

# Port Saint Lucie Community Land Trust Homes

October 26, 2021



# Port Saint Lucie CLT Program



## Background

- NSP funding since 2008
  - NSP homes are no longer affordable
  - PSL has not yet met its 50% AMI compliance
- Feb – Council approved the CLT contract
- Working w CLT PBC/TC
- Aug – Council update
- Looking forward





# Neighborhood Stabilization (NSP)



## 2008 – 2011 NSP Funding

- NSP – HUD  
Foreclosure Response
- Total of \$17M
- 175 Homes Sold to LMI  
Buyers
  - 58 Resold at market
  - No longer affordable
- Limited funding  
recaptured at resale
- Need to close out and  
meet 50% AMI set aside



# Original NSP Investments



## NSP 2011 Example

- \$97,000 Cost to City
- \$72,000 Value/Price
- **2011 Investment = \$56K**
  - \$25,000 in lower price
  - \$31,000 in DPA

## 2016 Sale

- 2016 – sold \$145,000
  - **\$26,000 recaptured**
  - **\$78,000 appreciation to seller**

## 2021 Est. Sale

- 2021 – \$228,000 Est. Value
  - \$26K – DPA Available
  - **\$128K – New \$ Needed**
  - 50% AMI Buyer





# Original NSP Investments



## Challenges Today

- Have not met NSP 50% AMI targets
- Today's market – HOT
- No new NSP funding
- Planning for tomorrow



# Subsidy Retention



## CLT Example

- 2011 – Sold for \$72,000  
**With Resale Restrictions**
- 2016 – \$76,500 Resale Price
  - Seller Mort = \$430/Month
  - Seller Cash = \$9K
- 2021 -- \$81,281 Resale Price
  - Seller Mort = \$430/Month
  - Seller Cash = \$21K

**Remains affordable to 50%  
AMI buyers!**

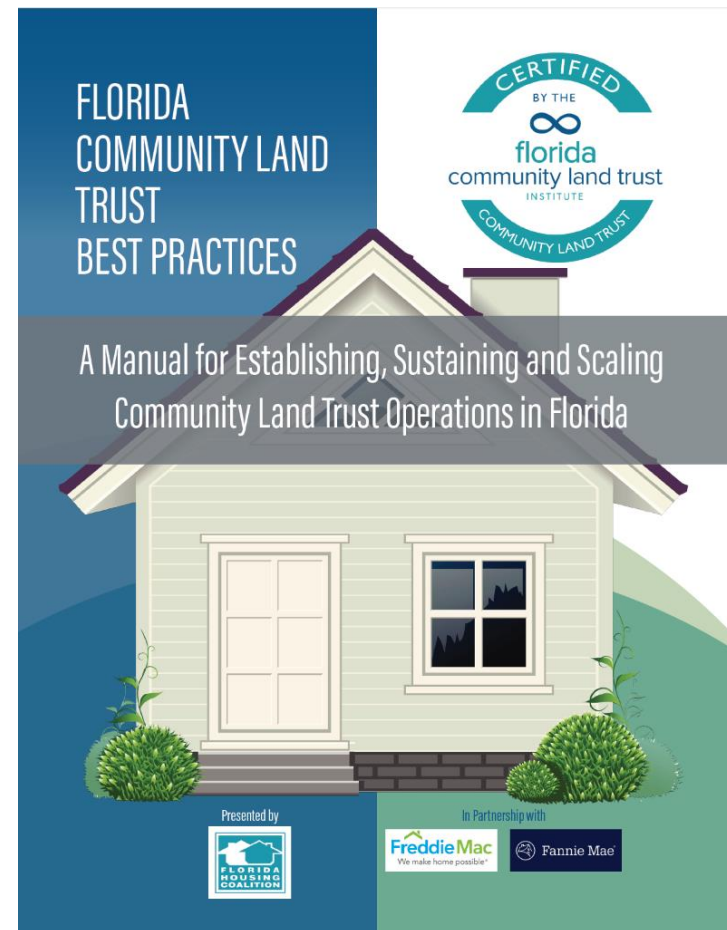


# New Best Practice = CLTs



## CLTs across the country

- USA CLTs > 40 years
- Florida = 26 + CLTs
- Best practices – Learn from others
  - Model Ground Lease (Freddie/Fannie approved)
  - Model Deed Restriction (Condos)
  - CLT Technical Manual
  - Model Stewardship Manual
- Florida Housing Coalition
  - Community Land Trust Institute
  - Statewide CLT Certification Program
  - State wide support and advocacy





