



**Northwest  
Community  
Land Trust  
Coalition**

# Shared Equity Homeownership: Community Land Trusts

House Committee on Community  
Development, Housing and Tribal Affairs

Lisa Byers, Kathleen Hosfeld and Jessie Turner  
Northwest Community Land Trust Coalition

# Homeownership in the Continuum



## Washington State Households (2015)



## Cost Burdened or Extremely Cost Burdened Households (2015)



\*Note: In rural communities affordable homeownership is often more feasible than rental housing development.

Sources: King County Affordable Housing Task Force; State of Washington Housing Needs Assessment 2015



# What is a Community Land Trust?

---

A community land trust (CLT) is a private non-profit community organization that holds land in trust in order to provide affordable housing and other opportunities.

- ▶ Affordable housing
- ▶ Farming
- ▶ Commercial Ventures
- ▶ Community Services



# CLT Basics: The Organization

---

- ▶ Generally Not-for-Profit 501(c)3:
  - ▶ Community Based/ Membership organization
  - ▶ Dual Ownership
  - ▶ Local geographic service area
  - ▶ Permanent Affordability of Housing
  - ▶ Commitment to Local Control
  - ▶ Flexibility
  - ▶ Active Land Acquisition and Development
  - ▶ Sweat Equity: Homeowners help to build

# CLT Basics: The Homes

- ▶ Buyer initiated scattered site
- ▶ Condos
- ▶ New construction
- ▶ Coops
- ▶ Co-housing
- ▶ Rural
- ▶ Urban



## Vashon Cohousing

- What is cohousing?

What is a cohousing community?

Cohousing Resources



# CLT Basics: The People

- ▶ The average household income of families served by CLTs in the Northwest is 62% AMI.
- ▶ CLT homeowners work in retail, education, construction & landscaping, property maintenance, healthcare, public utilities, office services, non-profits...



# Dual Ownership

---

- ▶ Individual or family owns the home and leasehold interest and gains equity in home.
- ▶ CLT owns the land or deed covenant and equity is restricted, never realized.



