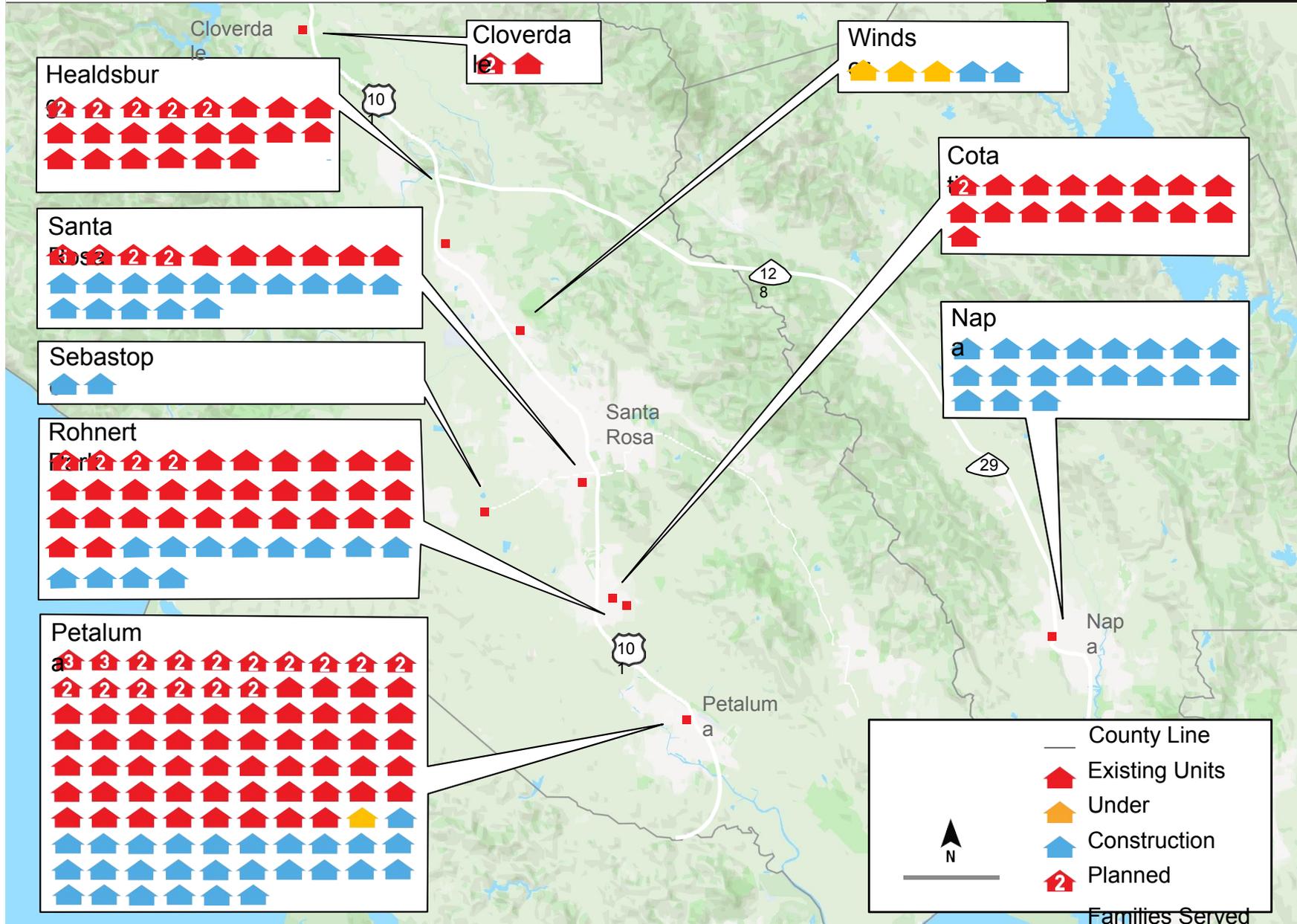
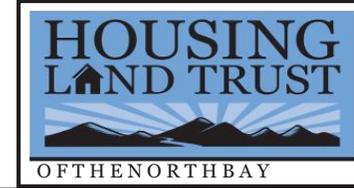


