

Housing & Neighborhood Development

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Community Land Trust



What is a Community Land Trust?

Community Land Trust (CLT) is a nonprofit organization formed to hold land to preserve Affordable Housing. The CLT empowers and protects communities from displacement efforts.



Community Land Trust Elements

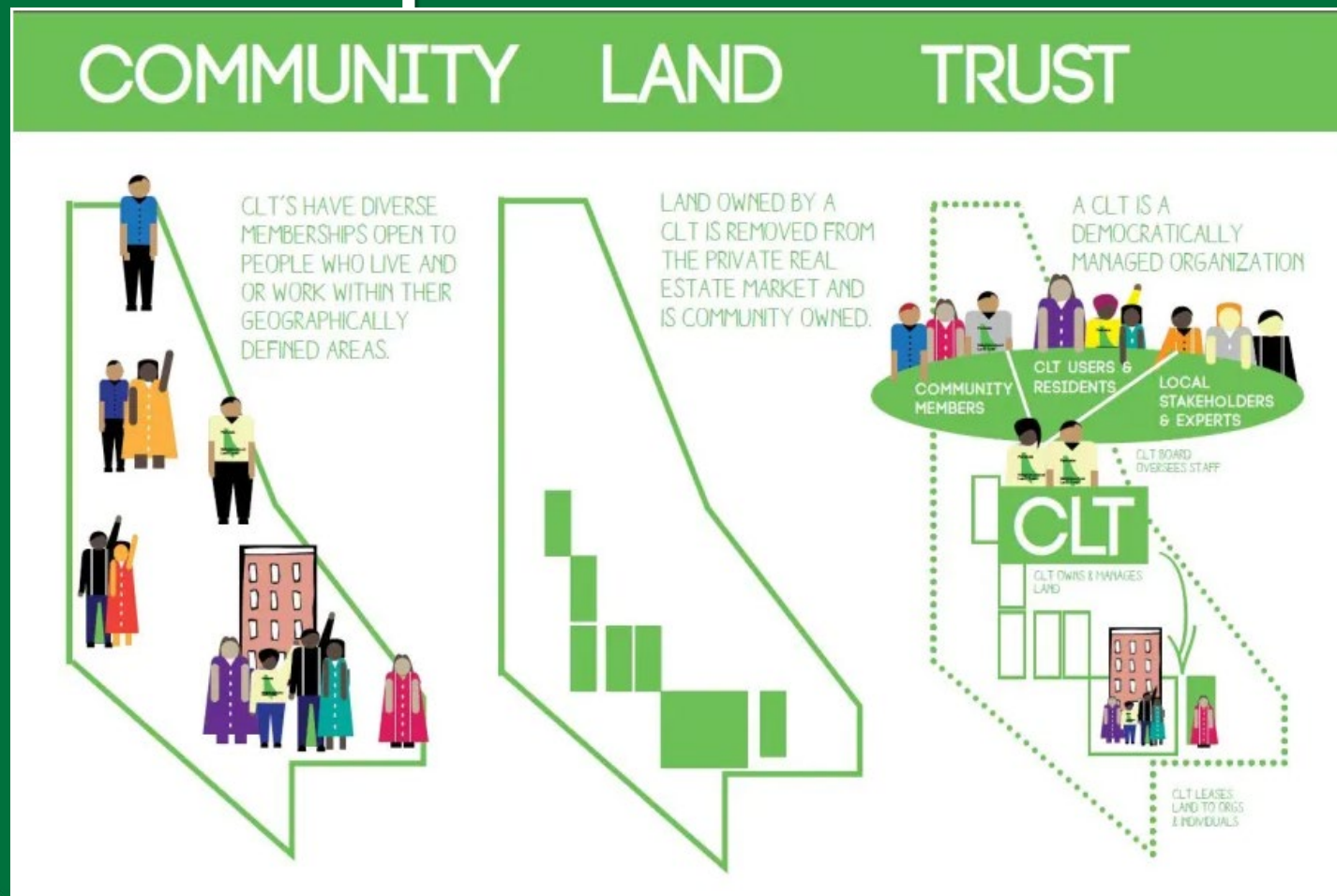


- Tri-Partite Board
(CLT Residents, Community Members, and Local Stakeholders)
- CLT Retains Ownership of Land
- The homeowner purchases the house and improvements are made to the land
- 99–year ground lease

Who Can Initiate a CLT?



Partnership Roles in a CLT?