# Dual Ownership

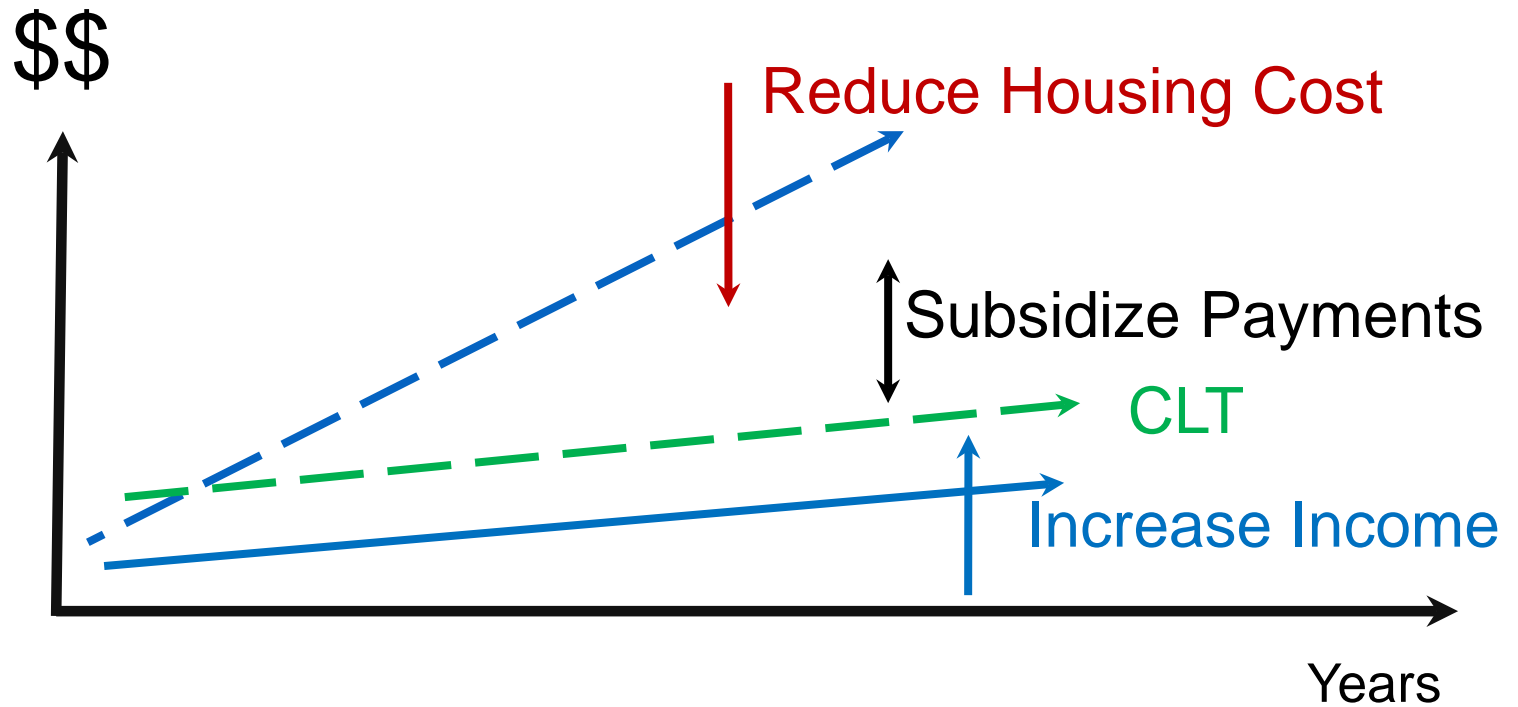
---

Ground Lease or Deed  
Restriction tie house  
& land together





# Closing the Affordability Gap



**CLT = Reduce Cost + Control Future Increase**

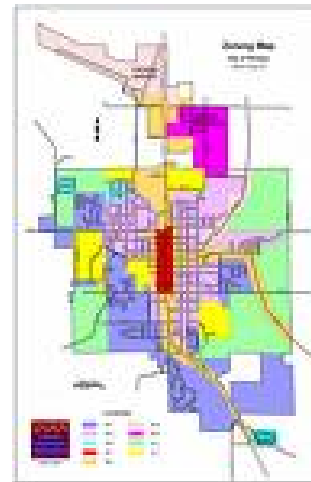
# Leveraging Investments



- ▶ Federal
  - ▶ HOME
  - ▶ CDBG
  - ▶ SHOP
- ▶ WA State HTF
- ▶ Local City/County
  - ▶ 2060
  - ▶ General Fund
  - ▶ Density Bonus
- ▶ Private