Inclusionary Housing

Dev Goetschius, Executive Director

Housing Land Trust Homes – 131 out of 152 are Inclusionary

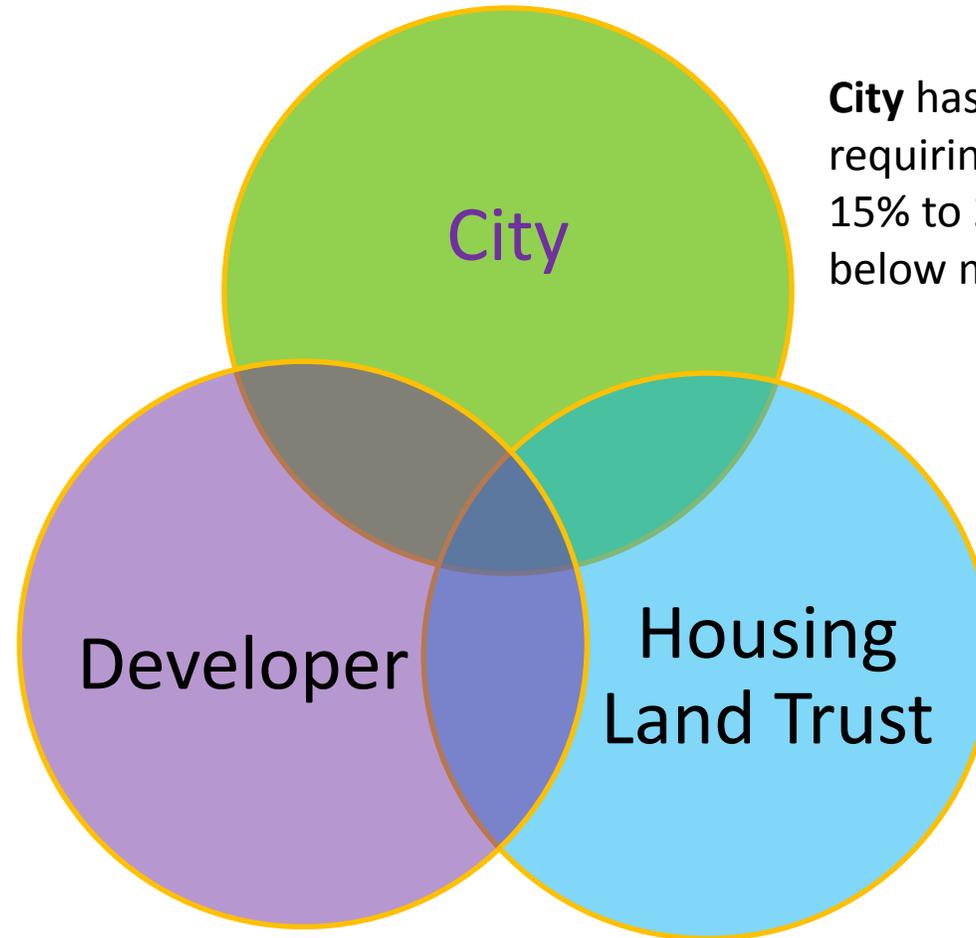


Making the Case for Cities to partner with the CLTs: Protecting the Public Investment

- **Eliminating** the need for government & private subsidies in future years as units are resold
- **Tying** subsidy to the *unit*, not the family
- **Maintaining** income targeted housing stock
- **Creating** community wealth *and* personal wealth while maintaining future affordability

