

# SB 3169: Illinois Community Land Trust Bill

## What are Community Land Trusts (CLTs)?

Community Land Trusts are non profits that develop and sell homes at an affordable price to low and moderate income households. While the buyers purchase the homes, the CLT maintains ownership of the land, keeping each CLT home permanently affordable for household after household. This allows lower-income households to build wealth through homeownership, while also providing the community a stock of homes that will remain affordable forever. They are effective in many contexts: gentrifying and disinvested urban areas, as well as suburban and downstate communities. CLTs are a proven model with over 300 nationwide<sup>1</sup>, but Illinois is lagging behind.



## Why are CLTs needed?

- Homeownership is increasingly out of reach as housing prices outpace wages: Illinois' average home value was \$264,000, an increase of 37 percent over five years. With median household income in Illinois at \$83,390, **half of Illinois households can not afford the average home price.**<sup>2</sup>
- This imbalance is worse in communities of color. In Illinois, 75.3% of white households own a home, while only 38.2% of Black families and 55.8% of Latino families achieve homeownership.<sup>3</sup>
- CLTs break down barriers to homeownership for working families who can't compete in current real estate markets.

## How does SB 3169 support CLTs?

- **Property tax relief** on CLT properties from acquisition to sale, lowering project costs.
- **Dedicated revenue** to support CLTs with acquisition, rehab, staffing, and capacity building. Creates new surcharge of 4% of 94% of gross receipts on short-term rentals (Airbnb), generating an estimated \$10.5M annually.<sup>4</sup> STRs drive up costs for both renters and homeowners by taking units off the market; this surcharge will disincentivize STRs and create more permanently affordable homes.
- **Integrating CLTs into state housing policy and planning** by ensuring IHDA includes goals to support CLT development (separate bill), and directs IHDA to remove barriers to execution of CLT projects

**The housing crisis demands fresh ideas and new approaches.**

**Say YES to SB 3169 and give CLTs a fighting chance to prove themselves and serve Illinois families.**

## Citations

<sup>1</sup> Vesoulis, Abby. "Community Land Trusts Are an Increasingly Popular Fix for the Housing Crisis. Here's How They Work." *Time*, 2025.

<sup>2</sup> You Can't Buy What You Can't Afford Illinois' Housing Shortage and Ways to Fix It, Illinois Labor and Employment Relations Project, 2025.

<sup>3</sup> Forecasting State and National Trends in Household Formation and Homeownership, Urban Institute, January 2021

<sup>4</sup> Institute for the Public Good. "Estimated Annual Revenue from 4% State Short-Term Rental Surcharge." 2026. Unpublished .