



NORCO Housing Now
November 2019









Affordable Housing is Public Infrastructure



Economic Impact

- lack of affordable housing caps growth
- provision of affordable housing drives growth



Community Impact

- broader tax base
- socioeconomic diversity
- lowered stress on public systems



Individual Impact

- Economic mobility
- Health and Safety
- Community Participation
- Child outcomes



A Balance of Interests

- public and private
- economy and society
- short term and long term:
generational impact



What is a community land trust?



New Communities Inc.

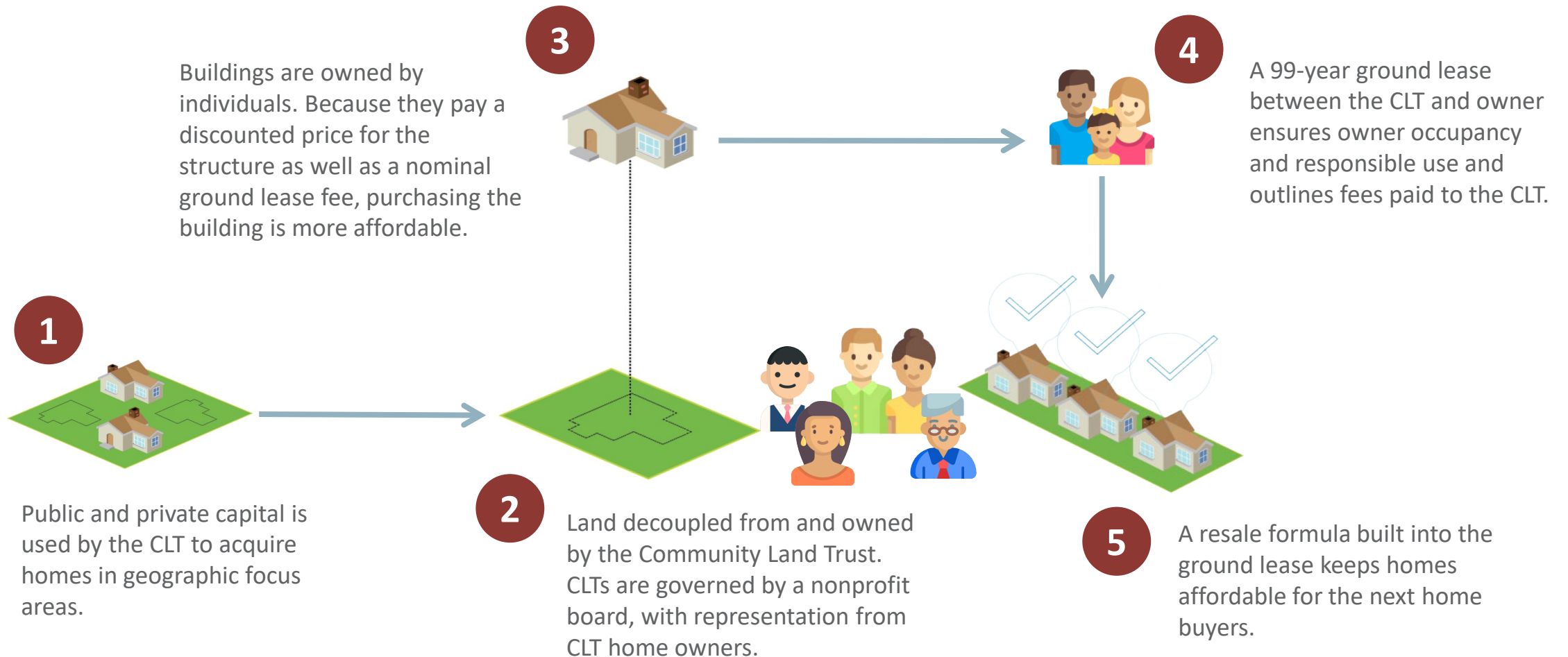
LITTLE FARMERS MARKET

MEATS AND GROCERIES



What is a community land trust?

Modifying the typical process of home buying to make housing permanently affordable.



A model for long-term affordability

HOME OWNER #1

\$300,000 market price
\$220,000 CLT purchase price



1 First purchase of CLT home

Appraised value:	\$300,000
CLT subsidy:	(\$40,000)
Muni subsidy:	(\$40,000)
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Base price HO#1:	\$220,000

CLT Home Owner Economics

Typical DP (3%):	\$6,600
Mortgage:	\$213,400
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Purchase Price:	\$220,000

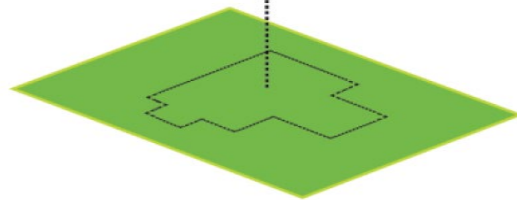
HOME OWNER #1



25% HO#1 appreciation*:
\$12,500



5 year total appreciation:
\$50,000



HOME OWNER #1

\$350,000 market price
\$12,500 HO1 appreciation at sale*



2 Resale of home 5 years later

Base price HO#1:	\$220,000
Appreciation HO#1:	\$12,500
CLT 3% resale fee:	\$6,975
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Base price HO#2:	\$239,475

HOME OWNER #2

\$239,475 purchase price



* Every CLT develops its own resale formula. This example uses 25% as fair return and does not reflect CLT owners making capital improvements to their home.



