

Affordable Housing Trust Fund

Community Land Trusts – Single Family Homeownership

Notice of Funding Availability

Pre-Proposal Conference Q&A Session

Monday, September 14, 2020

1. Q: Can you please put the link to the NOFA in the chat?

A: <https://dhcd.baltimorecity.gov/sites/default/files/CLT-NOFA-9-9-2020%20FINAL.pdf>

2. Q: Has a CLT consultant been retained to review the proposals as they are submitted?

A: Yes. We are working on their contract now to have it approved by the City's BOE by the.

3. Q: So, the total funding is \$2M and a project can get up to \$750,000? That would seem to mean that only 3 recipients might be funded? Is that correct?

A: No, not necessarily only 3 projects. The entire 750k may not be used and we will review the applications and decide the best way to distribute funds.

4. Q: Page 12- Site Control- for properties applicants have been working with city to acquire through receivership-will the city provide necessary support letter requested in RFP? If so, who should that request go to?

A: Yes. Include those addresses in the application and we can confirm the status with the code enforcement legal department.

5. Q: Did the meeting start at 12:30 or 1pm? All the information I received in email said 1pm.

A: The meeting started at 1:00pm.

6. Q: I see that up to 20% of the request can be used for predevelopment expenses- does acquisition qualify as a predevelopment expense?

A: Yes.

7. Q: Can we seek reimbursement for acquisition expenses already spent on the project properties?

A: Page 16 of the NOFA states that no expenditures shall be provided for retroactive reimbursement.

8. Q: Would the city consider pre-proposal conferences to discuss projects prior to submitting a proposal? Similar to what DHCD allows prior to LIHTC rounds?

A: No, we will not be meeting individually with applicants about specific applications or to review draft submissions prior to their submissions.

9. Q: Will non expenditures be approved for retroactive reimbursement prior to Board of Estimates approval? What if you get an award and start to expend funds to stay within 2-year schedule?

A: We can address this once an applicant is awarded at the initial meeting with the trust fund manager and underwriter. Specific questions like this will need to be discussed after an applicant has been awarded.

10. Q: Notification of Award date is 12/11/20, can you share a proposed disbursement date for awardees?

A: This depends on each individual project and how quickly we can get it to BOE for approval.

11. Q: I'm not really sure what this is. Will this assist with homeownership or rental?

A: This is for homeownership.

12. Q: From my understanding this project is for development projects that create housing for individuals 50% AMI. Are the funds limited to 50% AMI?

A: Yes. All of the Affordable Housing Trust funds need to be used for 50% AMI or lower.

13. Q: The NOFA mention discussions regarding security interest at project financing discussion. Please provide examples of the interest that the city would like applicants to consider so that they know how to plan in their proformas if needed

A: The City normally puts a mortgage and deed of trust on the property.

14. Q: Given the state of the MBE/WBE offices- how will goals be established? What are the percentages?

A: All applicants are required to sign the city standard commitment to comply form. It needs to be submitted with your submission as one of your threshold items before your application can be reviewed

15. Q: Would the city consider a letter of credit for general contractors as opposed to a full payment and performance bond?

A: We need to wait until you have been awarded and what the cost are. This is another question that will need to be addressed in the meeting with the AHTF staff after the applicant is awarded.

16. Q: Can you elaborate on the land trust and the vested interest of the City?

A: The City has an interest in making affordable housing for low-income residents, particularly in areas that have experienced increased interest in investment. One of the essential features of the community land trust model is that it provides perpetual or long-term housing affordability. The Community Land Trust (and the AHTF overall) targets residents making 50% or less of the Area Median Income (AMI). The Community Land Trust is one of many tools the Department is utilizing to help ensure that low-income residents have an opportunity to invest in and benefit from the revitalization occurring in Baltimore City.

17. Q: Are we able to apply for CLT funds to address cost overruns for any existing project, provided we are within the City's underwriting criteria of not exceeding 30% total of project costs?

A: The Department will discuss this question internally and follow up when the Q&A's from this preproposal conference are posted to the DHCD website. Applicant proposals may include these costs in their budgets; however, this is a competitive process and proposals will be evaluated against all others received.