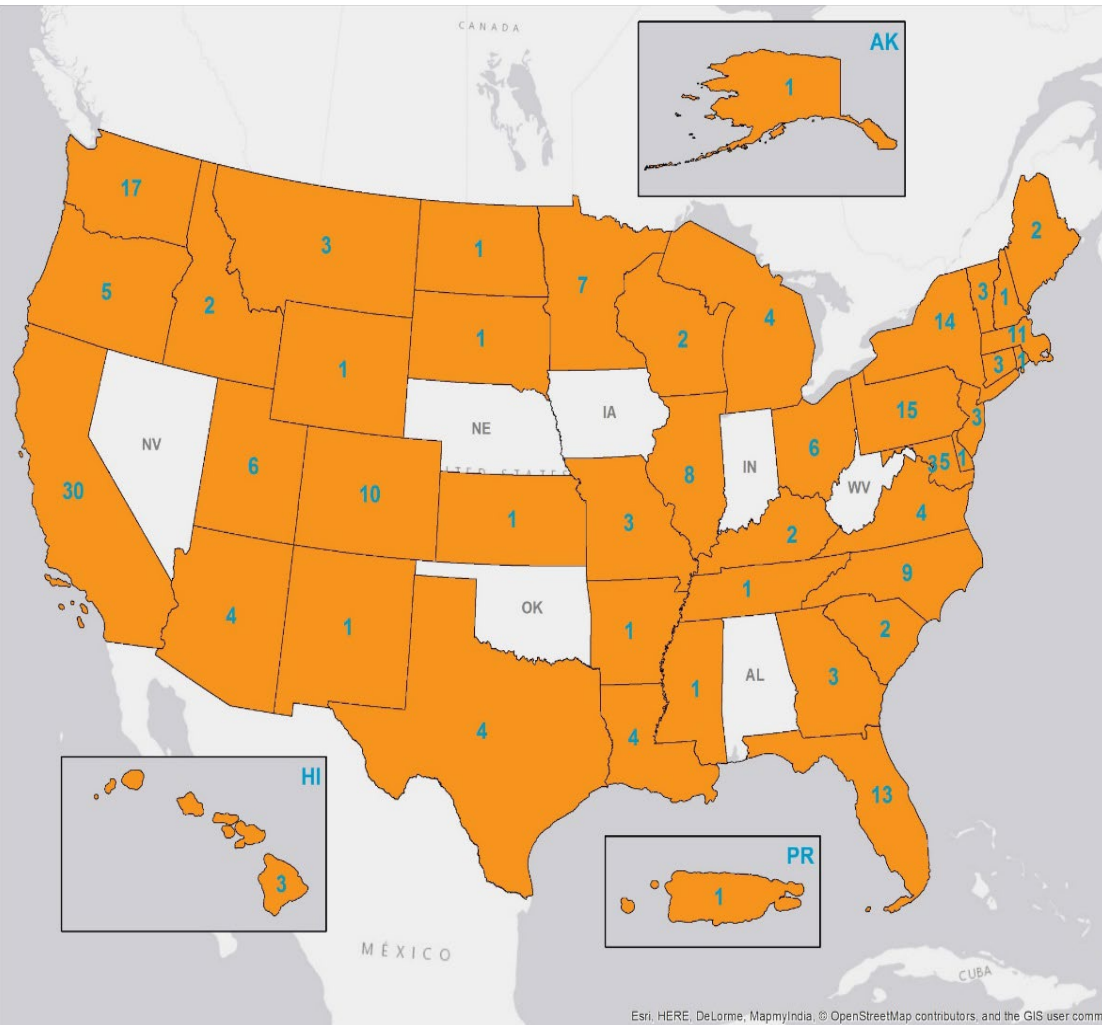
Why Lasting Affordability? Why a CLT?

- Step off the “Housing Hamster Wheel”
- Stop the “Leaky Bucket” way of doing affordable housing
- Smarter use of public resources
- Get ahead of market changes
- Stabilize housing quality and housing tenure
- An additional tool in your housing tool box