Building wealth...



CLT Home Owner #1
purchase price **today**

\$220,000



CLT Home Owner
#2 purchase price
5 years later

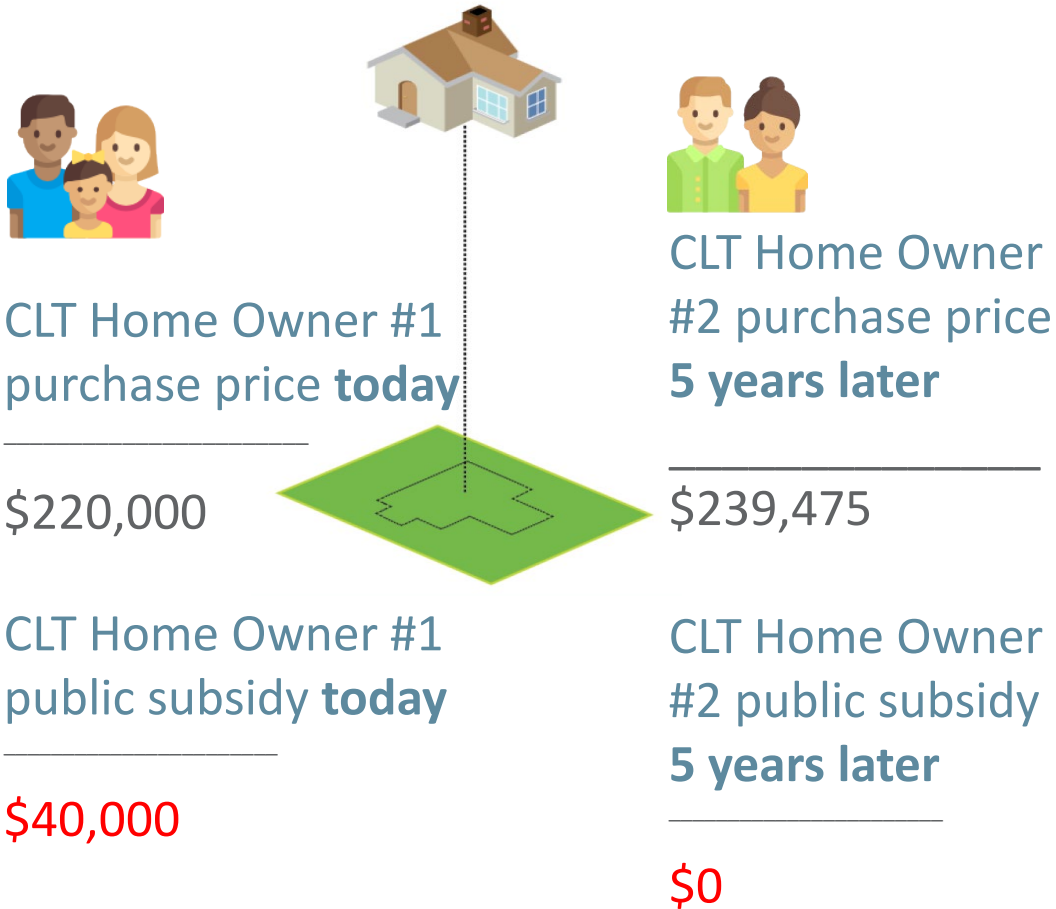
\$239,475

CLT Home Owner #1
Gain 5 years later

\$27,000

* Every CLT develops its own resale formula. This example uses 25% as fair return and does not reflect CLT owners making capital improvements to their home.

...while retaining public investment.



Without CLT, creating affordability 5 years later:

purchase price - \$350,000
affordable price - \$239,475

Gap \$110,525

Public subsidy required - \$55,000

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Community Land Trusts as a Planning Tool



- Preservation
- Anti-displacement
- Equity
- Inclusion



VISION

By the end of 2022, ECLT will create more than 700 CLT homes, helping to double the number of for-sale CLT homes in Colorado and creating a sustainable platform for supporting families and communities.

MISSION

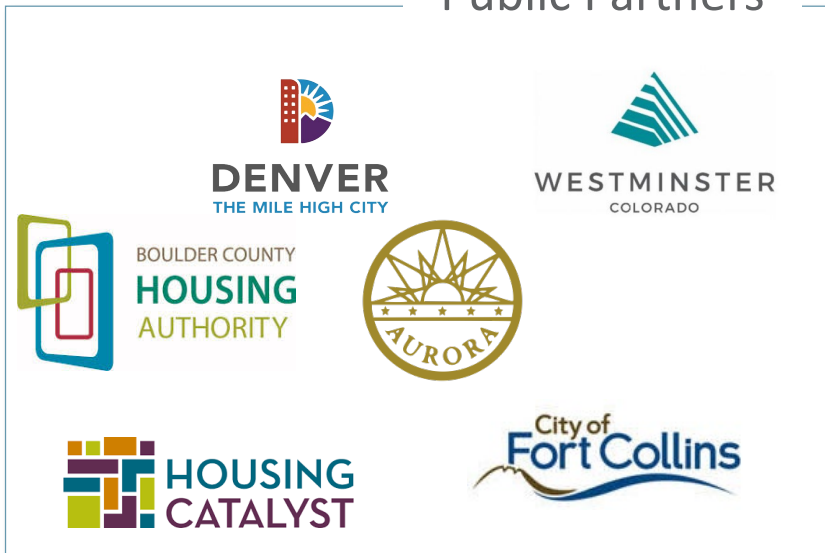
Elevation Community Land Trust partners with Colorado communities to create opportunity for families through permanently

