



## Maryland Department of Housing and Community Development Emerging Developer Loan Fund Category: Special Achievement

The Emerging Developer Loan Fund (EDLF) is a new program designed to tap the energy, talent, and commitment of a new cadre of developers often representing communities historically excluded from shaping the built environments — people of color, women, and the young. Over a six-month study period the Department talked with a range of these aspiring developers and found them intent on building businesses that could contribute substantially to communities about which they had a strong mission focus.

Their missions align closely with the Department's goals which are met by awarding funds to developers to build and renovate affordable housing throughout Maryland. In addition to housing, the proposed projects revitalize and stabilize communities; provide housing to foster the independence of persons with disabilities; create permanent supportive housing for the unhoused; reduce Greenhouse Gas emissions from Maryland housing stock; generate entrepreneurial and employment opportunities for Maryland businesses and workers; and produce revenue to generally support the overall work of the Department.

While Maryland's multifamily production platform continues to deliver excellent projects that fully deploy available resources, the Department aims to expand the pool of developers with which it works in order to extend this level of quality into the future. This new group tends to be younger, entrepreneurially oriented, and committed to serving capital-depleted communities. Often these developers are talented individuals who have acquired a strong repertoire of skills and extensive affordable housing expertise through their education and careers. They are ready to amplify their impact by taking increasingly consequential roles developing projects.

The Fund's competitive scoring criteria are grouped in four categories: Developer Quality, Project Readiness, Alignment with a Neighborhood Plan; and Feasibility. The criteria were weighted differently from typical RFPs. For example, developer financial strength contributed little to scoring while real estate related education and professional experience were comparatively emphasized.

The Fund focuses on the pre-development stage of projects when lenders typically mitigate the greater risk associated with such projects by collateralizing financial assets these newer developers do not have. Loans are non-recourse, and because properties are generally not yet owned or under developer control, neither are they secured by an interest in property. Instead the loan fund will rely both on developer character and commitment. All the applicants are deeply invested in the field of affordable housing development and highly motivated. Given the high salience of the mission elements of these projects and the demonstrated talent of the developers selected, the projects offer the Department a reasonable balance of risk and public purpose outcomes.

For emerging developers, these two qualities are their most important assets and predictors of a project's ultimate success. Other terms, 0% interest, a 36-month term, and the inclusion of some overhead costs in the budget, have also been designed to facilitate the developer's ability to push the project forward.

Beyond financing, the EDLF will convene monthly sessions among the cohort for peer learning, mutual accountability, and to network among others in the field who may be resources to them. None of the projects will be on precisely the same trajectories, but these sessions will be loosely organized around the standard stages for getting to the construction phase closing: development team formation; site control; due diligence; design; budgets, and construction and permanent financing.

The robust response to the EDLF pilot initiative demonstrates that there is a cadre of emerging developers that will come to play an increasingly important role in the revitalization of communities central to the Department's

mission if they can access the pre-development financial capital needed to leverage the intellectual capital they have built over years of education and work. The application process sought to balance developer strength, project readiness, fit with a neighborhood plan, and feasibility.

Four of the projects will enter the multifamily pipeline projects sometime in the next 12 to 36 months. Three other projects are row home conversions or new construction home ownership projects which are either of a manageable scale or in a favorable market location. The two 12- and 18-unit rental projects will need strong investments from local partners but have shown genuine community support, visibility to local government, and that support is being energetically pursued by their developers.

In light of the Department's commitment to Maryland's historically disadvantaged communities and populations, the demographic composition of the EDLF's first cohort reflects the program's close attunement to these missions. All awardees are led by persons of color or women. Most have a plainly evident commitment to the communities their projects will serve, as the following summaries show:

**1401-03 W. Baltimore Street**

**Women's Home Preservation, LLC**

1401-03 W. Baltimore Street is a mission-driven, mixed-use development - with 12 modern apartments and an Afrocentric cafe and a makerspace for teenagers - focused on building inclusive communities and uplifting single mothers and their families through cultural exchange and learning. It will replace two buildings that had been vacant since 1978.