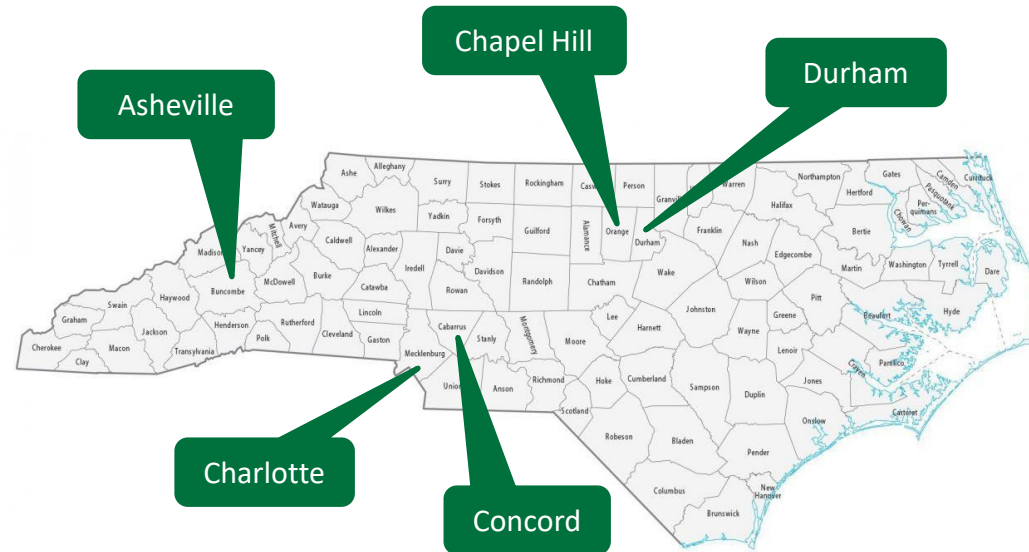


Opportunity to join other cities looking at Lasting Affordability

- 300+ CLTs nationwide
- Exponential growth in the 1990s and...now!
- 41 states plus the District of Columbia and Puerto Rico
- Anything that can be done with real estate can be done on a CLT



Established CLT's in North Carolina



- Asheville
- Charlotte
- Concord
- Chapel Hill
- Durham

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Community Land Trust in North Carolina

Asheville – Asheville/Buncombe CLT

- \$10 Million Commitment to Start CLT (3yrs ago)

Chapel Hill – Community Home Trust

- Part of Inclusionary Zoning Policy with over 100 Units

Charlotte – West Side Community Land Trust

- \$7 Million from County & 120 Units LITCH Sr Housing

Concord – We Build Concord

- Just Started, 36 Units on Affordable Home Ownership

Durham – Durham Community Land Trustees

- 1 of 3 of the Oldest CLT's dated back to the 80's
- 300 Properties in Portfolio

Raleigh – Raleigh Area Land Trust

Data Shows CLTs Work

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The median shared equity household accumulates
\$14,000
in earned equity.
(compared to a median initial investment of \$1,875)



Over
99%
of shared equity homes
avoid foreclosure
proceedings

7 out of **10**
shared equity
homeowners are first-
time homebuyers



95%

of shared equity homes are priced affordably
(under 30% of monthly income) for households
earning 80 percent of AMI or below

The share of minority households
living in shared equity homes
increased from

13% to **43%**
(1985-2000) (2013-2018)



6 out of **10**



shared equity homeowners use their earned equity to
eventually purchase a traditional market rate home.

Challenges or Opportunities

- Homeowners do not own the land
 - Land is Held in Trust by the Community to Guarantee Future Affordability
- A Cap on Resale Profits when Homeowner Decides to Sell
 - Resale Formula Used to Set Prices to Preserve Affordability Over Time
- CLT's must Compete with other Nonprofit Housing Organizations for Limited Resources
 - Common Sources of Grant Funding Include:
 - Local Government Funds
 - Allocations of Federal Sources like CDBG and Home Funds
 - Foundations and Local Philanthropy
 - Limited Sources of Revenue



