



# Community Control of Land and Housing

Exploring Strategies for Combating Displacement,  
Expanding Ownership, and Building Community Wealth

# Presentation Outcomes

- Identify strategies that promote community control of land and housing
- Learn about community land trusts, housing cooperatives, and resident owned communities
- Gain insight from organizations promoting community control of land and housing in both urban & rural geographies

# Who is in the room?

- What brought you to this panel?
- What are you hoping to learn more about?

# Panelists

- **Katie Parker**  
The Democracy Collaborative
- **Bob Adams**  
Maggie Walker Community Land Trust
- **Citlalli Velasquez**  
Latino Economic Development Center
- **Peter Hainley**  
Casa of Oregon & NCRC board member

# Community Control of Land and Housing: A broad overview

Katie Parker,  
The Democracy Collaborative

# Community Wealth Building

A systems approach to economic development that creates an inclusive economy built on local and broad-based ownership.

# Land policy has been rooted in exclusion & extraction..

## *Examples:*

- Indian Removal Act (1830)
- Home Owners' Loan Corporation (1933)
- The Federal Housing Act (1949, 1959, 1961)
- Federal-Aid Highway Act (1956)
- Hospital Survey & Construction Act (1970)
- Exclusionary lending practices

# ..leading to significant disparities in wealth..

- The average White family has an estimated 13 and 10 times as much wealth as Black and Latinx families, respectively
- **72%** of White residents now own homes compared to **58%** of Asian, Native Hawaiian, and Pacific Islander residents; **47%** Latinx residents; and **42%** of Black residents

# **...that can intensify displacement & perpetuate disparities...**

*A 2015 study from ACLU found:*

- Home equity for Black Americans had fallen by 12% between 2007 and 2009 (compared to 9% for White Americans)
- Black and Latinx households were 50% more likely to face foreclosure

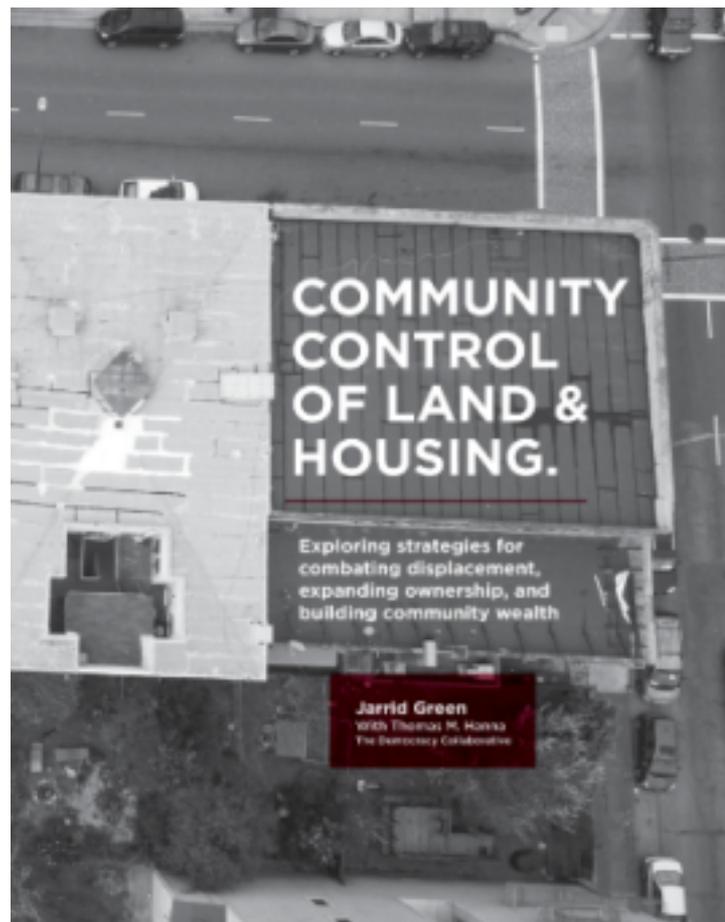
# ... pointing to the need for strategies that build community wealth, and expand ownership & control

- Report: <https://democracycollaborative.org/community-control-of-land-and-housing>
- Author: Jarrid Green



