

Lehigh commissioners scoff at \$100,000 plan for affordable housing **Land trust: County officials say program doesn't do enough.

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A Lehigh County plan to purchase the land beneath four Allentown townhouses in an effort to make them more affordable is not sitting well with some commissioners.

The Norfolk Station development on Mack Boulevard, was built by Selvaggio Enterprises and the homes were intended to be sold at market rate. The county plans to give Selvaggio \$100,000 as part of a land trust program to make the homes affordable to lower and moderate income families.

The \$100,000, which would come from filing fees for mortgages and deeds, would purchase the land underneath four homes, putting the land in trust and leaving just the building for sale.

The plan, which also includes \$100,000 payments to a local nonprofit and a second private developer, Omega Homes, would separate the value of the land from the cost of the home and provide 10 new affordable homes in the county.

Commissioner Dean Browning has asked board members to oppose the bill, because, he says, the county should not be using scarce affordable housing dollars to subsidize a private developer. In addition, Browning said, the county is not getting enough bang for its buck.

"This works out to an average of \$30,000 per home and certainly does not provide the scale needed to make any sort of impact on the affordable housing issue. With a great many families struggling to make their mortgage payments do we really want to devote \$300,000 to helping just 10 families," Browning said in an e-mail to his fellow commissioners.

Cindy Feinberg, county director of Economic Development, said the trust will help moderate income families afford houses and will keep the homes affordable even if the original owners move.

"This is different than giving somebody a down payment cost, because in that case, once they move out of the house the value of the money we put in doesn't stay with the house it gets lost," Feinberg said. "We are trying to create something that keeps the affordability with the parcel."

There are 84 homes in the Selvaggio development, priced between \$190,900 and \$204,900 and are listed at 1,800 square feet with three bedrooms, two full baths and 2 1/2 baths, according to the company's Web site. The \$100,000 county land trust money will enable Selvaggio to drop four homes to \$165,900, a company spokeswoman said.

"This will make it easier for a family to purchase a townhouse in Allentown," said Kelly Grogg of the company's marketing department.

Feinberg said details are still being worked out, but the homes will likely be restricted to purchasers who make 80 percent to 100 percent of the Valley's median income, which was \$65,800 in 2008.

Browning also takes issue with the price and size of the homes.

"I just can't get my mind around a concept that a \$200,000, three-bedroom townhouse is our answer to affordable housing in Lehigh County," he said. "Cindy has presented this program to us as a way to jumpstart the land trust as a vehicle for affordable housing. I see it as a way to jump start Selvaggio's real estate sales."

Credit: By Darryl R. Isherwood Of The Morning Call

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[Illustration]

Caption: FOUR TOWN HOMES in the Norfolk Station development were to have their land purchased by the county to make the homes "affordable" to moderate-income families. [Photo By Rob Kandel, The Morning Call]

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Abstract (Document Summary)

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