



SITKA COMMUNITY DEVELOPMENT CORPORATION

Community-Supported, Sustainable, Affordable Home Ownership

PO Box 6461, Sitka, AK 99835 * P/F: 907-747-2860 C: 907-738-2888 * sitkaaffordablehousing.org * sitkacdc@gmail.com

FOURTH PUBLICITY RELEASE- NUTS, BOLTS AND STRUCTURE OF A CLT

The completed structure comes with a deed for the home, but not the land, which is held in trust by the CLT. Management and oversight by a housing director/staff includes monitoring of regular maintenance chores by the homeowner, according to the terms of the agreement signed before occupancy. Additionally, regular tracking will be exercised by the management of the property to assure that mortgage payments are made in full on time in order to reduce possibility of foreclosure. Arrangements for financial counseling services as needed will be made available.

A home in a CLT, once completed, can be remodeled, redecorated, updated and even sold under terms of the land lease, subject to the allowed markup as defined in the initial contract signed by the homeowner before commencing building or moving into an existing structure. Landscaping can be done by the homeowner as specified in the original land lease. The structure can even be passed on to another generation of the family during the 99 year land lease. Homeowners will be responsible for the property tax levied on the structure. The land remains the property of the CLT which, as a non-profit, is tax exempt for the duration of the 99 year lease. Structures built on CLT property are not limited to single family dwellings but can include duplexes, zero-lot line homes, condominiums, small cottage-type homes on small lots or rental homes or apartments. Those decisions are agreed on by the board of the participating non-profit in advance of offering land for building and approval by the local planning department, local government and the community-at-large.

Over the next 6-12 months, the organization overseeing the CLT, (in this case the Sitka Community Development Corporation (SCDC), will draw up criteria for eligibility to buy or build a home on the land. The information on income eligibility for buying or building a home in a CLT is clearly defined on the SCDC website. The board, together with consultants and an attorney, will draw up and approve the land lease forms and required legal documents which will clearly define allowed and disallowed structures, maintenance and upkeep of structures required of the homeowner, and re-sale requirements in terms of new purchaser eligibility and markup (profit % allowed) at resale.

There is often confusion about how a CLT differs from other type of land trusts. Conservation land trusts have for years used land trusts to acquire and preserve geographic areas. Agricultural land trusts are used to promote beneficial use of land to increase food security and, in exchange, offer a tax advantage to the owner of land within the trust. Housing trusts do NOT ACQUIRE LAND but manage a trust fund that assists with down payments and closing costs.

Additional Information can be found at:

www.sitkaaffordablehousing.org (website) or

Sitka Community Development Corporation on [Facebook](#) or

Community Land Trust Network: www.lctnetwork.org (website)

Community Land Trust Info: www.burlingtonassociates.com