# Key Strategies & Tools:

- Community Land Trusts
- Limited Equity Housing Cooperatives
- Resident Owned Communities
- Land Banks
- Community Benefit Agreements



# Principles:

- **Community driven:** democratic governance structures allow for resident voice & control
- **Shared ownership:** limited- or shared-equity provisions leveraged to maintain affordability, while creating opportunities to build wealth
- **Sustainability:** focus on permanent affordability

# Emerging best practices:

- **Plan for success:** important to bring anti-displacement lens to “revitalization” conversations
- **Leverage anchor institution support:** universities, health systems, and other large non-profits rooted in place can invest in these strategies

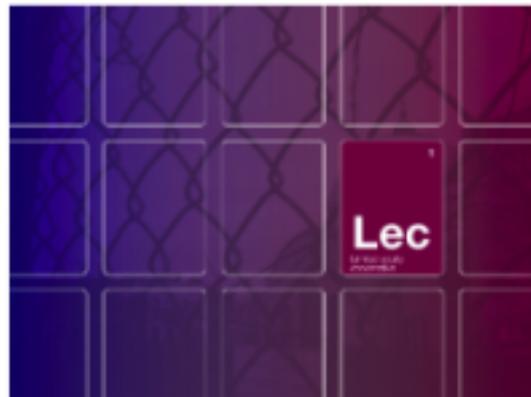
# Resources:

## Elements of the Democratic Economy series

Community Land Trusts



Limited Equity Cooperatives



Resident-Owned Communities



<https://thenextsystem.org/elements>

# Expanding Homeownership in Richmond, VA

Bob Adams, Maggie Walker Community  
Land Trust

# THE MAGGIE WALKER COMMUNITY LAND TRUST

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*A Vision for Affordable Homeownership: Now  
and Forever*



Maggie Walker  
Community Land Trust

# The MWCLT Mission

- **Increase access** to successful homeownership for low to moderate income families to support **inclusive wealth building**
- **Facilitate permanently mixed income neighborhoods** by providing a stock of housing that remains affordable in the future
- **Stabilize neighborhoods** by building homes on vacant land, rehabilitating deteriorated homes, increasing owner occupancy.

# HOW DOES A COMMUNITY LAND TRUST WORK?

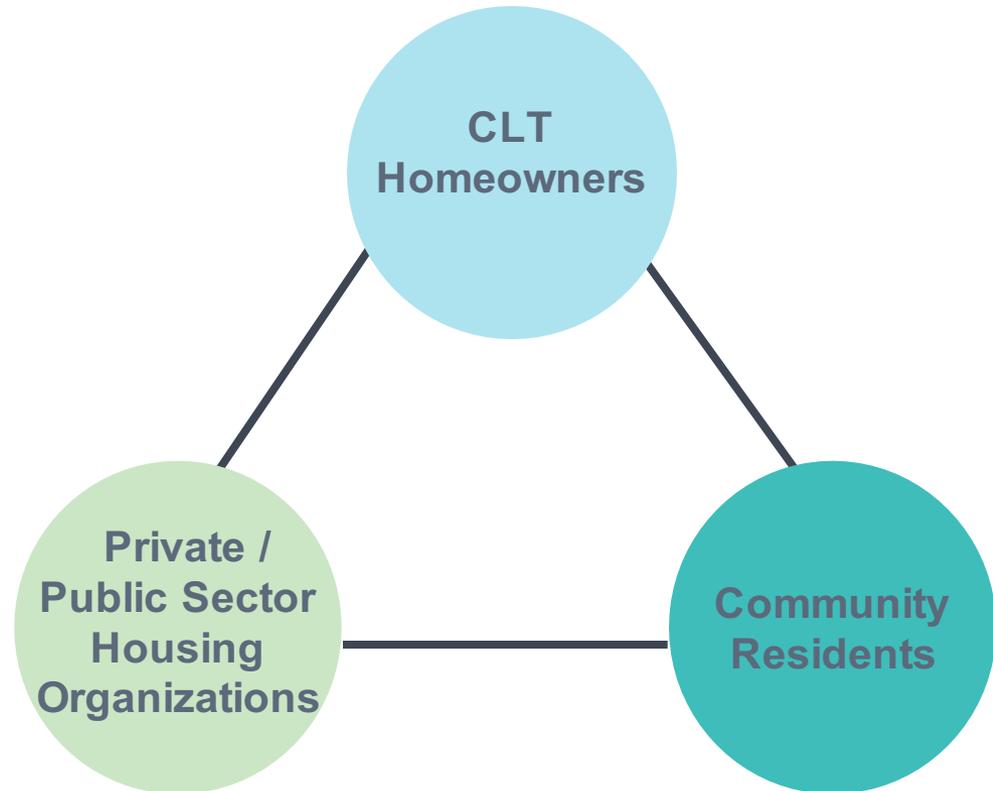
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*Land Trusts Operate for the Benefit of  
lower income Families AND for their  
Neighborhoods*

