

PRESS RELEASE – for Immediate Release
November 17, 2010
Diamond State Community Land Trust (Diamond State)

DIAMOND STATE TAKES LEGAL ACTION AGAINST SUSSEX COUNTY

Actions Request Review of Decision by Delaware Superior Court, Delaware Division of Human Relations and the US Department of Housing & Urban Development

November 17, 2010 -- Today, the Diamond State Community Land Trust filed suit in Superior Court in Georgetown, Delaware challenging Sussex County's denial of its subdivision plan for the New Horizons community designed to provide needed moderately priced housing in Sussex County. "Because the project complies with all applicable County Code provisions, we are entitled to plan approval just like any other property owner who submits a plan which complies with the Code," explained Van Temple, the Executive Director of Diamond State, "and we are confident that the Superior Court will uphold our rights." Because of the impact of the denial upon low-income and disadvantaged households, Diamond State has also filed a fair housing complaint with the State Division of Human Relations and the U.S. Department of HUD over the same actions.

A separate complaint, filed with the State Division of Human Relations and the Department of Housing and Urban Development, alleges that the County violated the Fair Housing Act, the Civil Rights Act of 1964 and the Housing and Community Development Act of 1974 by wrongfully denying the subdivision and denying equal housing opportunity to low- and moderate-income families of color, among others.

"Both actions are taken to remove discriminatory and unreasonable obstacles to the American dream," said Diamond State Executive Director Van Temple. "All persons deserve the opportunity to be homeowners in communities of their choice, whether they are working families or wealthy families. The reasons for denial are without merit, arbitrary, capricious, and contrary to law," said Temple.

Background: On October 19, 2010 the Sussex County Council upheld the Planning & Zoning Commission's denial of Diamond State's New Horizons Subdivision application for reasons unrelated to the land use code. The Planning & Zoning denial was issued on July 14, 2010.

Proposed Development: Diamond State's New Horizons subdivision will make quality, affordable homeownership possible for 50 working Sussex County families. New Horizons is a proposed subdivision on a forty-two acre lightly forested site east of Laurel, Delaware. The proposed subdivision includes 50 single-family homes clustered along curved roadways served by a community entrance from Wootten Road. Cluster design provides a number of advantages including more efficient land use, preservation of wooded and open space, and lower infrastructure costs. Lot sizes average 9,481 S.F.

In addition to the cluster design, the entire community will be surrounded by a tree buffer. A walking path entrance into contiguous Trapp Pond State Park is planned. A generous area set aside for a community garden and potential community-based agricultural enterprise is also a foundational part of this community plan. Community facilities will include children's play yards, all purpose courts, outdoor cooking area, and a community building for gatherings, meetings of the homeowners association, and other activities.

Homes will be stick-built on-site by Sussex County builders. One and two story models - various styles, 3 & 4 bedrooms, 2 baths, ranging in size from 1,350 to 1,900 S.F. Water permeable driveways and sidewalks will reduce water runoff. Energy efficiency and renewable energy are key elements to making these homes truly affordable. Homes will be Energy Star efficient and equipped with solar hot water systems. The entire community will be served by a renewable energy photovoltaic (PV) system.

Homes will be sold to working families earning 80% Area Median Income (AMI) and below. Some homes will be affordable to households below 50% AMI. Sale prices will range from approximately \$115,000 to \$150,000. Manageable mortgage payments and efficient operating costs will make these homes truly affordable both at initial purchase and in the future.

Community Land Trust Model: Under the CLT model the homeowner owns his/her home and the non-profit land trust organization owns the land. Each homeowner pays a modest monthly ground rent for exclusive right to use the land. This enables the land trust to price the house well below its market value, making homeownership affordable to working families who might not otherwise be able to own their own homes. When homeowners choose to sell and move on, the re-sale price is set so that the home is affordable to the next working family. The privilege of homeownership is passed on.

Community Land Trusts are proven and effective across the United States.

- Foreclosure rate for CLT homeowners is 1/8th the national rate.
- After five years over 90% of CLT homeowners are still homeowners, compared to 50% for first-time buyer programs.
- When leaving CLT homeownership - over 70% purchase market-rate homes.

CLT homeownership is an effective and sustainable method of helping working families into homeownership and wealth-building.

For more information about Diamond State and New Horizons please visit www.diamondstateclt.org.

For Questions about Press Release contact: Van Temple, Executive Director
800-282-0477 van@diamondstateclt.org