

Permanently Affordable Homeownership

Opportunities for Lincoln County's Workforce

Impact Report June 2020



The lack of affordable workforce housing likely accounts for 46% of Lincoln County's workforce in-commuting from other Counties to their Lincoln County jobs, as of 2017.

While housing costs have increased in Lincoln County, wages have not. The seasonal nature of tourism also impacts housing stock, where in Lincoln City 30% of homeowners are part-time residents. This significantly drives up housing costs and reduces the already low availability of affordably priced homes. At the same time, Lincoln County's population is expected to increase by 4,147 permanent residents over the next 20 years. With a growing population earning low-wages, trying to find an affordable place to live is unachievable for working families.

To fill this need, Proud Ground expanded its Community Land Trust model to Lincoln County to ensure long-term affordable homeownership opportunities.

PROGRESS TO DATE



8 new homeowners in Lincoln County, earning an average household income of \$47,793 for a family of three.



8 permanently affordable homes in Lincoln County, 3 in Lincoln City, 3 in Newport, and 1 in Seal Rock, and 1 in Waldport.



\$236,000 average appraised market value of homes brought into Proud Ground's Lincoln County portfolio.



\$161,266 average affordable purchase price of homes brought into Proud Ground's Lincoln County portfolio.



6 major employers in Lincoln County helped their employees purchase their first home at an affordable price.



Jessica and her son, Evangel, had been living in a one-bedroom apartment in Lincoln City for four years. Their housing situation was becoming too expensive, with rent increasing by \$300 each year; and too small, with Jessica sleeping on the couch. While Jessica had achieved mortgage readiness, as a single mother working full time at Chinook's Seafood Grill, she could not afford to save for a down payment. Proud Ground matched Jessica with a down-payment assistance grant that gave her buying power to purchase a two-bedroom cottage in Lincoln City.

Jessica's stability at home helped her advance in her work too. She transitioned from a server position at Chinook Winds Seafood Grill to a Culinary Aide at Samaritan North Lincoln Hospital. Both employers are part of Proud Ground's Workforce Housing Initiative.

Being able to afford to stay in her community is the best part about Jessica's new home. "Living close to work and Evangel's school, really makes a difference, especially in the summer when everyone is at the coast and you're just trying to get to work. It's a huge weight off my shoulders."

Permanently Affordable Homeownership in Lincoln County



PARTNERS

- The Collins Foundation*
 - The Confederated Tribes of Siletz Indians*
 - Lincoln City*
 - Lincoln Community Land Trust*
 - Lincoln County*
 - Lincoln County Board of REALTORS*
 - Lincoln County School District
 - Meyer Memorial Trust*
 - Newport City*
 - Oregon Coast Community College
 - Oregon Community Foundation*
 - Oregon Housing and Community Services*
 - Samaritan North Pacific Hospital
- *connotes funder*

Proud Ground expanded its proven Community Land Trust model to serve rural areas through a ‘hub and spoke’ approach. In this model, Proud Ground acts as the ‘hub’, providing institutional knowledge on Community Land Trusts stewardship, resale formulas, and administrative and fiscal infrastructure to smaller ‘spoke communities’ through partnership agreements or acquisition. In turn, rural ‘spoke communities’ increase their ability to create permanently affordable homeownership opportunities for their workforce housing and maintain it long-term. Proud Ground is able to strengthen the affordable housing industry by creating permanently affordable workforce housing in areas with limited capacity to operate their own Community Land Trust.

Local leaders launched the Lincoln Community Land Trust in 1998. In 2014, Proud Ground contracted with Lincoln Community Land Trust to manage their unstaffed Community Land Trust. This launched the pilot of Proud Ground’s ‘hub and spoke’ model. In this pilot, Proud Ground’s ‘hub’ work helped develop a down-payment grant program to initiate more affordable homeownership opportunities for Lincoln County’s workforce. To best manage the creation of more homes and stewardship of Lincoln CLT’s existing homes, Lincoln CLT merged with Proud Ground in 2018.

With the financial support of OHCS’s Workforce Housing Initiative, Lincoln Community Land Trust, and a number of major employers in Lincoln County, Proud Ground launched its workforce housing program. Proud Ground relied on its community-based employers to market this opportunity to their workforces. Once employees were identified, qualified homebuyers shopped on the open market, using grant funds to lower the purchase price of existing, for sale market-rate homes. Proud Ground provided specialized one-on-one counseling and real estate brokerage services to ensure homebuyers closed on their affordable Proud Ground home. If a homeowner decides to sell their home, Proud Ground will manage the home’s resale to another income-qualified homebuyer to ensure long-term affordable housing options in the County.



\$87,228 was the average subsidy per home needed to fill the gap between the mortgage the homeowner can afford and the price of the home on the market.



This program was made possible thanks to the state and local funding, coupled with Proud Ground’s private funding to raise enough subsidy to support Lincoln County’s workforce.