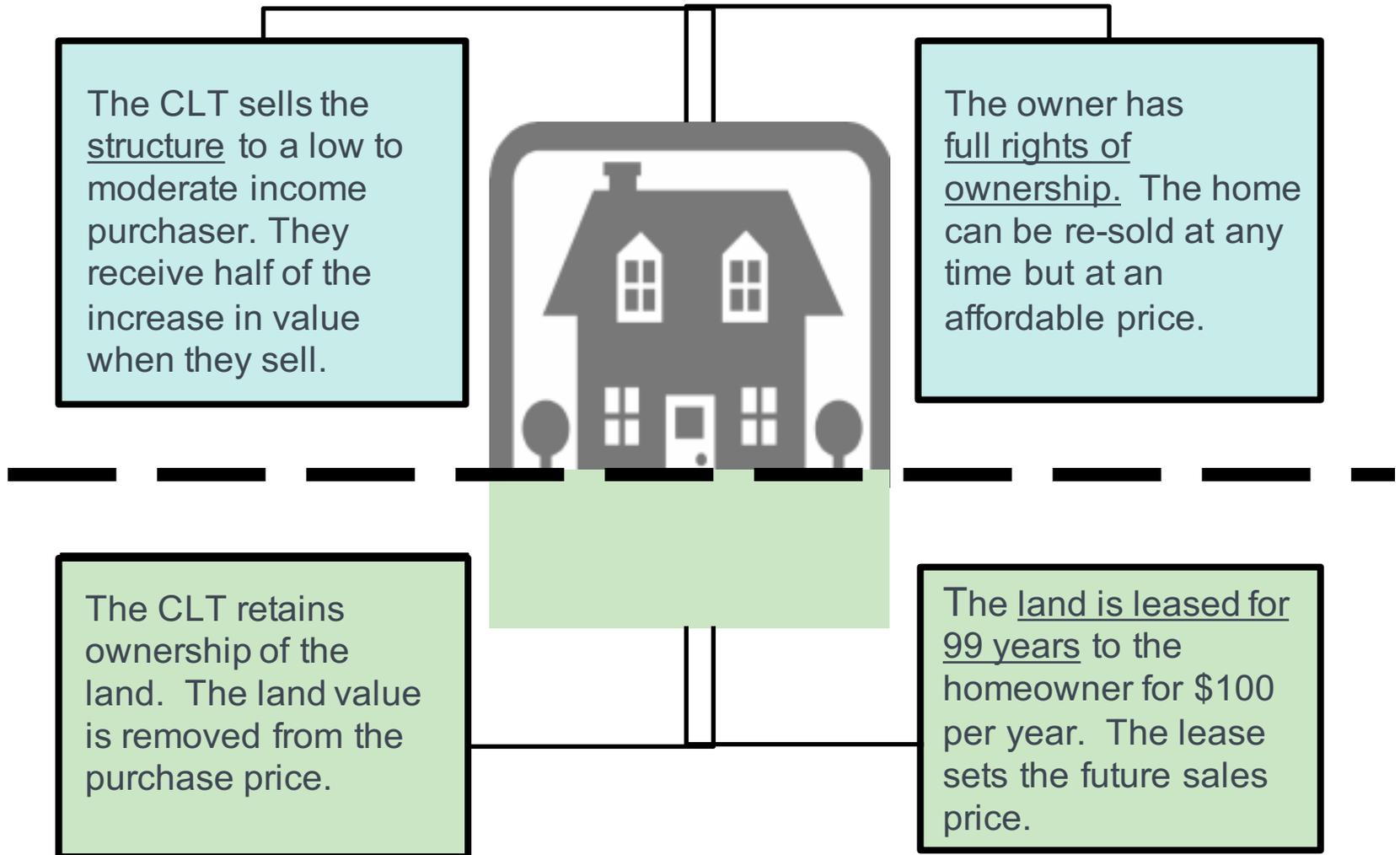
CLTs are community controlled

- **1/3 CLT homeowners**
- **1/3 community residents**
- **1/3 public & private partners**

