



**NOTICE OF FUNDING AVAILABILITY
COMMUNITY LAND TRUST
OPERATING COSTS**

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1. SCHEDULE

NOFA Guidelines & Application Available 8/29/2022

Pre-Proposal Conference 9/07/2022

Submission of Written Questions 9/09/2022

Answers to Written Questions Posted on DHCD's website 09/20/2022

Submission Deadline 10/10/2022

Notification of Award week of 12/05/2022

2. INTRODUCTION

Through this Notice of Funding Availability (the NOFA), The Baltimore City Department of Housing & Community Development (DHCD) is making up to \$500,000.00 available from its Affordable Housing Trust Fund to support Community Land Trust (CLTs) Operating costs. Applicants who do not receive funding through this NOFA can apply for another NOFA provided that their proposed operating cost request meets eligibility and submission criteria. Applicants awarded funds through this NOFA can still apply for funding for the same community land trust in future NOFAs provided the Community Land Trust still meets eligibility and submission criteria. Qualified applicants can request up to \$50,000.00 per Community Land Trust entity. Applicants must be able to show that they: meet all State and established national standards associated with community land trusts as further described in this NOFA; have the capacity to leverage other sources of funds for operating costs; have established infrastructure to support employees and manage the day to day operations of the Trust. Applicants will also be required to show proof of 5 or more units that have been built and/or are in the process of being built that will be under the land trust's model for affordable homes for residents with 50% or below area median income (AMI). Prospective applicants are encouraged to read this document thoroughly, attend the Pre-Proposal conference, and submit follow-up questions.

3. ELIGIBLE APPLICANTS

This NOFA is limited to Community Land Trusts (CLT). The Department defines Community Land Trusts as entities that provide affordable housing to low-income and moderate-income families through an affordable housing land trust agreement; and are organized or managed by a nonprofit organization exempt from taxation under § 501(c)(2), (3), or (4) of the United States Internal Revenue Code. CLT applicants that do not have 501(c), (2), (3), or (4) status must demonstrate that they are a legally organized business entity that is managed by a nonprofit. The application must include an affirmative statement explaining how the entity is managed and organized by a nonprofit and that they comply with the requirements of Section 14 of the Annotated Code of Maryland Real Property Article.

Eligible applicants should be able to demonstrate the following:

- Registration as an Affordable Housing Land Trust with the Maryland Department of Assessments and Taxation and compliance with the State's Affordable Housing Land Trust Laws found in Section 14 of the Annotated Code of the Maryland Real Property Article.
- By-Laws that, at a minimum, establish terms for the board of directors, officers, stewardship, conflicts of interest, ownership, open membership criteria, resale limitations, and dissolution.

- A tri-partite board of directors comprised of one-third community members, one-third land trust residents (when available), and one-third local stakeholders and experts - or an equivalent structure that balances community control with additional expertise. Please provide an org chart that has a board of directors and how many total seats.
- Must have been in operation as a land trust for a minimum of 2 years.
- Must show proof of 5 or more affordable units built and/or in the process of being built under the land trust model for affordable units for residents with 50% percent or below area median income.
- Must have active projects/activities/partnerships with DHCD in the past 24 months and/or provide essential statewide/regional advocacy in the areas of affordable housing and/or fair housing.
- Must be in good standing with DHCD: a. No outstanding fees, reports, loan payments, etc. b. No unresolved compliance issues.
- Must not be on the federal or state debarred list.
- Only one application may be made per organization.

4. FUNDING LIMITS

Eligible applicants can request a maximum of \$50,000 per Community Land Trust entity. Applicants will need to demonstrate the organizational capacity to manage a Community Land Trust organization. Funds are limited to the uses for operating costs directly related to the community land trust's operations and projects that are being implemented to create affordable units for residents with an area median income (AMI) of 50% and below.

Eligible Uses of Funds

Funds can be requested to support operating, personnel, and predevelopment costs, provided that the request does not exceed the maximum limits stated in this NOFA. Eligible uses of funds include:

- Market and Financial Feasibility Analysis
- Carrying Costs
- Financing and Lender Fees
- Legal Fees associated with closing, financing, and drafting CLT-required documents necessary for the development
- Project management staff
- General organizational operating costs such as rent, utilities, or operating supplies

5. ELIGIBLE USES OF FUNDS

Funds cannot be used for the following:

- Acquisition of City-Owned properties
- Construction costs
- Staff that are not directly related to the operations of the Community Land Trust
- Relocation
- Repayment of existing loans or any other liens
- Community gardens or urban agriculture uses
- Projects that support specific religious or other affiliations
- Commercial or economic development
- Costs associated with the preparation of this NOFA submission

6. HOW TO APPLY

Only electronic submissions will be accepted. Applicants must submit one (1) complete electronic copy of their application, including all attachments and Required documents in a PDF format, and one (1) copy of their operating budget as an Excel Spreadsheet.