**1426 Artist Lofts, Black Women Build**

**Shelley Halstead, Principal**

This project involves the rehabilitation of four 3,500 square foot row houses recently consolidated into one site to be used as 10 rental units, one art gallery, and roof park. Five rental units will be offered at 30% AMI and the other five will be offered at 80% AMI or below. The live-work spaces will be available for artists who live in Baltimore City and meet the income requirements. The gallery will be used for showcasing the art of the residents and other artists. Two of the four buildings have been stabilized so far.

**Mount Clare Live-Work Artist Housing**

**Make Space, Patricia Ofori, Executive Director**

Mount Clare Live-Work Artist Housing includes the renovation and sale of four vacant and blighted row homes and one adjacent lot in Southwest Baltimore. The target population is low and moderate income homebuyers. Upon completion, Mount Clare Live-Work Artist Housing will include three (3) homeownership units for households earning between 60-100% AMI; one (1) homeownership unit for persons with disabilities earning 50-60% AMI; and a vacant lot that will be transformed into a community outdoor fitness center.

**Abe Dua: Dominion Real Estate, LLC**  
**Nicole Earle, CEO**

Abe Dua Residences will bring a mixed-use development to the Park Heights neighborhood that provides amenities for young professionals, aspiring artists, and athletes to Live, Work and Play. It will also provide a safe place for the community to meet, sit, and have a coffee or for parents to bring their children for an afternoon ice-cream. The project will provide 44 residential rental units in a 5-story, in a single four story 60,000sf building with ground floor retail, 2nd floor community spaces, and approximately 28 parking spaces. Rental units will be available to residents at 60% of the area median income.

**Patapsco Pointe**  
**Kairos Development, Vonnelle Harris, President**

Patapsco Pointe is a proposed new affordable housing development located in the Cherry Hill neighborhood of Baltimore City to consist of approximately 125+/- apartments 10,000 -15,000 SF of program space reserved for adult education. The new apartment community will consist of 1-, 2-, and 3-bedroom homes, affordable to families that earn between 30% to 80% of AMI.

**Shops at the Triangle**  
**Imagine Baltimore**  
**Armstead Jones, CEO**

UPC Westside CDC will use EDLF resources to develop three now vacant properties in the 2000 block of Pennsylvania Avenue. The project will yield 18 1BR rental units along with 3k SF of commercial space in four ground floor units. Armstead Jones has 10 years of experience in both the public and private sectors that have involved real estate and community development projects.

**Chestertown Landing**  
**Carson Development**  
**Danielle Smith, CEO**

Chestertown Landing is a proposed acquisition & rehabilitation project for two contiguous projects totaling 132 total units. The proposed rehabilitation will include over \$71,000 per unit in hard construction costs to replace windows, floors, appliances, siding, roofs, cabinets and site work.

**Eager Landing**  
**Eager Park Partners, LLC - CharmCityBuyers (Khalil & Kyara Uqdah) and Mayson-Dixon (Jayson Williams & Matthew Newcomer)**

Eager Park Partners will create homeownership for individuals and families at market rate and to buyers at or below 80% of (AMI). Neither the exterior facades nor the interior floor plans will differ from the market-rate units.

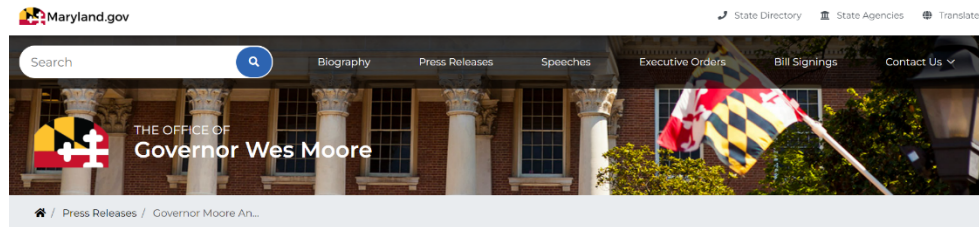
**Belvedere Place**  
**Bridges CDC, Michael Gaines, ED**

Belvedere Place is a transformational mixed-use project in Baltimore City conceptualized by BRIDGES Community Development Corporation, (BRIDGES CDC), an emerging non-profit developer and applicant. Belvedere Place will create approximately 100 units of affordable housing and over 12,000 SF of community-serving retail space directly across from Pimlico Racecourse.

