



Creating Equity through Equity:

Partnering with Faith Communities to Address the Affordable Housing Crisis

Homestead Community Land Trust preserves and advances access to permanently affordable homeownership as a means to create healthy, equitable and inclusive communities. We develop build or prepare existing homes for ownership to meet the needs of modest-income families. As a community land trust we offer a unique opportunity for modest-income homeowners to pass the opportunity they have been given for ownership on to the next income qualified buyer at the time they want to sell their home. As a result, we are creating a growing portfolio of permanently affordable homes that are a community asset to address the affordable housing crisis.

Working with Faith Communities

Many faith communities have opportunities and resources to create or support the creation of affordable housing in the form of “time, talent or treasure.” In addition to advocacy, volunteering or charitable gifts, surplus or underutilized land – such as parking lots, aging buildings, or buildings too large for current needs – are all assets that can be transformed in partnership with housing organizations. Discerning your faith community’s call and the right use of assets in service of both the community’s vitality and your ministry impact is vitality important. Homestead offers faith communities support for decision-making about how best to engage in the affordable housing crisis. Details are provided below.

Homeownership is a Justice Issue

In addressing the choice to support rental housing versus homeownership, faith communities will consider their social justice goals.

Access to affordable homeownership is an often-neglected social justice issue. Decades of discriminatory federal housing policies and business practices (redlining and predatory lending) have disproportionately affected people of color and their ability to own a home.

The value of homeownership for building wealth is established fact. According to the 2011 US Census, home equity accounted for 25 percent of all individual wealth. A 2008 HUD study concluded that for low-income households, homeownership is often *the only source of wealth* and can be a good means of building greater wealth.

The effects of predatory lending and the real estate bubble on vulnerable communities were devastating. The answer is supporting homebuyers in successful homeownership through a program like Homestead’s.

Community land trust homeownership is a means of creating access to homeownership for people who are not able to afford market-rate homes. As a result, community land trust homeownership – with its emphasis on affordability and its long-term support for homeowner success – is a vital tool in addressing the wealth gap affecting working people.

While there are many organizations in Seattle that seek to provide affordable rental housing, faith communities have a unique opportunity to support the expansion of affordable homes for ownership as part of a comprehensive housing solution.

About Homestead Community Land Trust

Founded in the late 1990s to address displacement of low-income people in the Central District, Homestead creates partnerships between home buyers, developers, lenders and local communities to put homeownership within reach of modest-income families. Homestead placed its first home in trust in 2002. Since that time, our portfolio of homes has grown to 193 (representing approximately 13 acres of land in trust) and we have worked with 212 homeowner families.

We build new homes and rehabilitate existing homes to meet the needs of modest-income families. We work with government and private funding partners whose investments and gifts reduce the cost of a home to buyers by about 30%. These investments place the land under the homes into the community land trust, which contributes to reducing the cost of the home to the buyer.

Homebuyers share the opportunity they have been given with the next owner of their home by selling at an affordable price to the next income-qualified homebuyer at the time they choose to sell.

Homestead stewards the community's investments in creating and preserving this growing portfolio of permanently affordable homes, and supports the success of homeowners long term. Even through the recent severe economic downturn, Homestead has had only one foreclosure which is a rate of .47% (research shows that community land trust homeownership has a far lower rate of delinquency or foreclosure than traditional homeownership for low- to moderate-income people).

Services for Faith Communities

If you are a representative of a faith community who is considering how to make a difference in affordable housing, Homestead offers a program to help your community decide what level of engagement is right for you.

Housing Engagement Readiness Assessment

Homestead's Executive Director, Kathleen Hosfeld, will meet with representatives of your faith community to have an initial conversation about your interests, tell you more about Homestead, and outline how we would conduct an assessment process.

After this initial meeting, as part of this assessment process, you might invite us to speak during one of your services or gatherings. The assessment process may include a congregational survey and facilitated conversations to discuss interest in and readiness for engagement with housing. We will also talk about your financial situation and what your financial needs are with respect to housing projects. We will explore with you the full range of housing engagement opportunities including:

- Legislative advocacy for support of low-income housing (state and local opportunities)
- Volunteering to rehabilitate a single-family home for ownership
- Sponsoring the costs to make a single-family home permanently affordable
- Gifts or sale of property to a non-profit housing developer for single-family or multi-family homes
- Co-development of housing with a non-profit partner

The desired outcome of this phase of the process is to assess the need for and your readiness to consider specific opportunities in more detail. If appropriate at this stage of the process we may refer you to other housing partners whose programs or initiatives are a good fit for your interests. Should the outcome of this assessment suggest that there is more for your faith community and Homestead to do together, we would agree on next steps and how we would like to proceed.

The faith community Housing Engagement Readiness Assessment will be conducted by our Executive Director Kathleen Hosfeld, who as a consultant has worked with a variety of churches and faith-based organizations on visioning and strategic planning. These organizations have included the Church Council of Greater Seattle, Our Redeemer's Lutheran Church, Plymouth Congregational Church and University Congregational Church to name a few. Ms. Hosfeld is a graduate degree candidate in the School of Theology and Ministry at Seattle University. She brings 25 years of consulting and executive leadership experience to the task of helping congregations make important decisions, such as how they might help to address the crisis of affordability in Seattle.

Would You Like More Information?

Please contact Homestead Community Land Trust at 206-323-1227 Ext 113 and speak to Kathleen Hosfeld.