**Department of Commerce**



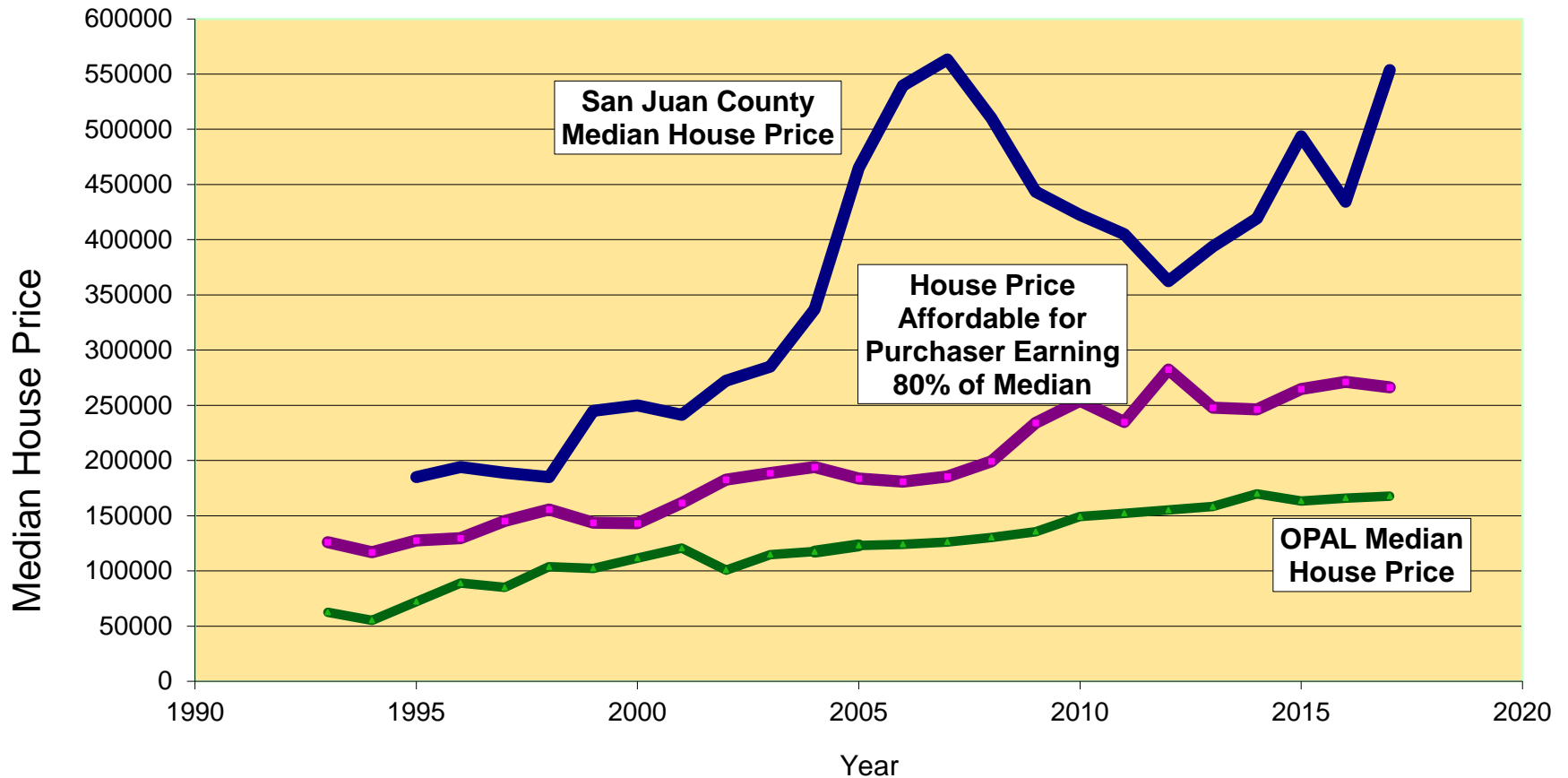
# Retaining Affordability

- ▶ Legal Agreement and CLT Organizational Support:
  - ▶ Period of affordability – starts over with each resale
  - ▶ CLT finds successive eligible buyers
  - ▶ CLT stewardship: Monitoring & Enforcement
  - ▶ CLT homeowner ongoing support and financial planning services
  - ▶ CLT maintain and ensure neighborhood stability



