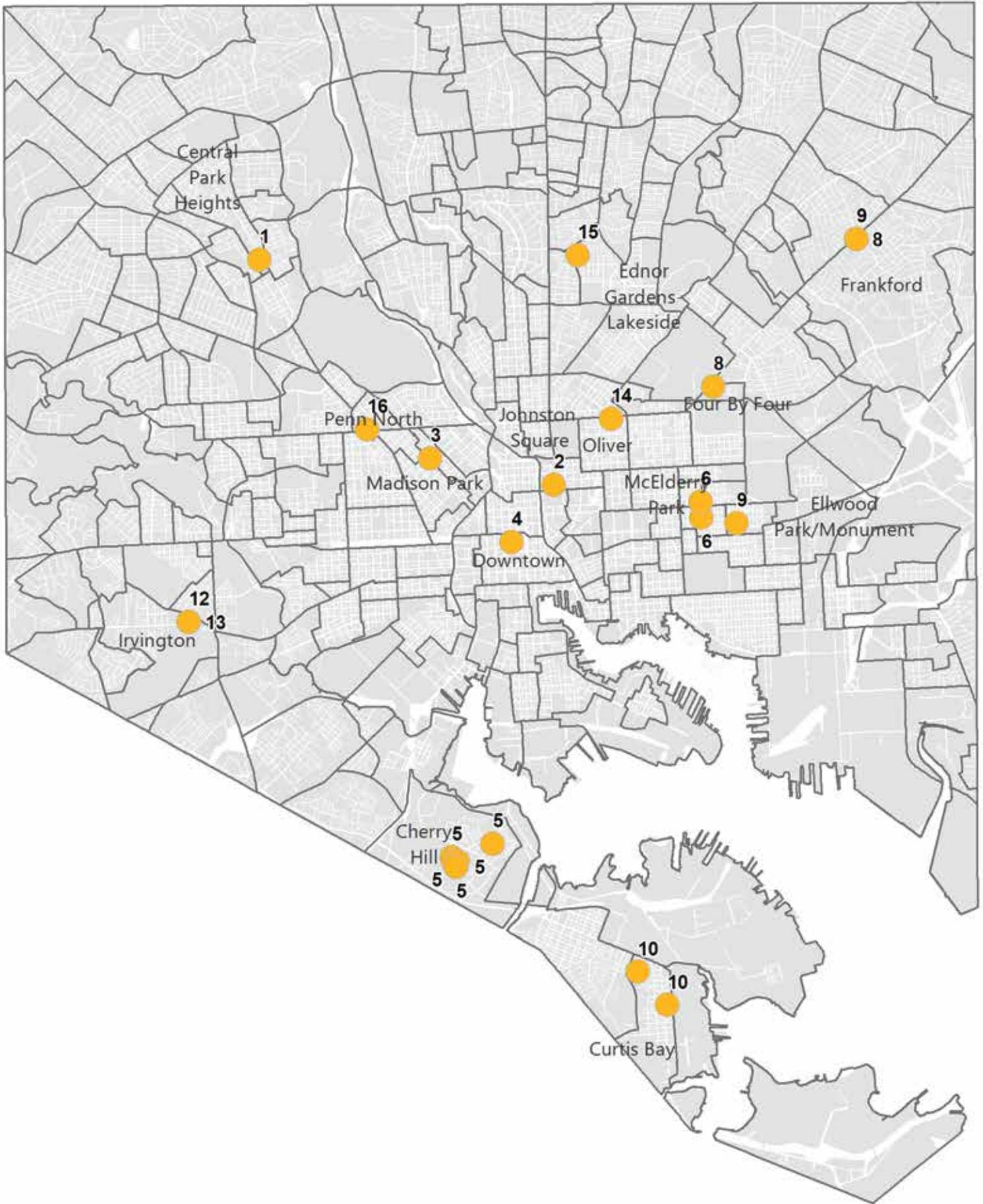
The \$12,352 of Other Revenue shown above in the liabilities section of the balance sheet is the result of a refund to the Trust Fund from February 2020 that is still being researched by the departmental accounting team. This refund has been listed as a liability as it may require a repayment and correction in future dates. This Other Revenue amount should remain as a liability until the funds are confirmed as correct in the AHTF revenue account. Additionally, there is an entry totaling \$-29,625.00 of Other Revenue seen in the General Ledger for this fund, however due to the nature and timing of the amount it has been removed from the financial reports as this entry likely will reverse in the upcoming months.