Applications are due BY 4:00 PM EST on 10/10/2022 to the Neighborly application portal
LATE SUBMISSIONS WILL NOT BE ACCEPTED

7. PRE-PROPOSAL CONFERENCE & ADDITIONAL QUESTIONS

DHCD will hold a pre-proposal conference on 9/07/2022 from 5 PM- 6:30 PM EST. The meeting can be accessed using the link below or the call-in number provided below.

<https://bmore.webex.com/bmore/j.php?MTID=mafdb97a5f87e5270e0f8b5be90aab7b4>

To access by phone, call the number below and enter the access code:

Phone Number: 1 (408) 418-9388 Access Code: 2341 283 0940

The purpose of the pre-proposal conference is to review the NOFA, application requirements, evaluation, and award process, and to answer questions. Please be advised that questions must be limited to the NOFA and application requirements and that DHCD staff are unable to answer questions regarding a specific project or their likelihood of receiving an award of funds. Not all questions may be able to be answered at the preproposal conference. All questions and responses from the preproposal conference will be posted on DHCD's website at:

<https://dhcd.baltimorecity.gov/nd/affordable-housing-trust-fund> according to the schedule. Additional questions regarding the NOFA can be submitted in writing through email to: DHCD.AHTFNOFA@baltimorecity.gov through 9/09/2022. Please be advised that DHCD cannot respond to questions not submitted electronically. Responses will not be provided by phone, US Mail, or individual email addresses.

8. APPLICATION REQUIREMENTS

The application consists of three (3) parts: threshold requirements, financial review, and signed certifications and authorizations.

Following the submission deadline, DHCD staff will provide a summary of all submissions that include the following: applicant name, location, project's operating cost, and amount of Trust Funds requested. This summary will be posted on DHCD's website at: <https://dhcd.baltimorecity.gov/nd/affordable-housing-trust-fund>.

Threshold Review

Threshold review includes organizational, financial, and compliance-related information and is used to determine whether an application is eligible for review. Applicants must include all items on the Threshold Checklist or their application will be considered incomplete and will be ineligible for review. DHCD will notify applicants electronically and in writing whether their application meets the Threshold Review requirements and will post an updated summary on its website. DHCD reserves the right to accept alternative forms of compliance on an individual basis.

Authorizations and Certifications

All applications must include the following:

- Authorization to Submit signed by a member of the lead applicant who is authorized to negotiate with the City and to sign a Funding Agreement
- Completed application form that includes
 - Summary request and project information
 - Operating cost supported with these funds
 - Ownership structure
- IRS Determination Letter
- Certification of Compliance
- Owned Property Disclosure
- Commitment to Comply
- Organizational Documents
- Corporate Resolution/Board of Director's approval (nonprofit applicants)
- By-Laws (nonprofit applicants)
- Evidence of Good Standing with the State of Maryland for all parties
- List of Board of Directors, titles, and affiliations (nonprofit applicants)
- Organizational chart indicating board of directors and total seats, roles, and responsibilities of all partners
- Maryland "Good Standing" Organizational Documentation

Financial Documents & Site documents

- Commitment Letters, a Letter of Intent or comparable for all sources
- Copy of the most recent 990 Tax Return (nonprofit applicants)
- Most recent Audited Financial Statement for applicants with annual budgets of \$500,000 or more
- Most recent Financial Statement as prepared by a certified accounting firm for applicants with annual budgets that are more than \$200,000 and less than \$500,000
- Most recent annual budget for applicants with annual budgets that are less than \$200,000. In the event funds are awarded, the applicant will be required to provide a Reviewed Financial Statement.
- Estimates for operating cost & Budget Template

This section enables DHCD to determine whether the organization needs operating costs and that the applicant has the experience, staff, and consultants in place to ensure a successful Community Land Trust organization. The requested information helps applicants demonstrate that their Community Land Trust is actively creating affordable housing.

Applicants are asked to demonstrate that their organization is financially feasible, that the applicant has the capability of leveraging additional public and/or private funds, and that they have the capability of creating and managing a development team with sufficient experience. Submissions should also include resumes and/or qualification statements of the applicant and all principal members of the Community Land Trust staff.

As part of demonstrating the capabilities of the Community Land Trust applicants are required to submit an operating budget, a list of all funding sources and uses of all operating funding, and the status of the funds (e.g. committed/approved, pending, not yet requested). Applicants must submit letters of interest or letters of commitment from all participating funding sources.

Applicants are reminded that operating budgets should include line items for overhead, staff and construction management, and administration costs. For operating budgets that include personnel and/or consultants, applicants are required to submit a personnel budget as well as a list of all consultants, their roles, hourly rate, and total estimated fee.

9. REVIEWING AND AWARDING FUNDS

Applications will be reviewed by The AHTF staff for application requirements. Applications that have submitted all required documents will be reviewed and ranked by staff who, at their discretion, can submit written requests for additional information, meet with the applicant and/or their team members, or tour the proposed CLT offices. As part of the review, and based on the total requests received, the Panel can recommend that applications receive fewer funds than were requested.

During the review process, questions regarding announcements shall be directed in writing to DHCD.AHTFNOFA@baltimorecity.gov. Applicants are prohibited from contacting specific members of the AHTF staff or members of the Commission; those who do will have their applications disqualified for review.

