

CLT a new frontier in affordable housing

I would like to start out by talking about a member of my family, he in a very large way inspired me to look into affordable housing options for our young people. The question was why do so many of our kids end up moving away when they become young adults.

My nephew was born in Holy Cross hospital; he lived in Montgomery County all his life. When it came time for John to think about college he realized he needed financial help. John chose to seek that college help from the Maryland National Guard. John believed he would most likely get a college education and if called to duty it would be to protect Communities within The United States.

John, like so many of our children was chosen to defend our Country in Iraq. When he came home 14 months later he was a different person, far more sincere, more appreciative of the little things life has to offer. He came to me one day and told me he wanted to start his family and was looking to buy a home near where he grew up. That wasn't to be, like many he could not afford to live in Montgomery County Maryland.

It is not right that we raise our children, nurture, educate them and hope they grow unto be productive citizens and then, they cannot live or work near their families. Young people living where they grow up is becoming an anomaly in today's economy, as housing is becoming more and more expensive.

We can change things, we can develop a program creating a new tier of housing stock, one that is more affordable and could remain affordable in perpetuity. I speak of a new approach to creating affordable housing called CLT's "Community Land Trusts". I spoke of this in my 2006 campaign but unfortunately without a champion on the County Council this proposal cannot come to fruition. The CLT idea is catching on all over our Country. I envision a form of CLT that has some flexibility and can be leveraged so that it self perpetuates and at the same time helps to create new economic opportunities. With CLT'S government works with non-profits housing providers. The collaboration creates a trust corporation; they then buy land build the residential unit and sell only the bricks and sticks retaining ownership of the land in perpetuity. Because this is a home ownership program the purchasers are entitled to the equity of the building and take

pride in maintaining the property. The equity in the land stays with the Trust Corporation in perpetuity with certain equity standards that provide for the resale of the property. The resale will not include value on the land and sales can only be made to first time homebuyers. This proposal is dynamic, flexible and can be tailored to work in Montgomery County where other Affordable initiatives fail.

By creating this new tier in housing stock we can create a form of affordable housing that can be self perpetuating as the funds from the initial sale, recycle back into other CTL projects and as we reinvest on a yearly basis through the currently existing **Housing Initiative fund**, the housing stock mushrooms. I make no claims that this is the entire solution to our affordable housing situation however this kind of innovative proposal finds solutions where others fail. I view this kind of progressive proposal as a hand up not a hand out.

Note: there may be enabling legislation required to promote this new approach to affordable housing as it essentially is born from land leases and it must be promoted in collaboration with State legislations.

For reference: <http://www.iceclt.org/clt/>

Thank You,
Cary Lamari