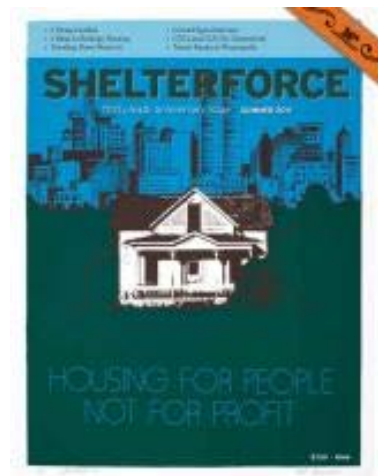
# How It Works

## San Juan County Median Price of Market Sales vs. OPAL Resale Restricted Sales

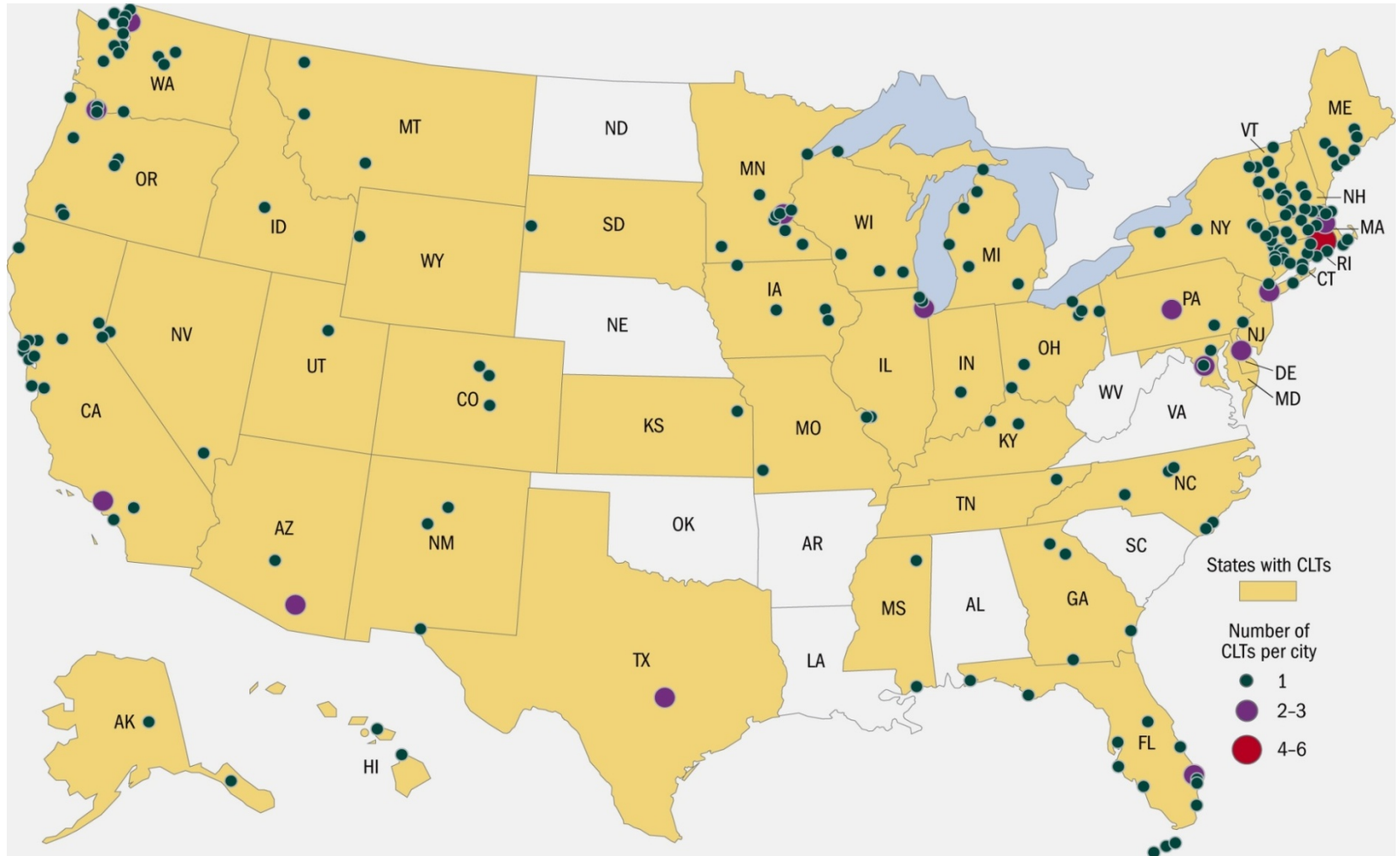


# Performance Evaluations

- ▶ Expands Homeownership
- ▶ Step to Traditional Ownership
- ▶ Creates Individual Capital
- ▶ Enables Residential Mobility
- ▶ Preserves Affordability
- ▶ Sustains Community Wealth/  
Investment



# 220 CLTs in the USA



# 16 CLTs in Washington Counties

- Chelan
- Island
- Jefferson
- King
- Kitsap
- San Juan
- Skagit
- Snohomish
- Whatcom
- Yakima



# Perpetual Affordability



- ▶ Lower price at sale
- ▶ Lower price at resale
- ▶ Again and again!



**Perpetual is a very long time!**



# Perpetual Responsibility

---

Ongoing Stewardship of Homes and Homeowners:

- ▶ Homeowner success
- ▶ Preservation of affordability and public investment
- ▶ Prevention of displacement



**Perpetual is a very long time!**

# Resources

---

- ▶ Grounded Solutions Network
  - ▶ [www.groundedolutions.org](http://www.groundedolutions.org)
- ▶ Northwest Community Land Trust Coalition
  - ▶ [www.nwclt.org](http://www.nwclt.org)