Partnership Structure to Build and Steward Inclusionary Homes

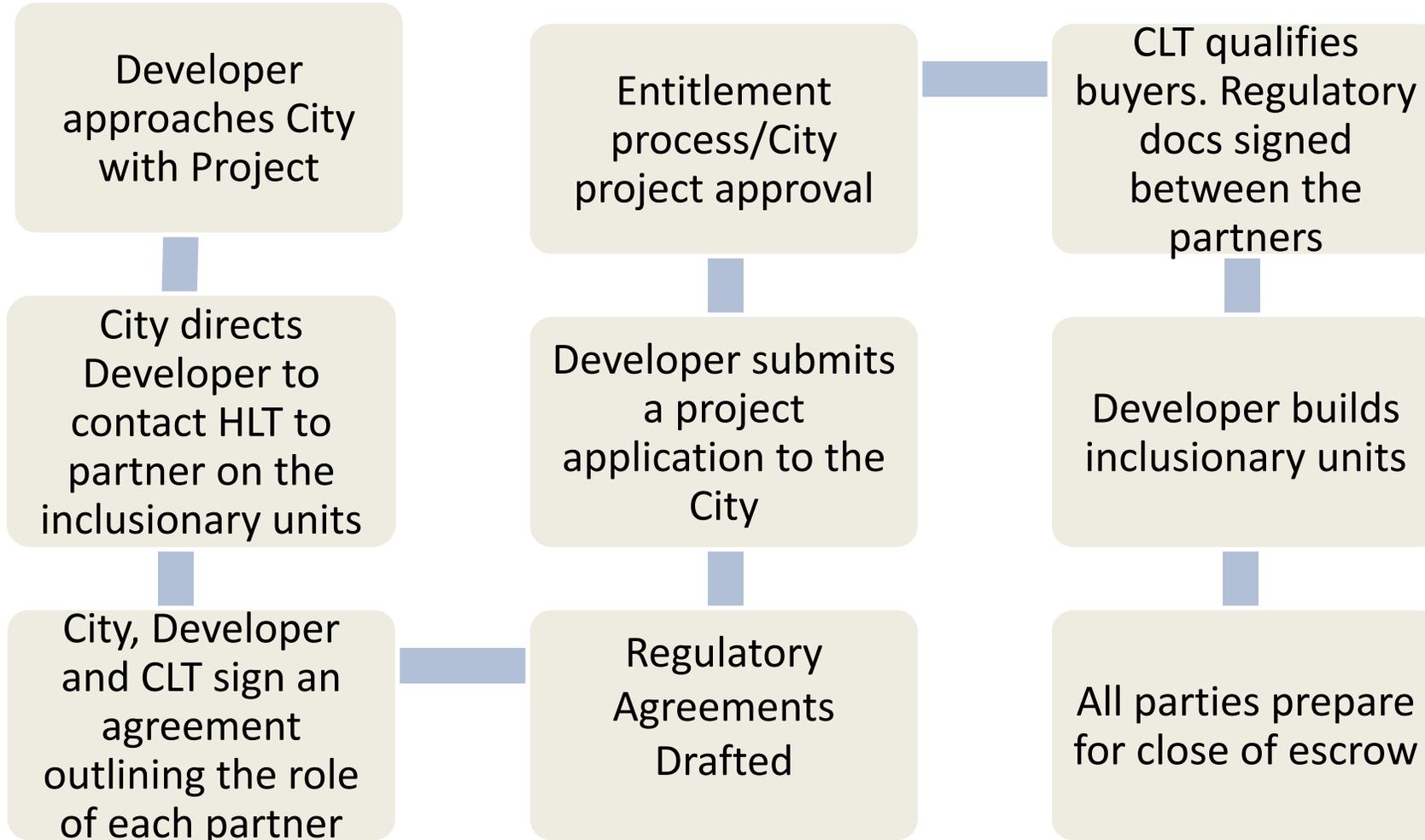
Developer builds the home and when it is ready, sells the home to the buyer qualified by the CLT.



City has an Inclusionary Housing Policy requiring new development to contribute 15% to 20% of the homes to be sold at below market rate pricing.

CLT brings staff capacity to the City to enforce the Inclusionary Housing Policy, ensuring the City's criteria to qualify for a home is in place, such as income level. CLT stewards the buyers pre and post sale of home.

The Process for Partners



Developer Sells the Home to the Qualified Buyer and CLT Leases the Land

The price of the home is tied to income so it remains affordable in perpetuity.
The home is OWNED by the buyer.



The land is a **community asset forever** with homes on it set aside for generations in the community.
The land is LEASED to the homeowner.

Closing the Sale: How Does it Work for Single Family Homes?

