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Perpetual. Sustainable. Homeownership.

Homeowner in the Spotlight: Nathalie ~ Where Are They Now?



When Nathalie learned of the CLCLT, she was on the verge of having to sell her family's home of 12 years. After purchasing her home with her then-husband in the 1990s, the home's value increased many times, but the couple had refinanced twice, pulling out cash to cover expenses and to start a business. Unbeknownst to Nathalie, their refinance in 2005 was into a negative amortization loan. In 2006, Nathalie learned she had six months before she would need to either sell the home or face mortgage payments almost double what she had been paying - not a feasible option on her salary.

After meeting with CLCLT staff, Nathalie realized she could keep her home. She applied and qualified for the program, and with the CLCLT's assistance was able to refinance into a fixed-rate mortgage. Nathalie retained ownership of the house and the CLCLT was given title to the land, making the home an affordable housing option into the future. "Rather than brushing me off to the side and refusing to help, they sat down with me and went to work to make it a reality. A year and a half after my divorce, I was able to sign on my new fixed rate mortgage and keep my home." Today, Nathalie says, "This housing stability combined with my work stability allowed me to focus on my education and career. I pursued an Associate's degree in healthcare administration online. Because of these successes, I was able to provide a more stable home life to my three children."

As of 2019, Nathalie says that homeownership has changed her outlook on the future. "It feels good to know that one day, this home will tr-

ly be mine, to know that my children can continue to live here if they choose; finally, it is wonderful to think that my house will remain affordable for other families to enjoy in the future."

The future indeed is bright for Nathalie and her family. Nathalie is starting the process of refinancing her home and using the equity available to her to help achieve some financial goals. By refinancing, she will be able to restructure some debt, free up some funds to build a nest-egg, and pay off her mortgage sooner (new mortgage for 15 years versus 30). "I celebrated 13 years with the same company; 8 of these as an office and project manager. I have accomplished a lot in this time both for my employer but also education-wise. I completed a variety of programs and certificates that help me be more effective on the job, expose me to peers from different industries, and increase my professional worth."

Nathalie said recently, "I have been able to provide stability and financial support to my kids as they enter high school, graduate, and/or go on to pursue new challenges. These successes have freed up the time to enjoy life, friendships, neighbors, hobbies, and travels. I am able to focus on the task at hand, knowing my living situation is safe and sustainable. **The CLCLT is a great partner in making all this possible!**"



CLCLT NEWS

Spring 2019
Volume 15 Issue 1



Become a Member of the CLCLT!

What are the benefits of CLCLT Membership?
Your tax-deductible contribution helps create long-term affordable homes in Minneapolis and gives you a say in the direction of the City of Lakes Community Land Trust through voting at our annual meeting.

Now is a great time to become a CLCLT member!

Join us at clclt.org.

For more information or to join, visit
clclt.org or call 612.594.7150.

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Donate online at:
clclt.org!

Commercial Land Trust!

If you are receiving this newsletter, you probably have a solid understanding of Community Land Trusts, what they do and how they work. But what about Commercial Community Land Trusts?

A Commercial CLT is a community-based initiative that works to provide perpetually affordable commercial ownership opportunities by acquiring land and removing it from the speculative, for-profit, real estate market. A Commercial CLT holds the land it owns "in trust" indefinitely for the benefit of the community, ensuring that the land will always remain affordable for business owners. The Commercial CLT provides a 99-year, renewable ground lease to the business, which includes a resale formula that determines the building's sale price and the business owner's share of the building's increased value at the time of sale. This facilitates the initial investment made by public and private subsidy sources to remain with the property, making it affordable to subsequent, qualified buyers.

In 2017, with assistance from a national consultant and community members, the CLCLT evaluated the feasibility of starting a Commercial CLT. Based on recommendations from the feasibility review and with funding from the Jay and Rose Phillips Family Foundation of Minnesota, the CLCLT convened an advisory group comprised of local business owners, community development corporations, philanthropic funders, technical assistance providers, and public partners in the fall of 2018 to further conceptualize and create a framework for a Commercial CLT. In February 2019, the CLCLT board of directors approved the recommendations presented by the advisory group and work is underway currently to establish the inaugural Commercial CLT Advisory Board that will shepherd a pilot program forward.