18. Q: Can this program be used for new construction?

A: Yes

19. Q: Additional information about how feasibility is being judged would be very helpful. What qualities are you looking for to prove experience of your development team and experience managing?

A: Page 11 of the NOFA provides a breakdown of the Project Feasibility scoring criteria. Applicants should be able to demonstrate a successful track record in developing and/or managing projects. This is a competitive process and the Department will evaluate all applications based on the details of each project when making the final award determinations.

20. Q: On Page 11- “Experience selling and managing community land trust properties (5points)”. Can groups have experience selling and managing non-CLT properties in order to get points, given this is the first round of funding for these types of projects?

A: Because Land Trusts are a different model of homeownership, The Department is looking for applicants to demonstrate that they can market and sell property successfully within the Community Land Trust model.

21. Q: What percentage of funds additionally would you look to be leveraged with AH Funds?

A: The City intends to support projects that create and sustain affordable housing but would also like to see other entities invested in the project to ensure that the City is not the sole source of funding and, by extension the only risk-taker in the project.

22. Q: To be considered for an award of funds applicants are required to meet Threshold Requirements and must receive a minimum score of 92 out of a possible 115 points. Can you explain how to reach those goals and yes I’m interested in homeownership.

A: See scoring criteria on pages 11-14 for details. In addition, there’s a list of essential documents on page 9. All documents will need to be submitted to meet threshold and be considered for funding. Please use the checklist as your table of contents and to ensure that you have a complete application.

23. Q: How does this concept affect the ability of these families to build equity?

A: Under the CLT model, homeowners will still build equity through increased value, but once the property is sold, the equity is shared with the CLT. The percentages of shared equity are part of a ground lease that the homebuyer signs prior to settlement & is part of the counseling and understanding of Land Trusts.

24. Q: On Page 14- “Opportunities for Returning Residents” - should this be “current residents” per the heading?

A: Yes, that’s a technical amendment that we will make on the website/NOFA. Need to correct.

25. Q: On Page 13 - "Community Engagement and Participation"- Please provide acceptable examples of "project demonstrates input from a broad range of stakeholders. (10 points)"

A: Every organization should be designing their own community engagement process. I would like to see what steps the organization has taken and what the process for community input looks like. How did you reach out to include as many stakeholders as possible? How were other opinions incorporated?

26. Q: If you find a property that's not the land trust demographic or the criteria is not established in the land trust, how would you go about getting the property established in the fund?

A: This NOFA is funding CLT – Single Family Homeownership. If you have a property that is for single family but not a community land trust, contact us directly to discuss in detail.

27. Q: What are you defining as a sample warranty deed for submission?

A: Sample Warranty Deeds for CLT are fairly specific. We are interested in seeing what the draft looks like for your particular land trust.

28. Q: Can a C Corp be approved for funding or only non-profits?

A: Eligible applicants for this NOFA are 501 c3 non-profit organizations (see page 4 of the NOFA). You may partner with a non-profit, but the non-profit will need to be the lead applicant and play a key role in the project.

29. Q: Is there a sample package on the website that the applicant can use to avoid their application from being rejected?

A: The application is on the website with all submission information. The Department will not be posting a sample application.

30. Q: Will September 21st be considered as the pre-bid date before the December award notification date?

A: There is no pre-bid date. September 21st, 2020, is the deadline for any additional written questions about the NOFA. December 11th, 2020, is the date we will submit written notification of awards. All applicants will receive written notification of the Department's decision. Applicants who did not receive an award can request a 30-minute briefing to go over the application with AHTF staff.

31. Q: Will Grounded Solutions have any interaction with applicants or be serving in an advisory role to city?

A: Grounded Solutions will be a consultant to DHCD.

32. Q: Is there a specific geography area that this NOFA would be targeting?

A: This NOFA targets projects within the Baltimore City limits. Applicants should be able to demonstrate how their project will support the City's community development strategy. See link below for details on the Community Development framework.

<https://dhcd.baltimorecity.gov/m/community-development-framework>