

A NEW COLLABORATIVE APPROACH TO AFFORDABLE HOUSING

Since its founding in 1992, Habitat for Humanity of Talbot County has constructed 40 homes for deserving families that previously lived in sub-standard housing. Entering the 21st century, however, the steep appreciation of land costs in Talbot County and sharp increases in construction materials have made it very difficult, in spite of volunteer labor and interest-free mortgages, for Habitat to provide decent, affordable homes to low income working families who have been priced out of the Talbot County housing market.

After an extensive study of the problem, HFHTC is entering into a partnership with Elm Street Development, taking a fresh approach to workforce housing by cooperating on a not-for-profit joint venture, mixed income homeownership project. A future model for how a non profit (HFHTC) can work co-operatively with a for profit developer (Elm Street Development), the project aims to provide the town of Easton with reasonable, affordable, workforce housing. Property on Clay Street owned by Elm Street Development contains substandard structures that will be replaced with for 5 duplexes (10 homes). HFHTC will construct all of the units on the property using volunteer labor. Lauren Dianich, Atelier 11 Architects, donated her time and talent to design the project, and the preliminary site plan has been approved by the Town of Easton's Planning Commission.

HFHTC will be the general contractor and will supervise and be responsible for all aspects of the project. It is anticipated construction material costs will be lowered by taking advantage of Elm Street Development's volume purchasing capabilities and in kind donations to the Habitat homes. Elm Street Development's intent is to sell five of the housing units to moderate-income individuals and families in the Easton area. HFHTC will handle the remaining 5 units under their standard policy of providing interest-free mortgages to partner families that meet the requirements of currently living in substandard housing, living or working in Talbot County, meeting certain income standard and being willing to complete 400 hours of sweat equity. HFHTC will also aim at further reducing costs by seeking house sponsorships for their part of the project.

HFHTC Executive Director Susan Devlin says, "This not for profit joint venture with Elm Street Development is an exciting approach to how Habitat can achieve its objective of providing decent, affordable housing to deserving families by a cooperative effort with a for profit construction company that recognizes its civic obligation to help make Easton a worker friendly town. It is a win/win situation - ten families will move into new homes they ordinarily could not afford, a blighted area in Easton is removed, and the town receives added property tax income. The construction of the 10 homes is a major challenge for HFHTC, for we usually construct individual houses one at a time. But our Board of Directors and everyone in the organization is energized and feels this is a necessary and doable approach to building affordable housing in the future."

Clive Rainey, Director of Communications for Habitat International, upon learning of the HFHTC/Elm Street Development project commented, "I am thrilled to hear about this joint venture in creating a neighborhood with affordable housing for your community. This kind of partnership is so important to our mission of providing decent, affordable housing. We need everyone engaged - for-profit and non-profit; public and private - everyone must take a role in order to do the job well. No one entity can or should attempt to solve the problem alone. Working together is the secret to success. I congratulate you all in this joint venture and look forward to the great results which we can all rightfully expect from this partnership." For further information, please contact HFHTC 410-820-6186.