**Affordable Housing is
Public Infrastructure
And Requires **Public Investment****



Implementation support partners

Public Partners



Neighborhood Groups

Supportive Services

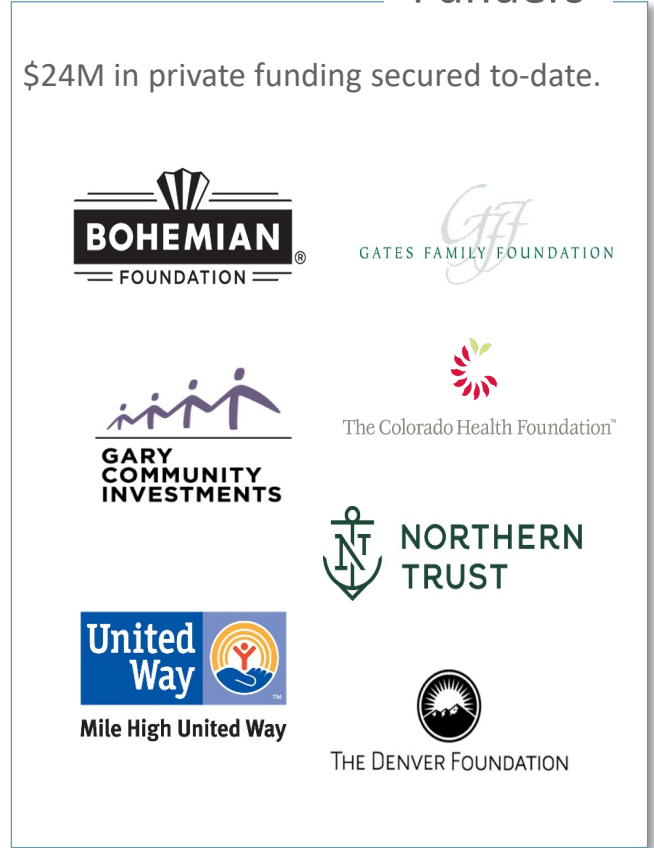
Organizational Partners



Lenders & Developers



Funders



Partnering for Permanency



ECLT Investment = ½ Affordability Gap

- Matching resources
- Ownership – and tax responsibility – of underlying land
- Application of the resale formula and buyer qualification
- Leasing/Transaction Fees: 3% within purchase price
- CLT monthly fees: \$100 calculated into housing burden



Stewarding

700 

affordable homes
within 5 years

Targeting



80% AMI
OR BELOW

Building a **long-term platform** for CLT residents to access supportive health and human services

Start-up Operations

NEAR-TERM

Incubate as an LLC subsidiary of ULC for 12-18 months

Leverages ULC for technical assistance and back office supports

LONG-TERM

Establish stand-alone 501c3 entity

Governance

REPRESENTATIVE BOARD

CLT residents, community members, Funders and government partners

STAFF

Led by a President & CEO and Approximately 10 FTEs over 5 years

The Elevation CLT approach

1 LEVERAGE

Takes a public-private partnership approach to leverage public dollars. Has secured more than \$25M in foundation grant support – the largest investment in a CLT in the nation.

2

SCALE & SUSTAINABILITY

Plans to steward more than 700 units, making Elevation scalable and self-sustaining and proving a statewide, long-term platform for future affordability.

3

FLEXIBILITY

Flexible scattered site acquisition approach allows the targeting of multiple high-need, at-risk neighborhoods across Colorado, while investment in new, higher density projects increases the available stock of affordable

4

homeownership opportunities.

FAMILY-ORIENTED

Targets existing single family homes and family-oriented in securing 2-, 3- and





Elevation's difference is in our stewardship

- Pre- and post-purchase home buyer / owner education
- Relationship with homeowners and assuring long term affordability
- Financial counseling
- Resident/community engagement
- Long-term platform to connect residents to health and human services

Pillars of effective post-purchase stewardship

A hand holding a set of keys, symbolizing stewardship or ownership. The background is a blurred image of a person's hair and a red garment, overlaid with a teal gradient.

- The ECLT land lease
- \$10 DOT
- Transaction oversight
- A voice in organizational governance
- Opportunities to build community and access support services
- Long-term partner relationship
- Permanent and reliable outcomes for investors

We recognize housing as the backbone of family stability AND as a critical piece of public infrastructure.







Questions!

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