The AHTF staff will provide their recommendations to DHCD's Deputy Commissioner for Development who will review and make final recommendations to the Housing Commissioner. The Housing Commissioner, at her discretion, can determine final awards.

All awardees will be notified by phone and in writing whether their submission will receive an award of funds.

Applicants who did not receive an award of funds can submit a written request for a 30-minute debriefing. During the debriefing, DHCD will review the submission and panels recommendations. Following written notification, DHCD will post a final list of applications reviewed, scores, ranking, and amount of Trust Funds awarded.

10. UNDERWRITING AND AVAILABILITY OF FUNDS

Following written notification of an award, DHCD staff will schedule an initial meeting with the awardee to review how the funds will be made available. During this meeting, staff will review the agency's underwriting requirements and will work with the awardee to develop a schedule that includes an overview of the process to draw down on operating funds and what is required from them to require payment. As part of its requirements to make funds available, DHCD takes a security interest in the Community Land Trust entities. The terms of the security interest will be included as part of the funding discussion.

Awardees are advised that no funds shall be made available until such time the Board of Estimates has approved a Funding Agreement. Funds will be available upon Board of estimates approval.

MONITORING, COMPLIANCE, AND REPORTING

Awardees will be required to submit an annual report summarizing the use of funds, outcomes, etc. due by December 30, 2023. Awardees are advised that failure to submit reports and information promptly could result in a state of default, loss of funds, and disqualification from seeking funds in future NOFAs.

11. INSURANCE

All awardees will be required to provide evidence of insurance before DHCD issues a letter of commitment. Insurance requirements will be provided on a project basis and often include the following:

- Directors and Officers Liability Insurance
- Commercial General Liability
- Errors and Omissions (Consultants)
- Blanket Crime Coverage
- Automobile Coverage
- Payment and Performance Bonds

12. INDEMNIFICATION

All awardees, their employees, boards of directors, contractors, and subcontractors will be required to indemnify and hold the City harmless from any claims, demands, lawsuits, or other actions that may be brought against the project.

13. CONFLICTS OF INTEREST

Awardees will be required to disclose any conflicts of interest about the project that their staff, consultants, boards of directors, contractors, or subcontractors may have. DHCD reserves the right as part of the application and award process to request additional information regarding conflicts of interest.

14. ADMINISTRATIVE RIGHTS

Issue Date

The issue date of this Grant Application is 8/29/2022

Submission Deadline and Requirements

The deadline for submitting all applications is 10/10/2022 at 4:00 PM EST. Applications must be submitted electronically thru DHCD's Neighborly database. **LATE SUBMISSIONS WILL NOT BE ACCEPTED**

Obtaining the Application and Guidelines This NOFA will be made available free of charge electronically on DHCD's website at: <https://dhcd.baltimorecity.gov/nd/affordable-housing-trust-fund>

Information Session

DHCD will host a pre-proposal conference on 9/07/2022 from 5 PM - 6:30 PM EST. The meeting can be accessed using the link below or the call-in number provided below:

Meeting Link: <https://bmore.webex.com/bmore/j.php?MTID=mafdb97a5f87e5270e0f8b5be90aab7b4>

To access by phone, call the number below and enter the access code:

Phone Number: 1(408) 418-9388 Access Code: 2341 283 0940

Questions and Inquiries Interested applicants can submit questions in writing only to:

DHCD.AHTFNOFA@baltimorecity.gov no later than 5:00 pm EST on 09/09/2022. DHCD will make its best effort to post responses on its website no later than ten (10) business days following the deadline. DHCD reserves the right to decline questions that are project specific.

Revisions and Addendum

If it becomes necessary to revise any part of this Application and or Guidelines, or to provide additional information necessary to adequately interpret the provisions and requirements, an addendum shall be posted on DHCD's website. Revisions and Addenda will not be provided on an individual basis, therefore, all interested applicants are encouraged to review the Affordable Housing Trust Fund NOFA page at:

[https://dhcd.baltimorecity.gov/nd/affordable-housing-trust-fund.](https://dhcd.baltimorecity.gov/nd/affordable-housing-trust-fund)

Award Amounts

Final awards are determined by the Housing Commissioner. DHCD reserves the right to make an award of funds in an amount other than what is requested in the NOFA. All awards are subject to final underwriting by DHCD and approval of funding agreements by the City's Board of Estimates.

Incurring Expenses

Neither the City of Baltimore nor DHCD will be responsible for and will not pay for any cost incurred by any applicant in preparing and submitting an application or requesting supplemental information in response to this Application.

Compliance with Law

By submitting an Application, organizations awarded funds agree that they will comply with all Federal, State, and City laws, rules, regulations, and ordinances applicable to their activities and obligations under this program.

Public Information Act Notice

DHCD commits to handling all information regarding financial assets in the strictest confidence. Applicants should give specific attention to identifying any portions of their application that they deem to be confidential, proprietary, or trade secrets and provide justification why such material should not be disclosed by DHCD under the Maryland Public Information Act SS 1-601 et seq. of the State Government Article, Annotated Code of Maryland upon request by the public.