The EDLF will grow in two directions. First, it will involve more new developers and expand its lending pool. Second, it will explore opportunities to add organization lending to help somewhat more advanced emerging developers. The study period showed that some newer developers needed organizational working capital even more than pre-development loans. They had built a track record over a few projects, and now needed more organizational capacity - often in systems and back office staff. The Department's SSBCI funds offer a possible resource to meet this need.

## VISUAL AIDS

### 1. [Press Release: Governor Moore Announces \\$3 Million for First Awards from the Emerging Developer Loan Fund to Help Historically Disinvested Communities](#)



## Governor Moore Announces \$3 Million for First Awards from the Emerging Developer Loan Fund to Help Historically Disinvested Communities

Published: 4/13/2023

*Funding will create or preserve nearly 500 affordable housing units and promote capacity building, equity, and inclusion in affordable housing development*

**ANNAPOLIS, MD** — Governor Wes Moore today announced nearly \$3 million in awards for nine undercapitalized developers working in historically disinvested communities as the first awards from the Emerging Developer Loan Fund. The funding will create or preserve nearly 500 affordable housing units and will help promote capacity building, equity, and inclusion in affordable housing development in Baltimore City and Chestertown.

"The Emerging Developer Loan Fund enables newer housing development teams and entrepreneurs to access important financial and technical resources," said **Gov. Wes Moore**. "These awards will expand opportunities for affordable housing and homeownership that can serve as a catalyst for additional revitalization and economic growth in underserved communities."

Administered by the Maryland Department of Housing and Community Development, Emerging Developer Loan Fund projects revitalize communities, increase quality affordable housing, reduce greenhouse gas emissions, and expand economic opportunities for Maryland residents and businesses. Awards are made under a competitive request for proposal process to select talented but undercapitalized developers with a demonstrated commitment to communities lacking the capital essential to conceive, develop, and build projects they need to thrive.

All nine developers who are receiving awards represent populations that have historically faced barriers to participation in development opportunities. Funds will support an estimated 440 rental units and 58 units for homeownership. All awardees will participate in a series of regular progress meetings and industry-based training events to ensure successful completion of projects and to build capacity and experience for future affordable housing development.

Developers can use the awards for expenses related to affordable housing development including:

- Feasibility and market studies;
- Third party environmental, architectural, and engineering work;
- Legal and planning costs related to zoning and planning approvals;
- Acquisition related costs including deposits;
- Consultant costs to prepare funding and loan applications;
- Surveys and appraisals for traffic, noise, or similar third party reports; and;
- Developer organizational and carrying costs.

"Maryland is a national leader in affordable housing financing, and we are always seeking new and impactful solutions to increase production and respond to community needs," said **Maryland Department of Housing and Community Development Secretary Jake Day**. "The Emerging Developer Loan Fund is an innovative approach that will empower the creation of homes where they are desperately needed, as well as a new generation of potential partners for future affordable housing development."

The first Emerging Developer Loan Fund awards follow an announcement of the approval of \$13.4 million for three affordable rental housing projects by the Board of Public Works last month.

For more information about the Emerging Developer Fund and other affordable rental housing programs, visit <https://dhcd.maryland.gov/HousingDevelopment>.