We are incredibly hopeful that this commercial CLT program will create as much leveraged long-term community impact and benefit as the CLCLT has been able to in its 16 years. We believe the commercial CLT will not only create opportunities for entrepreneurs to establish greater permanency for their small businesses, but also build increased community-owned assets across Minneapolis.

Jeff Washburne
CLCLT Executive Director

Excerpt from the Jay & Rose Phillips Family Foundation of Minnesota's Gentrification & Commercial Land Trust Blog

"... What would it look like to center community in our development conversations and plans? How do we keep an eye fixed on anchoring ownership locally and for the long haul?"

These are big questions that likely have a number of powerful and feasible answers. One idea that a group of local activists, business owners, government, nonprofit and philanthropic representatives have been exploring is a commercial land trust."

Read *The Life of a Neighborhood* written by Elizabeth Coco at phillipsfamilymn.org/foundation-blog/

Save the Date!



SPRING BUS TOURS

May 3, 2019
8:30 - 10:30 a.m.
The bus will be leaving from the CLCLT office at 1930 Glenwood Avenue.

May 17, 2019
8:30 - 10:30 a.m.
The bus will be leaving from 2528 14th Avenue South.

RSVP by April 29, 2019 to:
lucas@clclt.org or 612.594.7150

CLCLT Update

2018 was another strong year for the CLCLT, assisting another 38 new low- to moderate-income households into responsible, sustainable, perpetually affordable homeownership. Year-after-year we continue to grow the number of homes and homeowners served. As of the end of 2018, the CLCLT has served 335 households and has over 275 homes in trust in Minneapolis.

The affordable housing crisis has worsened over the past two years for both buyers and existing homeowners in Minneapolis. Through the power of the Community Land Trust method of homeownership, though, affordability has been retained in CLCLT homes.

The CLCLT has now seen over 60 resales. That's 60 affordable homeownership opportunities that did not require new affordability grants to make or keep the homes affordable because the strategy is proving itself incredibly effective.

A recent Return on Community Investment (RoCI) report shows that the collective value of the CLCLT homes at year end 2017 had risen by almost three million dollars since the homeowners' purchase, which indicates close to \$2.2 million in affordability investments have been "gained" through market appreciation to the benefit of the community and funders. That is essentially a 19% return on community investment!

Your past and continued support of the CLCLT is much appreciated, and it is visible in every aspect of our work. The support from individuals, funders, homeowners, and other community stakeholders is critical for us to fulfill our mission. Thank you, and we are so glad to be collectively moving opportunities forward in 2019.

Additionally, as part of a more extensive, national study, the CLCLT partnered with City University New York to complete its fifth biennial homeowner survey. One hundred nineteen (119) CLCLT homeowners responded to a broad array of questions to assist in understanding the qualitative and quantitative changes that have occurred during their homeownership experience. Preliminary results of this survey include:

-  56% indicated their life has become much better since moving into their current home.
-  55% stated they feel their current housing situation is very stable and secure.
-  46% expect their financial situation to be better over the next 10 years.

-  56% reported having been able to save and set aside money in the past year.
-  64% believe their children will achieve an educational level higher than their own.

Become a Member!

The CLCLT is ultimately controlled by its members. All CLCLT homeowners are members, and other people in the community may also join. As a member, you will:

Have a say in the direction of the CLCLT through voting at the annual membership meeting.

Help create and maintain housing that remains affordable for decades.

Elect the CLCLT's Board of Directors. CLCLT's board is comprised of individuals representing homeowners; members who are not CLCLT residents; and broader public interest. In this way, control of the organization has balanced representation.

Membership is open to anyone who wants to make ownership of quality, perpetually affordable homes possible for our whole community. The recommended Basic Membership amount is \$25, but anyone can become a member for as little as \$1.

As a member you are also invited to all CLCLT events and trainings! We look forward to seeing you.



Follow us on social media!

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