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Guest columnist

Housing trust director gives exit interview

Martina Guilfoil became the first chief executive of the Community Housing Trust of Sarasota County on Feb. 6, 2006. She left last month to become executive director of the Rainier Valley Community Development Loan Fund in Seattle. The Herald-Tribune Editorial Board asked Guilfoil these questions before her departure.

Remind our readers: What is a community housing trust?

A land trust enables any affordable housing unit that's created, using a government subsidy or resource, to be preserved as affordable -- by taking the underlying land out of the sales transaction. The land trust holds the land in perpetuity. Only the housing unit is sold while the land is held in trust. Families can buy the homes in the trust at an affordable price -- as long as they agree that, when they sell the home, they will also sell at an affordable price. This is regulated through the 99-year land lease.

What are the three most important accomplishments of the CHT in Sarasota County?

1. We competed, after operating less than a year, against established housing organizations throughout the state and were awarded a \$5 million grant from the Florida Housing Finance Corp. to build 68 units of housing.
2. We established ourselves as a resource to developers who want to develop affordable housing in their developments.
3. We created a home buyer assessment and referral system. This system helps people know whether they qualify to buy a home, how much they can afford and what their next step is in the process. We have raised awareness that it is not enough to build affordable housing. We have to develop the buyers as well.

Disappointments?

Things moved more slowly than I would have liked. When the housing market was hot, there was great momentum. As prices cooled off, things started moving more slowly.

The capital funding from Sarasota County's Housing Trust Fund was slow in being allocated. This had a domino effect, as it has been hard to get the land trust program to scale without the resources. Without a signature program, the harder it is to establish the brand and market the program.

The housing market has changed immensely: Is the housing trust model still needed?

Housing markets are cyclical. While prices have dropped in the past several years, they will increase

again. But even now, a large segment of the work force still can't afford to buy a home. This is the best time to create a permanently affordable unit -- while there is a good inventory at reduced prices.

Should the organization change course in response to market conditions?

Not change course, but add to its course. In addition to its other programs, CHT will be buying existing housing units with the intent of holding and renting them until the market turns around. CHT can then sell the house for the price it paid and use the appreciation to keep the land in the trust.

CHT will soon conduct focus groups with prospective homebuyers to learn why people who have the income and credit to buy a home are waiting on the sidelines.

Why should someone buy through the CHT, which limits the capital gain through appreciation available to the owner?

CHT is a great alternative to renting and provides ownership opportunities for people who otherwise couldn't afford to purchase a home of their own. If someone can afford to purchase a home without using a government subsidy, they should do it.

However, if your options are not being able to afford to buy any house or buying one where your commute will negatively impact your quality of life, then the land trust is a great way to go. Recent studies show that land trust owners are able to live in a land trust home and build up enough equity that they are able to sell it and purchase in the full-equity market.

Could the CHT help people buy existing houses on the private market?

We conduct a home buyer readiness assessment for anyone. As part of the assessment, we look at all of the loan programs in the marketplace and let people know how much they qualify for in the private market. To assist people who have good incomes but just need a little down payment assistance, CHT created a loan program funded by five local banks that help people get into homes with only a \$500 down payment.

Anything else?

If I had one wish for affordable housing as I leave Sarasota, it would be that the community would come together and embrace one common goal. The goal would be to increase the supply of affordable housing for those who need it.

What's ahead: View the Community Housing Trust's Strategic Plan at: mycht.org/about.html

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