Staunton

Affordable Housing Strategies
Community Land Trust Model

Community Foundation
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Housing-Cost Burdened

28% or 3000 of Staunton households spend more than 30% of their gross income on rent / mortgage and basic utilities

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Working Class Households

Earning 70-80% of Staunton's Area Median Income can only afford to purchase a $194,000 home.

Staunton's Area Median Income for a three-person household is **$60,750**.

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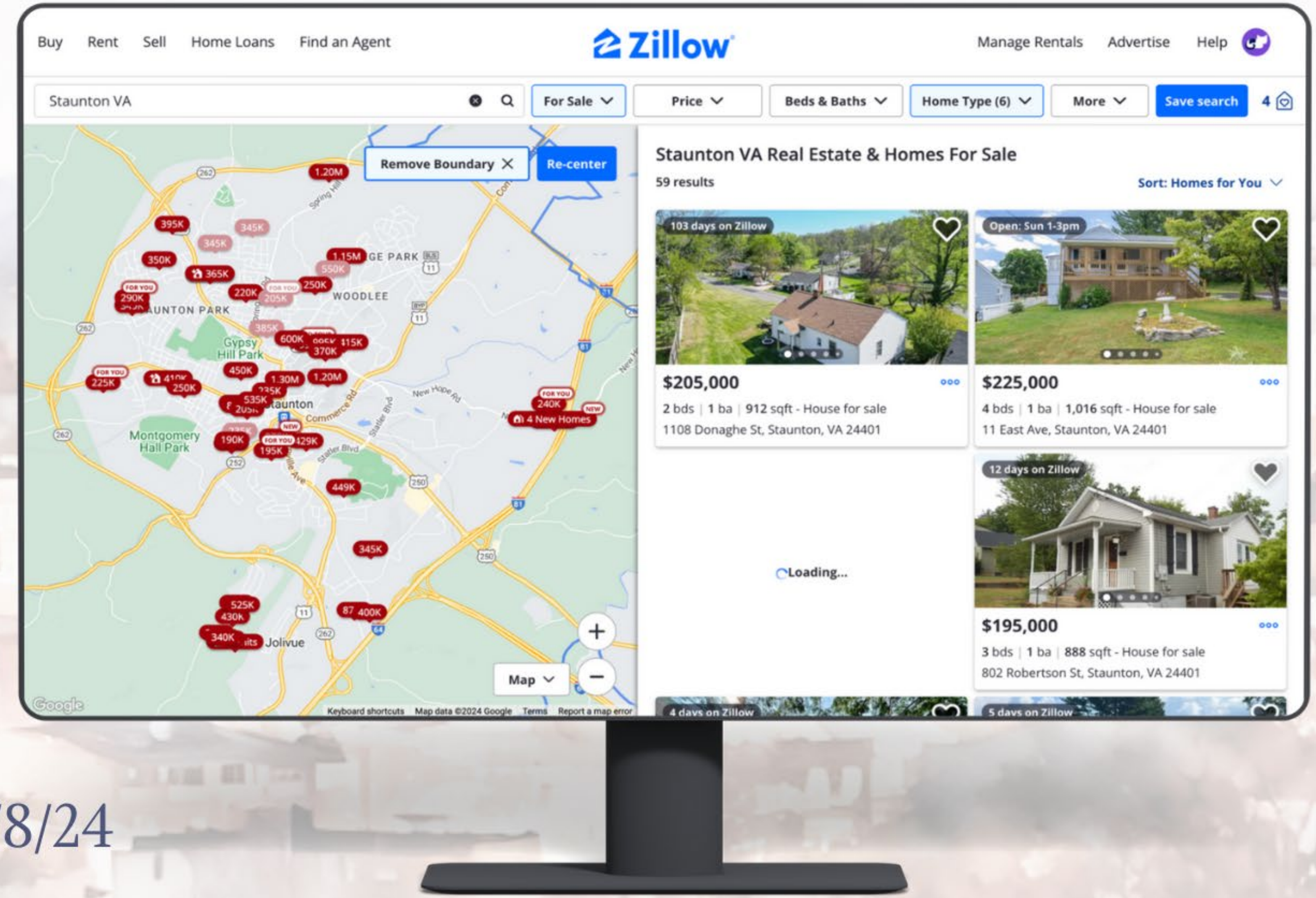
Many 1st time homebuyers are unable to access the Staunton housing market with its current inventory.



Only 3 active listings under $195,000 as of 8/8/24

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Due to lack of Homeownership options

They continue to rent or find homes to purchase outside of Staunton

They can't create equity for themselves or their children

Dampened Staunton's economic development

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- Increase affordable , high quality, home ownership opportunities
- Prioritize housing for working class families
- Create equity-building prospects for citizens
- Support economic environment

Community Land Trusts

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Virginia Statewide Community Land Trust

Established in 2021

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Virginia Statewide Community Land Trust

How does the Virginia Statewide Community Land Trust (VSCLT) work?

1. Existing and newly built **market rate homes** are earmarked for inclusion in the VSCLT
2. VSCLT **purchases the land** (not the home) for **$1**
3. VSCLT staff **income-qualify** the first and all subsequent buyers
4. VSCLT provides **homeownership education and preparation** for all buyers
5. **Initial subsidy** generated to make the first purchase of each home in the VSCLT affordable
6. VSCLT enters into a 99-year **ground lease** with the homebuyer
7. The ground lease, among other functions, includes a formula tied to Area Median Income that **determines all future sale prices**, ensuring affordability in perpetuity.

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Virginia Statewide Community Land Trust

How well does it work?

70% of all CLT homeowners are first-time buyers

- Moving renters to homeowners
- Beginning their equity-building process

80% of all CLT homeowners eventually progress on to purchasing market-rate housing

- Sufficient equity generated to give homeowners new opportunities
- "Paying it Forward" so that others can also become homeowners

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Municipality Guideposts

INCENTIVES & INCLUSIONARY HOUSING POLICIES

- Density Bonuses
- Fee Waivers
- First Right of Refusal
- Right Sizing

Zoning

Land Bank

FUNDING OPTIONS

- Federal and State Funds
- Housing Trust Fund

Virginia code § 15.2 - 2305 .1

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Possible Next Steps

- City staff and Council representatives to meet with the VSCLT staff
- Consider the CLT model within the context of Staunton's broader housing needs
- Engage developers, lenders, existing property owners, philanthropic organizations, and others in the exploration of this model
- Create a "playbook" for the City's many possible roles

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The City of Staunton doesn't need to solve its housing issues on its own.

There are many potential partners, such as the VSCLT, the Community Foundation, and others with either the expertise, tools or financial resources to contribute to the goal of creating housing solution for all Staunton citizens.

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Virginia Statewide Community Land Trust

A Community Land Trust can improve quality of life for working people.

Our community's essential workforce powers the local economy. These are people employed in public safety, healthcare, education, local government, farming, and small business.

single family

Community Owned Land

Enables locally controlled permanently affordable housing for community members.

- **Community Land Trusts residents <u>own their homes but lease the land.</u>**
- **Leases are for 98 years, inheritable, and allow owner equity in improvements**
- **Leases can set terms for occupancy that serve community goals.**
- **Resale restrictions in the lease ensure community control and affordability.**

multi- family

A Community Land Trust

Owns the land on behalf of the community to ensure permanent access, control, and affordability for local residents.

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