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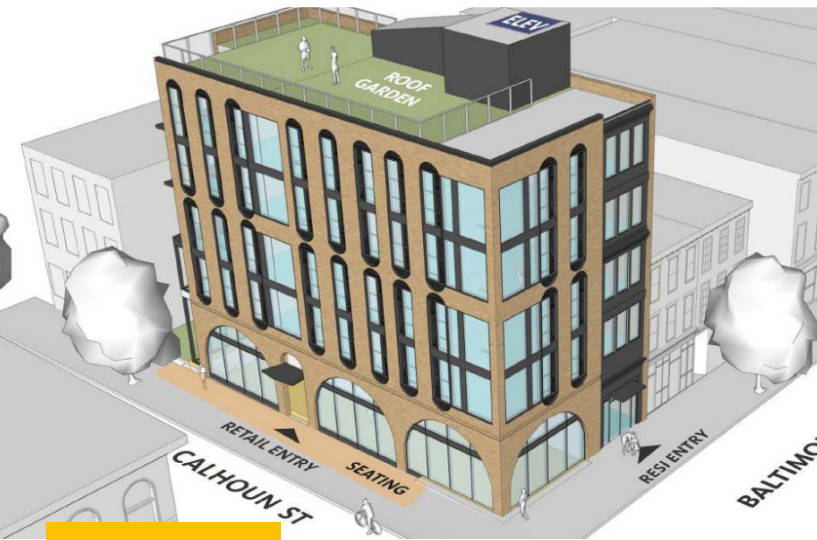
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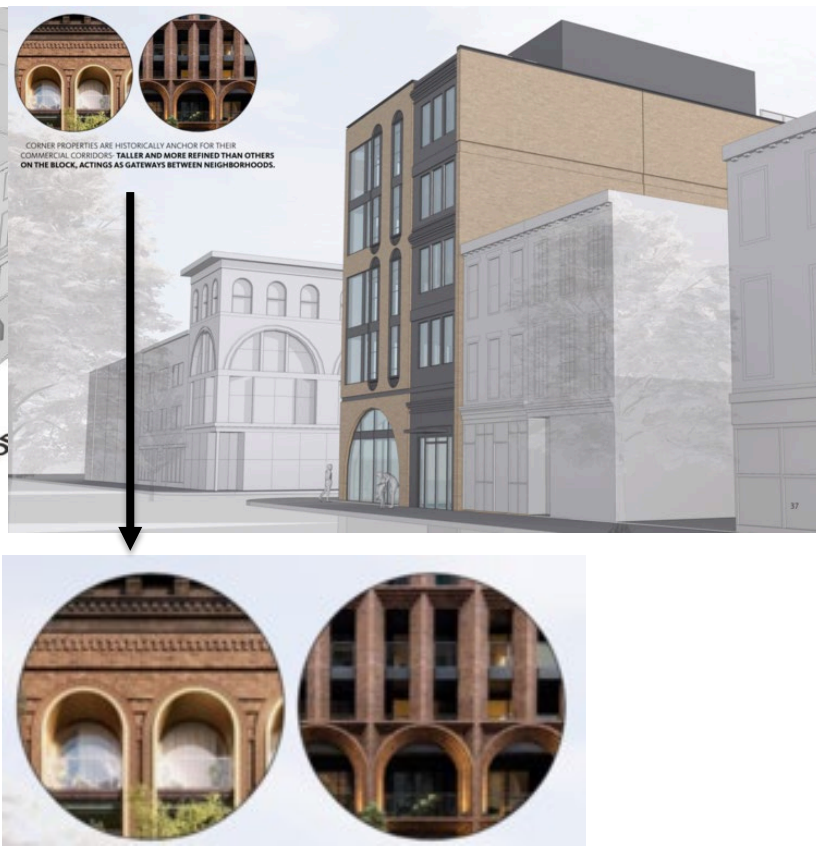
2. 1401-03 W. Baltimore Street | [Women's Home Preservation, LLC](#)



**BEFORE (VACANT SINCE 1978)**



**AFTER**



3. Shops at the Triangle | [Imagine Baltimore; Armstead Jones, CEO](#)



UPTON SITE



Google Earth

4. Eager Landing | Eager Park Partners, LLC – [CharmCityBuyers](#) (Khalil & Kyara Uqdah) and [Mayson Dixon](#) (Jayson Williams & Matthew Newcomer)