Funding Commitments

- In April 2021, the Department awarded Charm City Land Trust, a Maryland nonprofit corporation, a second award of \$750,000 to develop perpetually affordable Housing in the City of Baltimore. This project is to create nine affordable units, 4 at 30% AMI and 5 at 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. The Charm City Land Trust is organized and operated for the charitable purposes of its members. Charm City Land Trust will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.
- Cherry Hill Community Development Corporation, a Maryland nonprofit corporation, \$245,000 to develop perpetually affordable Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. The Cherry Hill Community Development Corporation is organized and operated for the charitable purposes of its members. Cherry Hill Community Development Corporation will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2021, the Trust Fund has not made any capital contributions or completed any distributions for this agreement.
- Grounded Solutions Network is a national consultant who specializes in Community Land Trusts. In order to facilitate the development, selection and structure of the Affordable Housing Trust Fund's Community Land Trust program in November 2020, the City of Baltimore agreed to a contract of \$125,000 to support this program. Since then, the consulting organization has helped the Trust Fund by using its experienced professionals and their expertise to develop the Community Land Trust program. As of June 30, 2021, the Trust Fund has paid \$16,825 toward this agreement. The remaining funds associated with this contract are likely to be paid in the upcoming months as per the agreement.
- In 2020, ReBuild Metro, a Maryland nonprofit organization, was awarded \$750,000 to develop perpetually affordable rental housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. ReBuild Metro is organized and operated for the charitable purposes of its members. With these funds, ReBuild Metro will further the charitable purposes of its members by providing affordable rental opportunities to eligible households. As of June 30, 2021, the Trust Fund has not made any operating fund contributions or completed any distributions for this agreement.
- In 2020, Druid Heights, a Maryland nonprofit organization, was awarded \$379,500 to develop perpetually affordable rental housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. Druid Heights is organized and operated for the charitable purposes of its members. With these funds, Druid Heights will further the charitable purposes of its members by providing affordable rental opportunities to eligible households. As of June 30, 2021, the Trust Fund has not made any operating fund contributions or completed any distributions for this agreement.

- In 2020, Episcopal Housing, a Maryland nonprofit organization, was awarded \$180,000 to develop perpetually affordable rental housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. Episcopal Housing is organized and operated for the charitable purposes of its members. With these funds, Episcopal Housing will further the charitable purposes of its members by providing affordable rental opportunities to eligible households. As of June 30, 2021, the Trust Fund has not made any operating fund contributions or completed any distributions for this agreement.
- Enterprise Community Partners is a national consultant who specializes in Community engagement, policy and program structure. In order to facilitate the development, selection and structure of the Affordable Housing Trust Fund's Inclusionary Housing program in March 2020, the City of Baltimore agreed to a contract of \$100,000 to support this program. Since then, the consulting organization has helped the Trust Fund by using its experienced professionals and their expertise to develop the Inclusionary Housing program. As of June 30, 2021, the Trust Fund has not paid any funds toward this agreement.
- In October 2020, the leadership for the City of Baltimore Department of Housing and Community Development (DHCD) acted to support the Mayor's Office of Children and Family Success by providing \$2,750,000 of affordable housing funds as a response to prevent homelessness as a result of the COVID-19 pandemic. In order to prevent homelessness for City residents under 50% AMI, the Affordable Housing Trust Fund developed a contract and transferred \$2,750,000 to the Mayor's Office of Children and Family Success. As of June 30, 2021, the Trust Fund has not received any notification from the supported office that these funds have been spent. It is our understanding that these funds are still available for homelessness prevention of Baltimore residents under 50% AMI.
- The North East Housing Initiative Inc., a Maryland nonprofit corporation, \$750,000 to develop perpetually affordable Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. The North East Housing Initiative Inc is organized and operated for the charitable purposes of its members. The North East Housing Initiative Inc., will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. Although the agreement and funds are ready to move forward, as of June 30, 2021, the Trust Fund has not made any capital contributions or completed any distributions for this agreement.
- The South Baltimore Community Land Trust., a Maryland nonprofit corporation, \$750,000 to develop perpetually affordable Housing in the City of Baltimore. This agreement is subject to approval by the Baltimore City Board of Estimates. The South Baltimore Community Land Trust is organized and operated for the charitable purposes of its members. The South Baltimore Community Land Trust., will further the charitable purposes of its members by providing affordable homeownership opportunities to eligible households. As of June 30, 2021, the Trust Fund has not made any capital contributions or completed any distributions for this agreement.
- In November 2021 the Affordable Housing Trust Fund made an agreement of \$3 million with a related section, the Weatherization and Home Improvement division of the Department of Housing and Community Development to support Senior Housing Repair for qualifying Baltimore city residents 55 years of age and older. Each of the residents to be supported are in need of residential housing repair assistance and these funds will go directly to improve the living condition habitability and safety of qualifying senior residents in the City of Baltimore. As of June 30, 2021, the Trust Fund has not made any capital contributions or completed any distributions for this agreement.