# New Best Practice = CLTs



## CLT Best Practices

- Stewardship
  - Pre purchase AND post purchase
  - Resale oversight
- Foreclosure crisis
  - 4% Foreclosure rate nationwide
  - Only .4% amongst CLT homeowners
- Compliance
  - Initial LMI buyer in place satisfies Funder
  - Annual occupancy, house condition, etc.
- Statewide CLT Certification from FL Housing Coalition





# The Deal

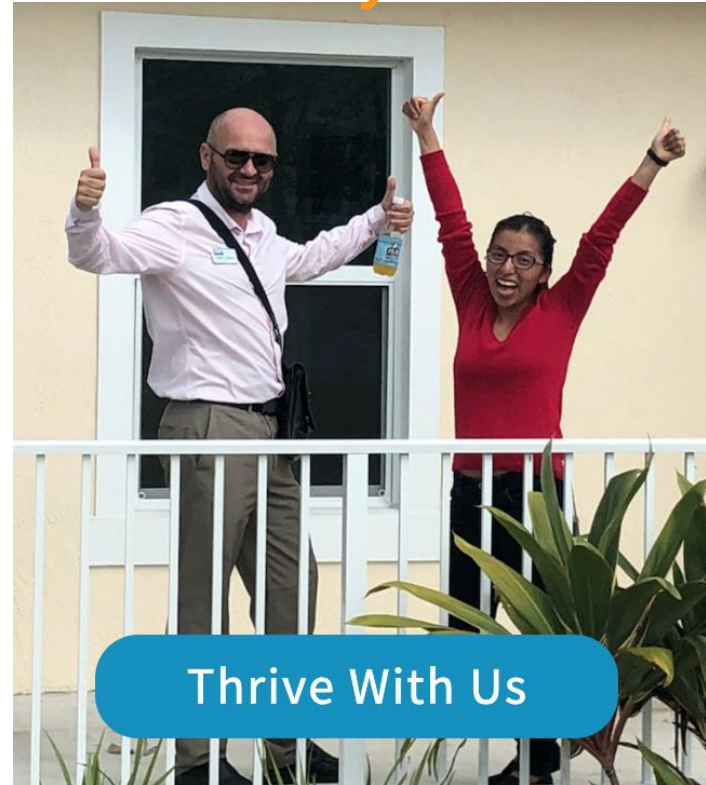
**Port Saint Lucie  
Builds the house**



**Sold at Affordable Price**

- \$72K to 50% AMI Buyer
- \$130K to 80% AMI Buyer
- Eligible Buyer buys home
- CLT owns land
- Lease restricts resales

