

Housing Mendocino Coast

A Community Land Trust Incubated by the
City of Fort Bragg to Provide Home Ownership
Opportunities to our Community's Workforce



Background: City Initiated & Incubated

- City of Fort Bragg Housing Element update in 2019
- State of California SB-2 grant funds, as well as LEAP and REAP funds
- Technical Assistance from Burlington Associates in Community Development, specifically Dev Goetschius
- Filed paperwork for 501c3 non-profit status
- Created a Board of Directors
- Identify Pilot Project
- Present Strategic Plan

What is the City accomplishing?

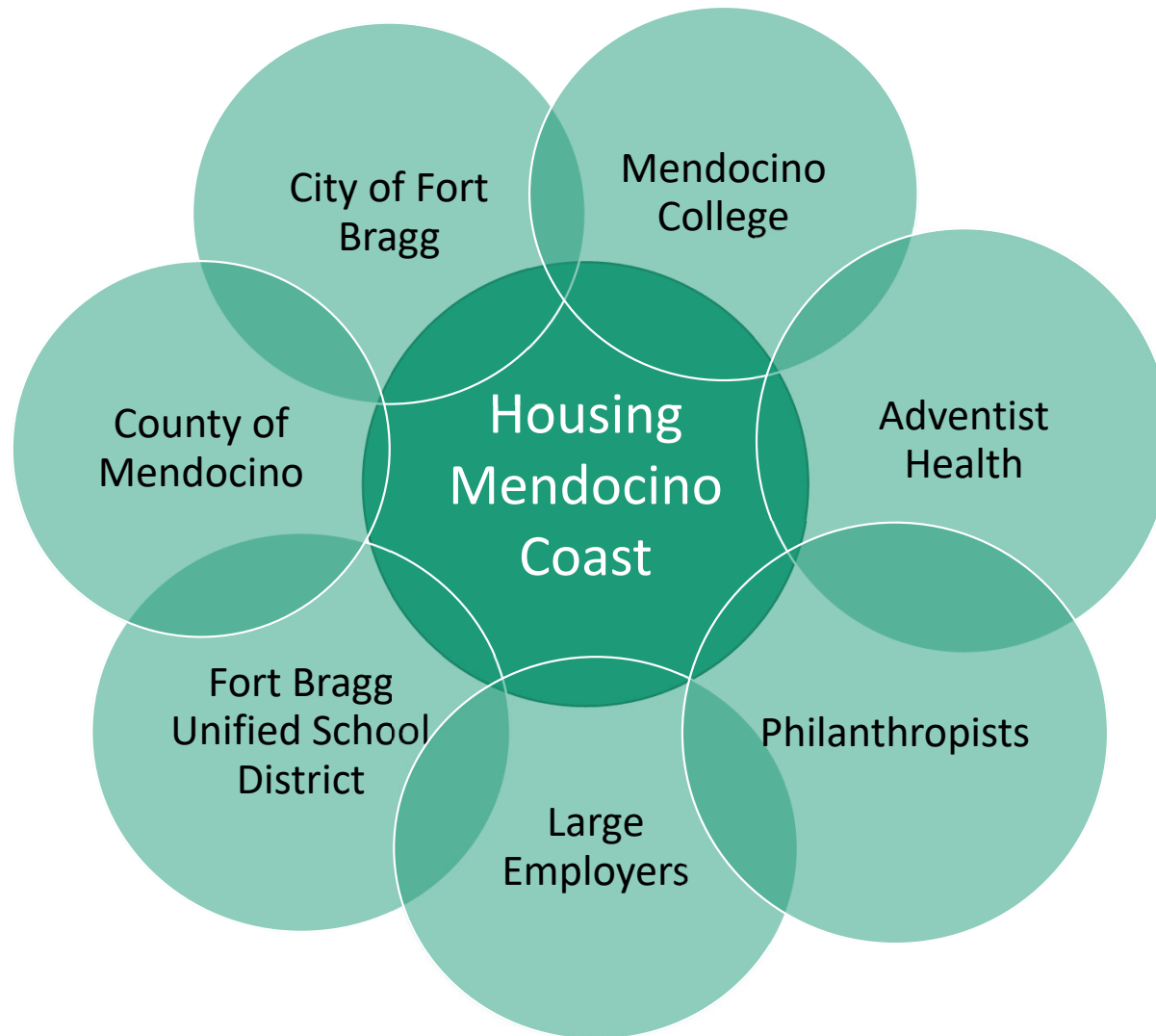
- Partnering with a non-profit to steward a finite resource that serves as a permanent subsidy to individual families generation after generation
- Creating community wealth by preserving land that will benefit the community in perpetuity
- Making homeownership a reality for the workforce of our community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

Protecting the Public Investment

- Eliminate the need for government & private subsidies in future years as units are resold
- Ties the subsidy to the *housing unit*, not the family
- Maintains income targeted housing stock
- Supports individual, household, and community wealth while maintaining future affordability

How does HMC keep the home affordable to subsequent buyers?

- The price of the home is tied to the paycheck, not the market. The index tied to Mendocino County's Area Median Income (AMI)
- The homeowner agrees to sell their home for a limited price when they decide to move
- The maximum sales price is calculated based on what was paid, plus the change in AMI: $\text{Total Equity} = \text{Appreciation} + \text{Debt Reduction}$



Who Benefits & Why?

Government: Protect Public Investment

Employers: Ability to Recruit and Retain Workforce

Homeowners: Long-term Security of Homeownership; Fixed Housing Expenses; Tax Deductions; and Equity Accumulation

Community: Foster Generational Wealth

For Board Consideration:

- Consider allocating a portion of American Rescue Plan Act (ARPA) funds to support implementation of pilot project
- Consider allocating funds to Housing Mendocino Coast as part of the annual budget process
- Partner with Housing Mendocino Coast on grant applications. Specifically, the upcoming Permanent Local Housing Allocation (PHLA) program
- Provide letters of support for funding opportunities sought by Housing Mendocino Coast

Thank you for the opportunity to present

Housing Mendocino Coast Board Members:

- Steve Orsi, President
- Jennifer Owen, Vice-President
- Wendy Boise, Treasurer
- Nicolet Houtz, Secretary

& Sarah McCormick, City of Fort Bragg

& Dev Goetschius, Burlington Associates in Community Development