Developer donates land to the City



City deeds land for housing to CLT



CLT holds land in trust as community benefit

CLT leases land to the Family



- Family enters into a 99-year renewable ground lease
- Has exclusive rights to the property, like ownership
- Agrees to sell to same income level to keep the home affordable in perpetuity

Developer sells house to the Family



Family owns the home and has a 30-year fixed mortgage

Closing the Sale: How Does it Work for Condominiums?

CLT enters into a Declaration of Affordability Covenants (“Declaration”)



- Family enters into a 90-year Declaration
- Has exclusive rights to the property as owners
- Agrees to sell to same income level to keep the home affordable in perpetuity

Developer sells condominium to the Family



Family owns the condominium and has a 30-year fixed mortgage

Challenges to Making the Home Truly *Inclusive*



The IZ Homes used to all be together in a row. Over the years we have negotiated with developers and cities, eventually putting into the IZ Policy, that the IZ homes are required to be scattered through the development.

The Inclusionary Homes are selected and scattered, with a variety of housing and floorplans for BOTH market rate and CLT homes.

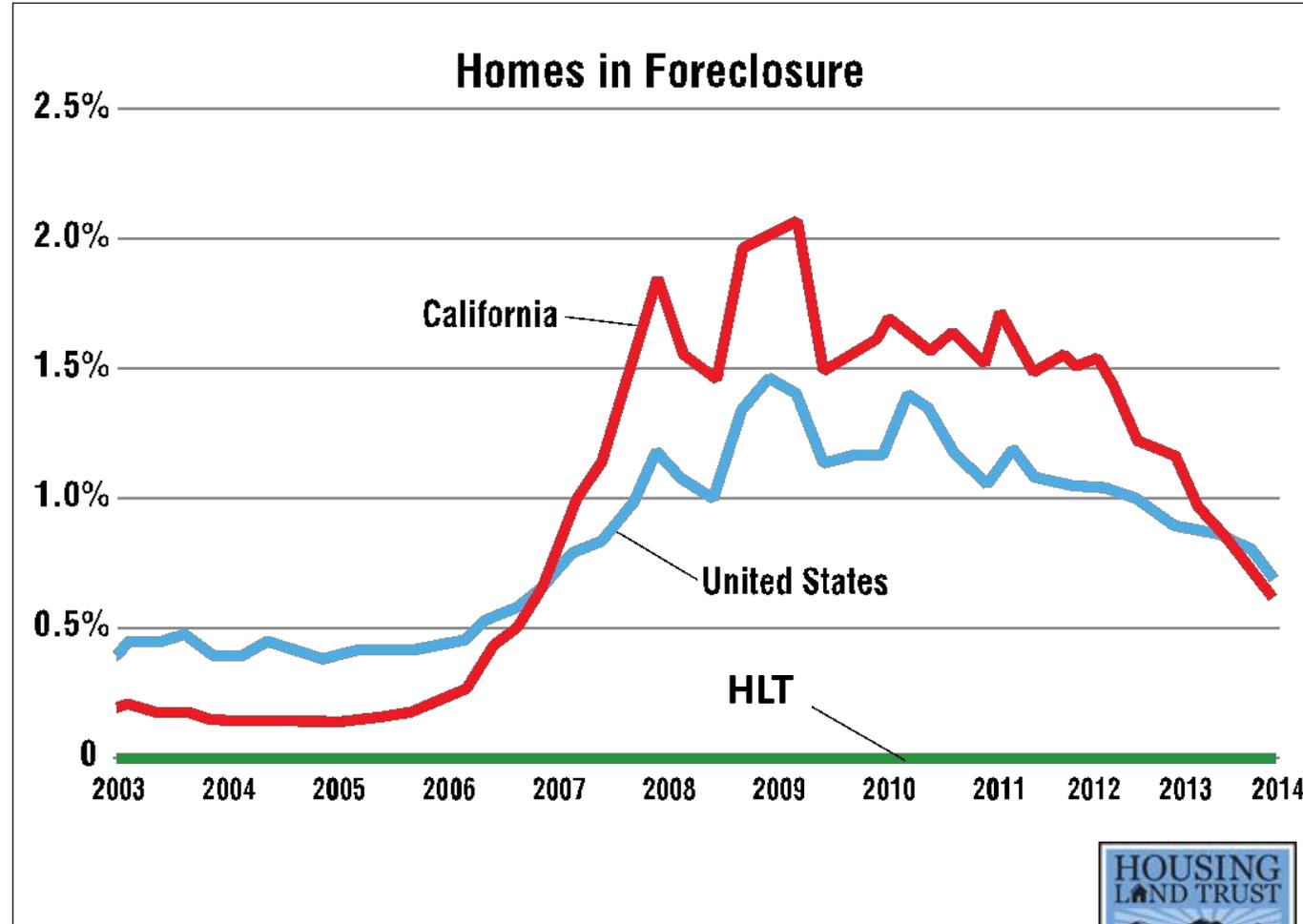


Making Homes Truly Inclusionary

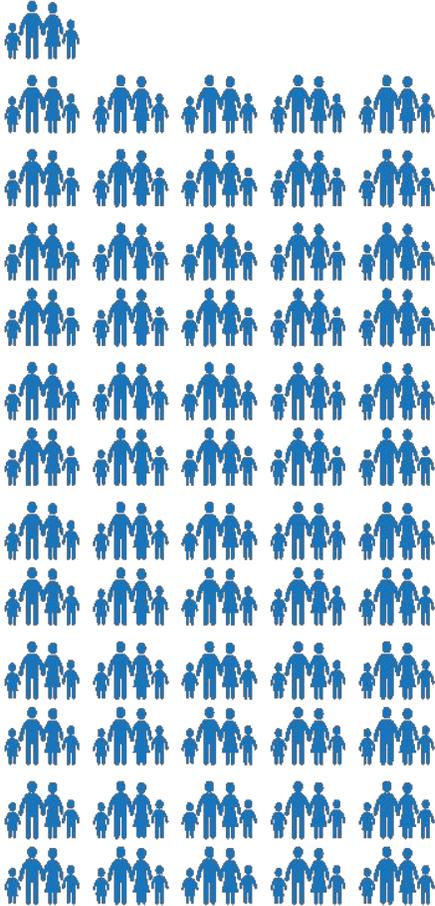
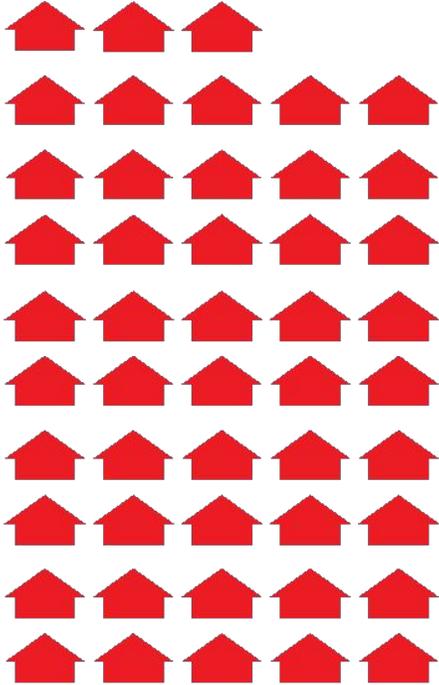
- The architecture and floor plan for the first IZ units was different than the market rate home. Over the years, with negotiation and political will, and good partners over time, the homes are the same as the market rate homes on the outside.
- Ensuring the interior finishes of the home are high quality. A baseline that we always now ask for is that the interior – tile, carpet etc., be the same as the market rate package.

STEWARDSHIP MATTERS

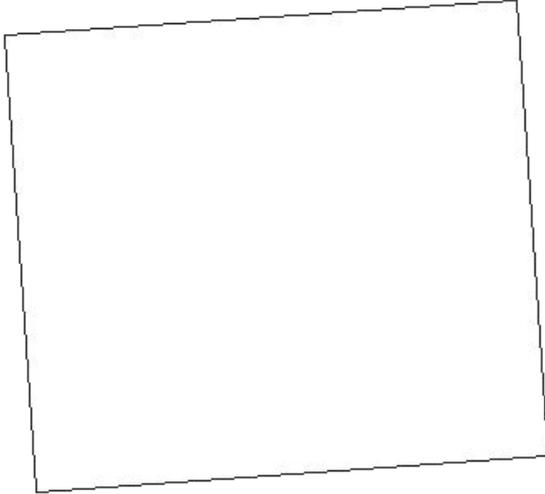
CLTs deliver ongoing stewardship to their families and homes. Monitoring, providing support and continuous education keeps families securely housed, which proved to be the case during the Great Recession.