- The Affordable Housing Trust Fund agreed to provide Beacon House square, \$500,000 to develop perpetually affordable rental housing in the City of Baltimore in 2021. This project is set to create 29 affordable units at 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. The Beacon House Square is organized and operated for the charitable purposes of its members. The Beacon House Square., will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.
- The Affordable Housing Trust Fund agreed to provide Beacon House Square, \$500,000 to develop perpetually affordable temporary housing in the City of Baltimore in 2021. This project is set to create 34 affordable units to support citizens at and below 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. The Beacon House Square is organized and operated for the charitable purposes of its members. The Beacon House Square., will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.
- The Affordable Housing Trust Fund agreed to provide the Gillis Memorial Foundation, \$500,000 to develop perpetually affordable temporary housing in the City of Baltimore in 2021. This project is set to create 49 affordable units, at 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. The the Gillis Memorial Foundation is organized and operated for the charitable purposes of its members. The the Gillis Memorial Foundation, will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.
- The Affordable Housing Trust Fund agreed to provide the Schreiber Brothers Development, \$750,000 to develop perpetually affordable temporary housing in the City of Baltimore in 2021. This project is set to create eight affordable units, seven at 30% AMI and one at 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. Schreiber Brothers Development., will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.
- The Affordable Housing Trust Fund agreed to provide Homes for America, Inc., \$500,000 to develop perpetually affordable temporary housing in the City of Baltimore in 2021. This project is set to create 30 affordable units, 13 at 30% AMI and 17 at 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. Homes for America, Inc. is organized and operated for the charitable purposes of its members. Homes for America, Inc., will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the the funds have been committed and the final agreement is subject to BOE approval.
- The Affordable Housing Trust Fund agreed to provide GEDCO - Harford House, \$500,000 to develop perpetually affordable temporary housing in the City of Baltimore in 2021. This project is set to create 33 affordable units to support citizens at and below 50% AMI. The associated agreement is subject to approval by the Baltimore City Board of Estimates. GEDCO - Harford House, is organized and operated for the charitable purposes of its members. GEDCO - Harford House., will further the affordable housing goals in the City of Baltimore by providing affordable rental opportunities to eligible households. As of June 30, 2021, the funds have been committed and the final agreement is subject to BOE approval.



AHTF Awardees	Amount
1. Gillis Memorial	\$750,000
2. Rebuild Metro	\$750,000
3. Druid Heights	\$379,500
4. Episcopal Housing	\$180,000
5. Cherry Hill Community Development Corporation	\$245,000
6. Charm City Land Trust	\$150,000
7. Enterprise Community Partners (Inclusionary Housing Consultant)	\$100,000
8. Pandemic Homelessness response (Funds moved to MOCFS)	\$2,750,000
9. North East Housing Initiative	\$750,000
10. Charm City Land Trust	\$750,000
11. South Baltimore Community Land trust	\$750,000
12. Senior Housing Repair	\$3,000,000
13. Beacon House Square (rental apartment rehabs)	\$500,000
14. Beacon House Square (emergency transitional housing)	\$500,000
15. GEDCO - Harford House	\$500,000
16. Homes for America	\$500,000
17. Schreiber Brothers Development	\$750,000
18. GEDCO SHARE Baltimore	\$200,000
19. Grounded Solutions (Community Land Trust Consultant)	\$125,000
Total	\$13,629,500

Subsequent Event Disclosures

The Department of Housing and Community Development Staff has evaluated subsequent events relevant for reporting through June 30, 2021. All known relevant information has been included in the annual report and notes above.

AHTF Monthly PowerPoint Presentation

[July 2021 AHTF Commission Meeting - Financial Update Presentation \(PDF\)](#)- **Note this meeting covered through May 2021 AHTF data as the meeting time and date was adjusted.**