



January 30, 2024

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Chairman William C. Smith, Jr.
Senate Judicial Proceedings Committee
2 East
Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB199 – Residential Property – Affordable Housing Land Trusts – Authority to Establish Condominium Regimes

Members

Northeast Housing Initiative

Charm City Land Trusts

Harbor West Collective Affordable Housing Land Trust

South Baltimore Community Land Trust

Cherry Hill Community Development Corporation

York Road Partnership

Position: Favorable

Chairman Smith and the esteemed members of the Senate Judicial Proceedings Committee:

My name is Krystle Okafor. I serve as the director of policy and planning at SHARE Baltimore, Baltimore’s community land trust (“CLT”) network. SHARE Baltimore is pleased to support SB199, a bill which, once enacted, will provide CLTs the authority to develop condominiums. CLTs are nonprofit housing developers with a focus on inclusive growth. CLTs are working apace to rehabilitate and subsidize housing in the Baltimore neighborhoods of Belair-Edison, Curtis Bay, McElderry Park, Highlandtown, and Westport. The passage of SB199 will allow our CLTs to further promote housing security for low- and moderate-income households in our city, which has a 19.6% poverty rate.

The hallmarks of the CLT model are permanent affordability and community stewardship. To achieve permanent affordability, CLTs acquire land, splitting title to the homes they develop and title to the land on which the home sits. Once CLTs have rehabilitated a property, they deed the home and ground lease the underlying land to low- and moderate-income buyers. The ground lease is coupled with subsidies, resale restrictions, and income-eligibility limits that ensure the home remains affordable to families in need in perpetuity. To achieve community stewardship, CLTs offer homeowners opportunities to engage in supportive services and neighborhood organizing, as well as the opportunity to govern the CLT as a member of its board of directors.



SB199 is required because of CLTs' reliance on leased land. Under Maryland law, condominium regimes may generally not be established on leased land — doing so might destabilize the homeowners' tenure. However, since the CLT model is premised on permanent affordability documented and preserved in a 99-year, renewable ground lease, CLT's creation of affordable condominiums is inherently stable. CLTs thus merit an exception to this rule.

I urge you to pass SB199 so that we at SHARE Baltimore and our member CLTs may continue to own and develop land for the benefit of the community. Thank you for your time and consideration.

Sincerely,

/s/

Krystle Okafor, JD, MSW
Director of Policy & Planning
SHARE Baltimore