**CLT of Palm Beach County  
+ Treasure Coast  
Finds/Screens Eligible  
Buyer**



# CLT of PBCTC

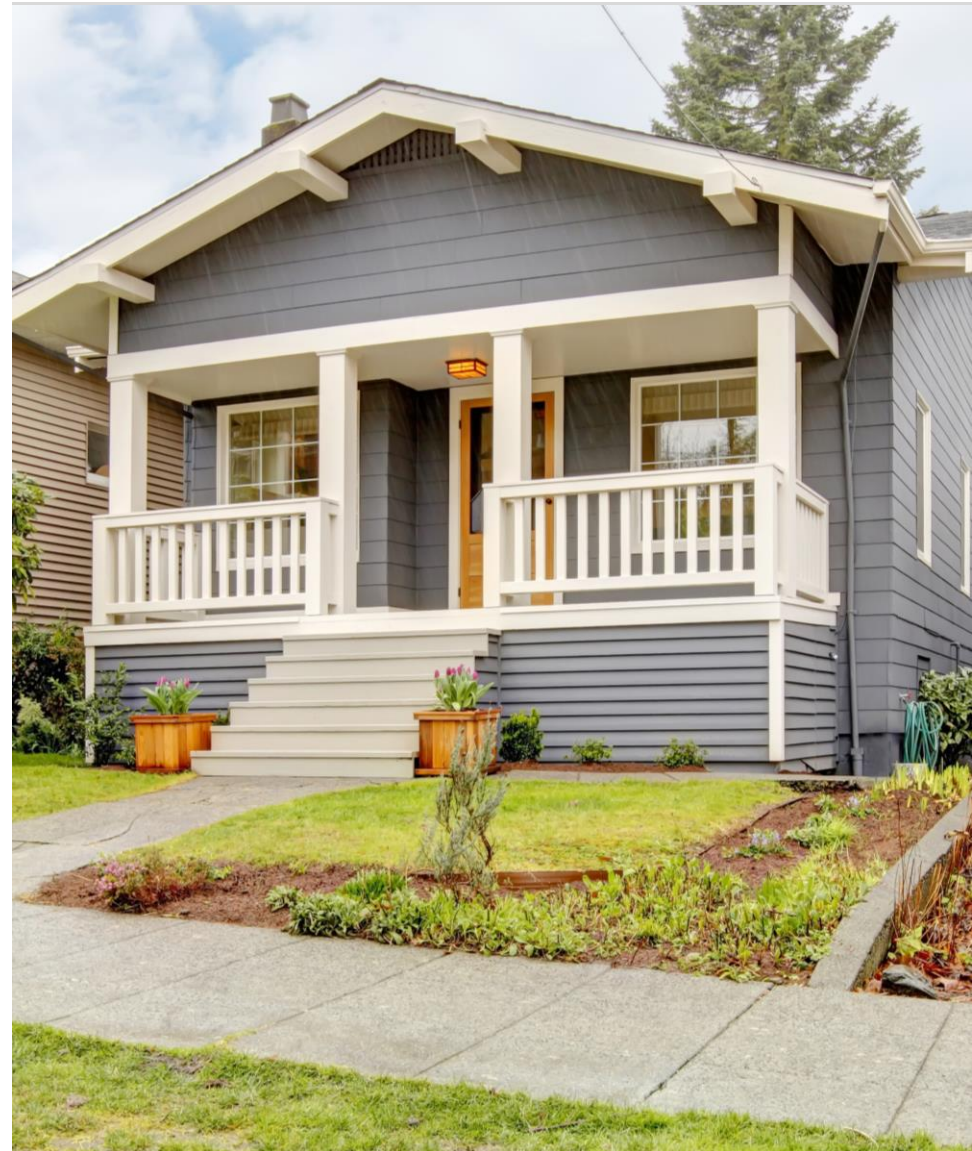


## Community Land Trust

of Palm Beach County  
and the Treasure Coast

Owens and stewards land **permanently** for the common good by providing:

- Created by Palm Beach County (2006)
- 62 HO Perm Affordable Homes
- +30 In the Pipeline
- +80 Dev. Perm Affordable Rentals



# The Deal

## PSL Selection Criteria

- 2 @ < 50% AMI
- 4 @ < 80% AMI
- Live/Work in PSL
- Homebuyer ed + more

## PSL 50% AMI Example

- HUD Median Income = \$71,500
- **\$74,000 Price**
- **Max income = \$25K - \$38,650**
- Single parent healthcare worker earning \$30,000
- Monthly mortgage (+) payment = \$700

## PSL 80% AMI Example

- HUD Median Income = \$71,500
- **\$130,500 Price**
- **Max income = \$40K - \$61,840**
- Essential worker earning \$50,000
- Monthly mortgage (+) payment = \$1,000





# Post Purchase Stewardship

## CLT of PBCTC Support, Monitoring and Compliance

- Annual occupancy certification
- Annual insurance verification
- Reserves funds for Roofing, HVAC and Culvert
- Support for Homeowners
- Periodic exterior inspections
- Foreclosure in the event of non-compliance
- Facilitate resales



# The Timeline

## Tentative Timeline:

- Nov 15 – PSL City Council Meeting
- Nov 16 – Begin Marketing
- January 15 – Open House
- January 20 – Zoom CLT Intro (2)
- February 1 – Application Period Opens
- April – Target Applicant Selection Complete