

TESTIMONY OF DAVID BOWERS
REGARDING 21-0001R: AFFORDABLE HOUSING TRUST FUND HEARING
BEFORE THE BALTIMORE CITY COUNCIL ECONOMIC AND COMMUNITY
DEVELOPMENT COMMITTEE

FEBRUARY 9, 2021

Good day Chairman, members of the Committee and Council. My name is David Bowers and I am testifying today in my capacity as the President of the Baltimore City Affordable Housing Trust Fund Commission (the Commission). I bring to this position my experience and perspectives as the current Vice President and Mid-Atlantic Market Leader for Enterprise Community Partners.

I will take a few minutes today to provide a Commission member's perspective on the Trust Fund. Since the Commission began holding public meetings in May 2019, we have endeavored to serve our role as an advisory entity to assist the Department of Housing and Community Development and the City government in its thinking about the operations of the Trust Fund.

PROCESS

With a few exceptions, the Commission has held monthly public meetings since May 2019 at a number of locations around the City. The Commission felt it was important to meet regularly to provide regular input to the Department, and to meet at various locations in the City to provide residents across the city access to the public forums. In addition, the Commission has held a public comment period during public meetings to allow for input from Baltimore City residents and stakeholders. During the COVID pandemic we have continued to meet regularly via virtual platforms and continued to provide time for public comment. At most meetings we have had updates from the Department, presentations from and discussion with various guests and public comment period.

The Commission has engaged guest presenters on a range of topics and from a range of organizations. Presenters have included representatives of Baltimore City community land trusts, Baltimore City advocacy coalitions, Director the Washington, D.C. Department of Housing, community development consultants, affordable housing developers, and Baltimore City agency staff addressing issues ranging from revenue projections to provision of services to the homeless to issues related to racial equity.

The Commission has utilized small working groups to meet with Department staff at times for certain needs – ranging from review of NOFA language to review of NOFA responses, discussions of long-term affordability and community land trusts with guests and Department staff, to planning for public meeting guest presentations.

PRIORITIES

Over the course of the last two years some critical priorities emerged from the Commission. They include but are not limited to:

- a. **Income targeting requirements of the Charter.** The Commission affirmed at one of the early meetings a charge to the Department to ensure that to the maximum extent possible, Trust Fund dollars were utilized to assist those Baltimore residents most in need. At a minimum, the Commission wanted to ensure that the income requirements of the City Charter enacting language were met. The Commission's focus on having Trust Fund capital support those most in need was reflected in its support of the Department's investment of \$2.75 million in Trust Fund capital into Pandemic Homelessness Prevention efforts.
- b. **Long-term affordability.** At an early meeting the Commission also affirmed the charge to the Department to work for longer-term affordability requirements that called for in the Charter. Commission members held working sessions with Department staff and guest presenters on various options/approaches to achieve this policy goal.
- c. **Ensure critical DHCD program infrastructure.** The Commission had several presentations at public meetings about the importance of the Department putting in place the proper staffing and systems infrastructure to ensure Trust Fund dollars were moved effectively and efficiently, and the compliance infrastructure to ensure Trust Fund dollars were spent as intended and repaid if and when required.
- d. **Spending Priorities Plan established and implemented.** The Commission wanted to see the Department identify spending priorities and establish processes for moving the capital to competitively selected organizations that could utilize the funding to help Baltimore residents. The Spending Priorities Plan was developed by the Department with input and consultation from stakeholders, including some that were also Commission members. Commission members discussed the proposed priority allocations with Department staff and ultimately the Commission affirmed the Priorities Plan outlined.
- e. **Community Land Trusts.** There were several Commission members and community members that testified at public meetings that believed it a priority to support community land trusts and expand opportunities for ownership by low-income Baltimore residents. This was reflected in the Spending Priorities Plan affirmed by the Commission.
- f. **Increasing and leveraging Trust Fund capital.** In a letter dated December 15, 2020 to the Mayor and City Council members, the Commission expressed the following sentiment: "The purpose of this letter is to indicate the sense of the Commission members that more resources need to be provided to meet the housing needs of very low and extremely low-income Baltimore households. These are the households the Affordable Housing Trust Fund was established to serve. The allocation of resources should be tied to a quantified need, with the allocation aimed at meeting a certain percentage of the identified need....The Commission suggests that the Mayor and Council identify critical housing needs indicators for low income Baltimore residents, create a goal of how much of that need will be met over a certain period of time, and then establish an annual funding baseline for the Affordable Housing Trust Fund (and other mechanisms) to meet that need. The current pace of funding is not nearly enough to keep up with need. The Commission encourages the Mayor and Council to use this

commitment to help encourage and invite increased private sector investment to leverage Affordable Housing Trust Fund investments.”

As we look forward, I urge the Mayor and Council to increase the City’s investment into meeting the housing needs of low-income Baltimore residents, mindful of the critically important role that having affordable, healthy, safe and sustainable housing is to many aspects of quality of life outcomes. The Mayor and Council should continue to work with the Department of Housing and Community Development to ensure it has adequate resources and direction to effectively and efficiently operate a relevant and impactful affordable housing trust fund.

I thank the Mayor and Council for the opportunity I have been given to serve, thank my fellow Commission members for their dedicated volunteer service and thank the DHCD staff for its professionalism and support over the last two years.