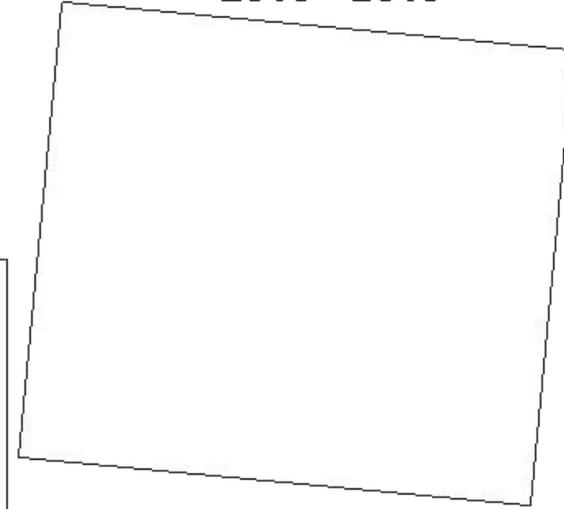
Focus on Families - Not on Homes



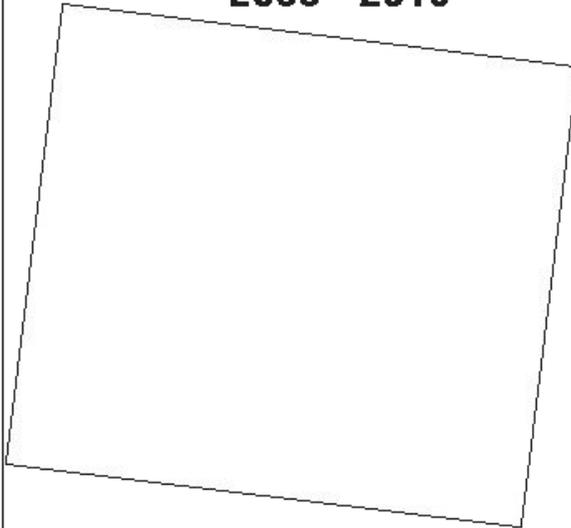
2005 - 2008



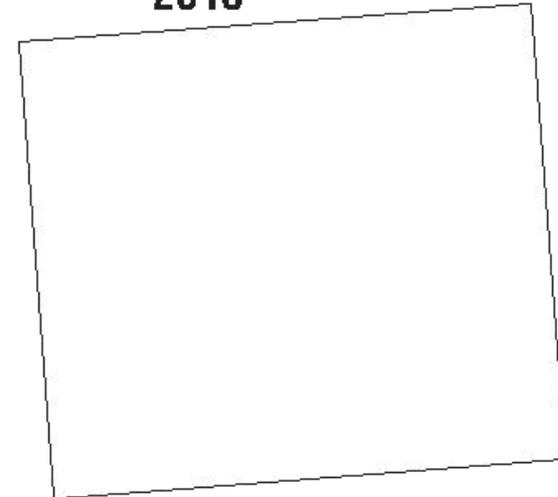
2010 - 2013



2008 - 2010



2013 -

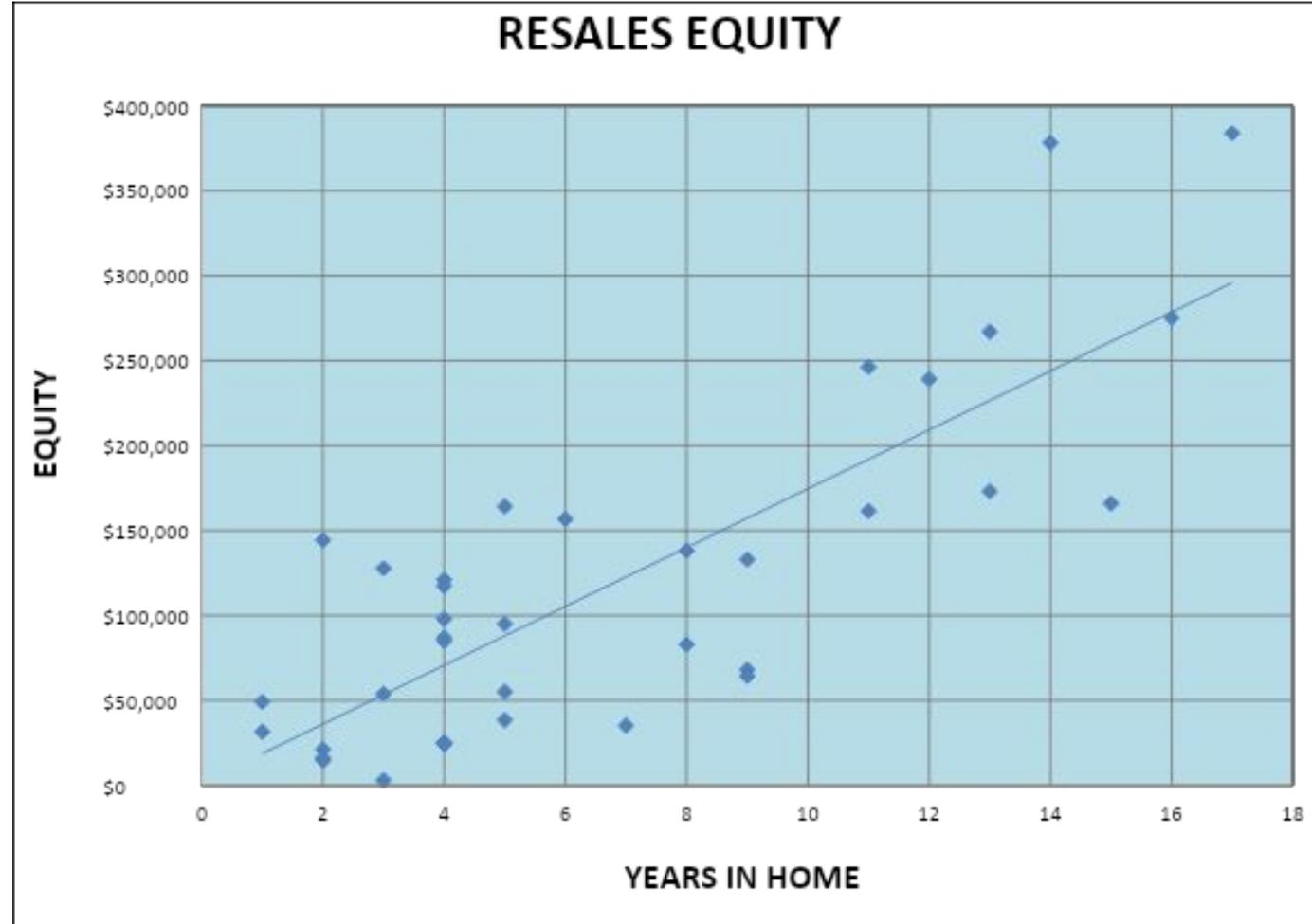


**One House
Serving Four Families**



Do HLT Homeowners Build Equity?

- HLT has completed 39 resales.
- HLT homeowners who sell stay in their home for an average of **7.00 years**.
- HLT homeowners have on average sold their home for **\$63,322.15** more than they bought it for.
- Upon selling their home, homeowners have walked away with an average of **\$114,873.78** in total equity, which is often used towards the purchase of a market rate home.



Equity = appreciation from AMI + amount of principal paid off + down payment

Key Points for City Leaders to show what can be accomplished in partnership with a CLT:

- **Partnering** with a non-profit in CLT to steward a finite resource that serves as a permanent subsidy to individual families generation after generation
- **Making** affordable homeownership a reality in our community
- **Delivering** stewardship to families to ensure successful homeownership
- **Creating** community wealth by preserving land that will benefit the community in perpetuity
- **Strengthening** the fabric of our community by providing a secure place to live

Thank you!



info@housinglandtrust.org
707-766-8875
www.housinglandtrust.org

