

## **A Best Practice In Affordable Housing**

The Siskiyou subdivision is an affordable homeownership project located in Ashland, Oregon; a community ripe with culture, recreation, tourism and escalating housing prices. The project was built in 2006 as part of the Rogue Valley Community Development Corporation's Mutual Self Help Housing sweat equity program. The Rogue Valley Community Development Corporation (CDC) is a nonprofit organization that provides affordable homeownership opportunities for low income households in Jackson County, Oregon. The Siskiyou subdivision represents a innovative partnership between the Rogue Valley CDC; public and private funders including the US Department of Housing and Urban Development (HUD), USDA Rural Development, the City of Ashland, Federal Home Loan Bank and Umpqua Bank; and other nonprofits including The Job Council, the Rural Collaborative, the Rural Community Assistance Corp., Community Frameworks, and the Rogue Community College.

The Siskiyou subdivision consists of nine, two and three-bedroom town homes utilizing two-story, zero lot line design. The homeowners, close-knit neighbors of 11 adults and 12 children, assisted with the construction of the homes. The Rogue Valley CDC received support in the early stages of the project from the Rural Collaborative in the form of technical assistance and predevelopment loans to determine the viability of the project. Support also included: \$361,049 in HUD Community Development Block Grant funds from the City of Ashland, \$90,000 from the HUD Self-Help Homeownership Opportunity Program (SHOP) administered by Community Frameworks, fee waivers and deferrals totaling \$57,577 from the City of Ashland, and predevelopment financing from Federal Home Loan and Umpqua Banks.



The project allowed the owners to spend one year building their homes, completing 65% of the work themselves with the instruction and guidance of the CDC's staff and subcontractors. Help was also provided by at-risk youth participants in The Job Council's Rogue Valley Youthbuild program funded through a HUD grant. Sweat equity served as each homeowner's down payment. USDA Rural Development made 502 construction loans to each homeowner ranging from \$114,675 to \$131,586 in a market where the median home price was \$469,000. At building completion, the loans converted to mortgages with interest rates between 1% and 5.75% resulting in mortgage payments as low as \$500 per month.

The Rogue Valley CDC's innovative use of a Community Land Trust ensures a high level of affordability of the homes into the future. Homeowners own their homes and pay property taxes on the home. The land is commonly held by the CDC and exempt from property taxes. A land lease ensures the affordability for over 99 years for future homeowners. According to a report by the Rural Collaborative, the Siskiyou subdivision is the first in the nation to combine a land trust model with Mutual Self-Help Housing and Youthbuild assistance. Siskiyou subdivision was successful because of strategic partnerships and collaboration among multiple organizations and individuals.