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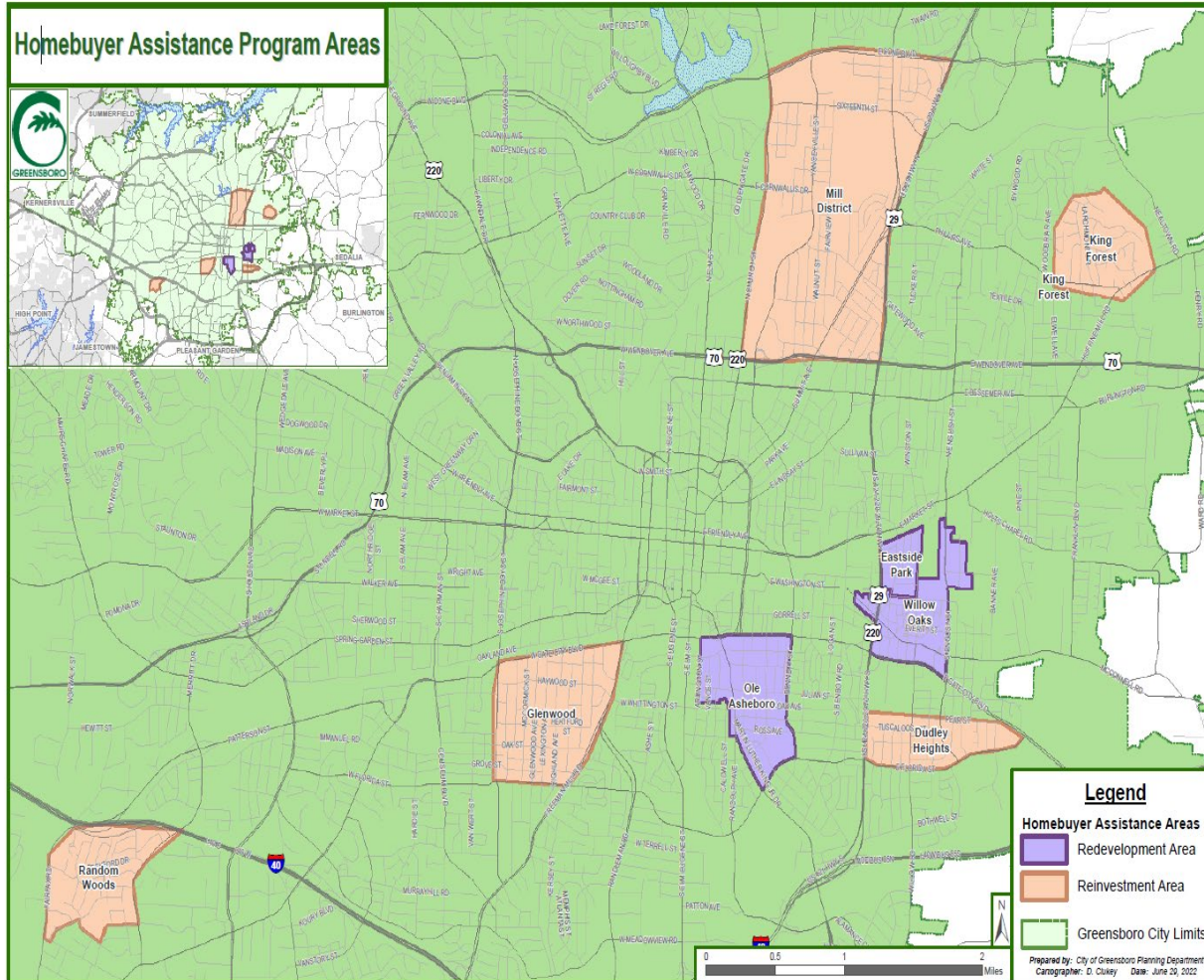
Protections to the CLT Homeowner

- Foreclosure Protection
 - Banks Can't Automatically Foreclose on a Mortgage in Default. They MUST give the CLT an opportunity to intervene. Banks can't Accelerate a Foreclosure.
- Transition Plan
 - CLT Can Purchase the Loan from the Bank or Lender and Manage a Plan with the Homeowner.
- Recovery Plan
 - The CLT Can Make Modifications on the Mortgage to Establish a Payment Plan to keep the Homeowner in the Home.



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Focus Areas



Council Districts 1, 2, 5

Reinvestment

- Dudley Heights
- Glenwood
- Kings Forest
- Mill District
- Random Woods

Redevelopment

- Eastside Park
- Ole Asheboro
- Willow Oaks

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Process

Education



Feasibility and Business Planning



Program Design



Launch & Support

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Public Meetings

DISTRICT 1

Wednesday March 15th 2-4 pm Barber Park Event Center

Wednesday March 15th 6-8 pm Barber Park Event Center

DISTRICT 2

Thursday March 16th 10 am – 12 pm McGirt-Horton Library

Thursday March 16th 6-8 pm Peeler Recreation Center

DISTRICT 5

Wednesday, March 15th 10:30 am – 12:30 pm Hemphill Library

ALL DISTRICTS

Wednesday March 29th 10am – 12pm Zoom Meeting

Wednesday March 29th 6pm – 8pm Zoom Meeting



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Q&A



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Online Information & Meeting Information

www.greensboro-nc.gov/CLT