



Grand Forks Community Land Trust

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NEWS RELEASE: CITY COUNCIL ALLOCATES 11 LOTS AND \$335,000 IN HOME FUNDS TO GRAND FORKS COMMUNITY LAND TRUST FOR NEAR SOUTH AND DOWNTOWN DEVELOPMENT

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Monday night the Grand Forks City Council approved the allocation of 11 city-owned lots and \$335,000 in HUD HOME funds to Grand Forks Community Land Trust (GFCLT). All eleven lots are located in the Downtown or Historic Near South neighborhoods, and are the final remaining lots of the City's Affordable Infill program, developed after the flood of 1997.

HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the States and hundreds of localities nationwide.

Formed in 2010 as the first community land trust in North Dakota, GFCLT is currently building its first home at 222 Cottonwood, to be sold this spring. The 501(c)3 nonprofit organization holds land in perpetuity, selling the homes on its land to low and moderate income buyers at a price reduced to their affordability (no more than 30% of their gross income). HOME dollars provided by the City will be used specifically toward homes for low-income families (under \$51,750 annual income for a family of four). Among the many highlights of CLTs, perhaps the most impressive is their ability to move families on to market-rate homeownership. A 2010 Lincoln Institute study of CLTs throughout the nation showed that the average income of CLT buyers when they purchase their CLT home is only 40% area median income, yet over 90% remain in their homes for at least 5 years. Of these families, over 70% go on to market-rate homeownership.

GFCLT is one of over 250 community land trusts nationwide in 46 states. Though CLT models vary by community, they hold two primary principles in common: land retention for permanent affordability; and extensive homeowner stewardship, keeping CLT foreclosure rates at 1/10 of the overall foreclosure rates nationwide.

According to the National CLT Network, in 2010 4.63% of all mortgages were in foreclosure proceedings, while only .46% of CLT mortgages faced foreclosure. Similarly, 8.57% of all mortgages had serious delinquencies, while only 1.3% of CLT mortgages nationwide faced serious delinquencies. Grand Forks Community Land Trust looks forward to reporting comparable statistics locally by maintaining contact with homeowners throughout their tenure in a CLT home and requiring all GFCLT buyers to participate in the Village's First Time Homebuyer Education program prior to purchasing.

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Quotes related to the story:

“Support from the City tonight will allow us to revitalize neighborhoods that once thrived as the heart and soul of our community. We look forward to building affordable single-family options for our buyers, improving the overall quality of housing in two of our oldest neighborhoods, and bringing young families with children back to the center of our city.”

-Emily Wright, Executive Director, Grand Forks Community Land Trust

“I am impressed with the depth and breadth of support that has been shown in our area by community leaders, foundations and the general public. This model of affordable housing will offer opportunities for individuals and families to live the American dream of home ownership and gain financial independence.”

-Kelly Greenlees, Nonprofit Resource Specialist, Bremer Bank, GFCLT Board Member

“The City has supported a variety of innovative affordable housing initiatives over the years, so it’s exciting that the state’s first community land trust is in Grand Forks.”

-Meredith Richards, Community Development Manager, City of Grand Forks

Additional Resources:

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Community Development Manager, City of Grand Forks

Department of Housing and Urban Development, HOME Program:
<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/>

National CLT Network: www.cltnetwork.org

Grand Forks Community Land Trust Board of Directors:

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