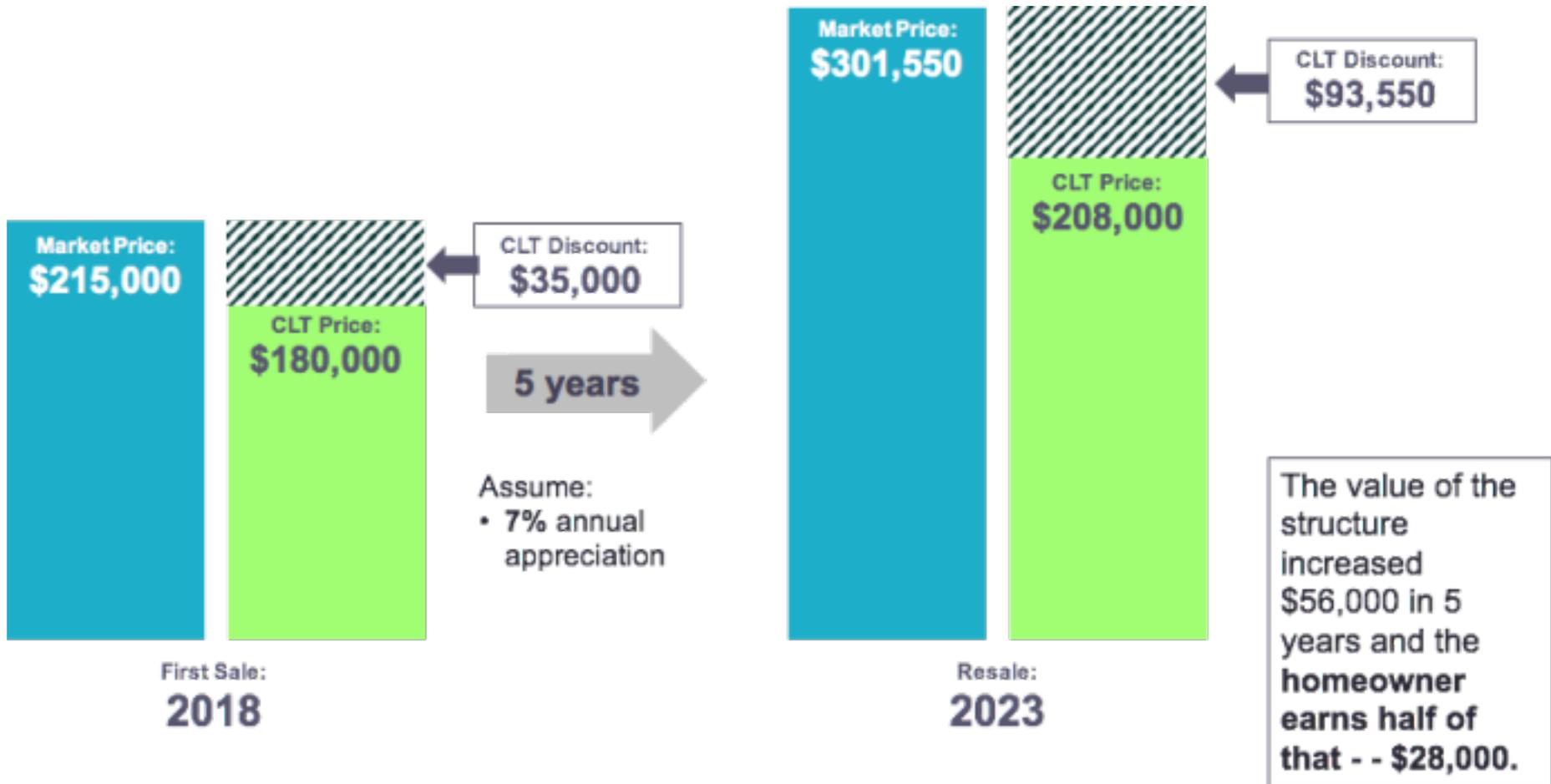
## Typical CLT Board Structure



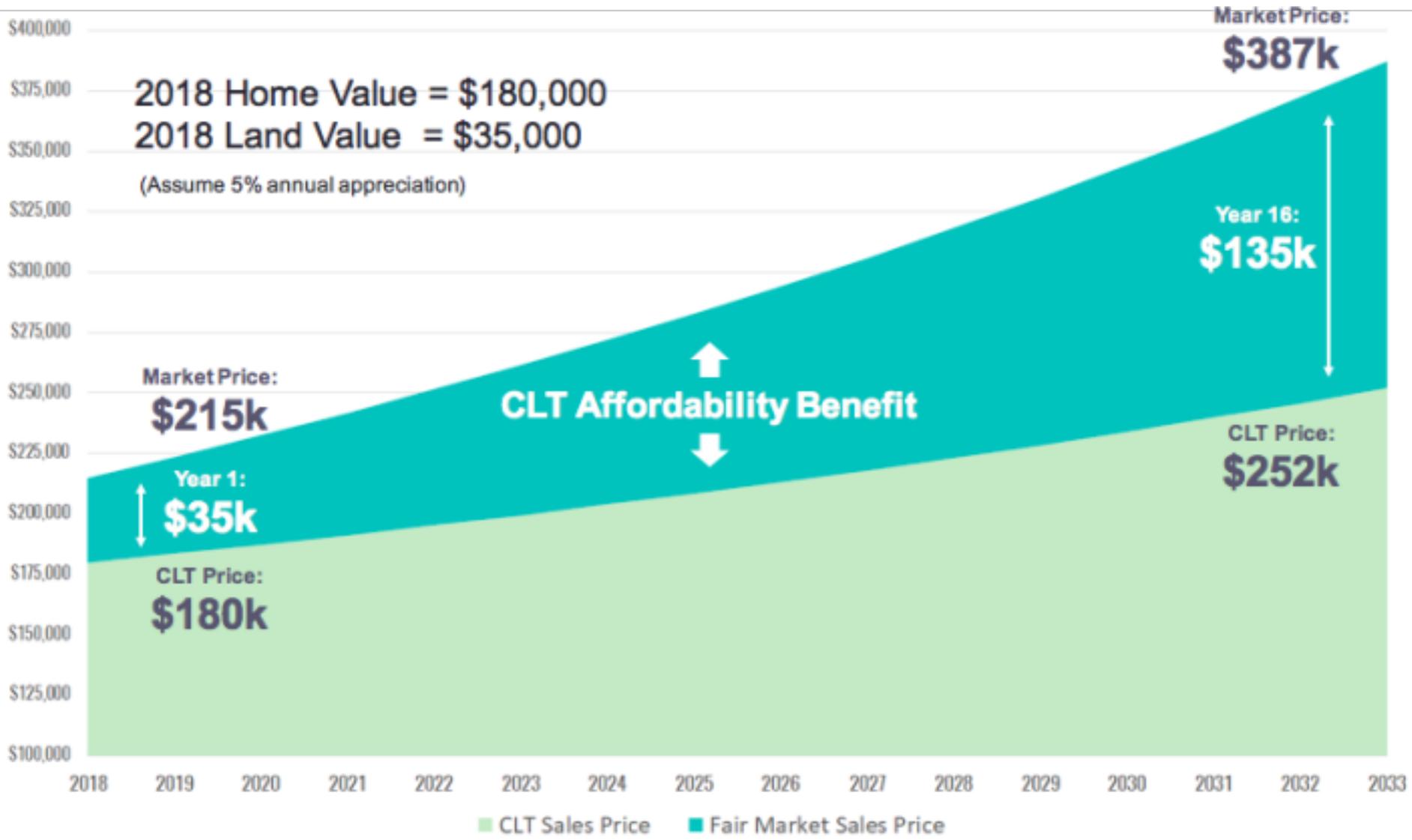
# CLT Model: Split Ownership of Land and Structure



# RESALE: Projected Fair Market vs. CLT Sales Price



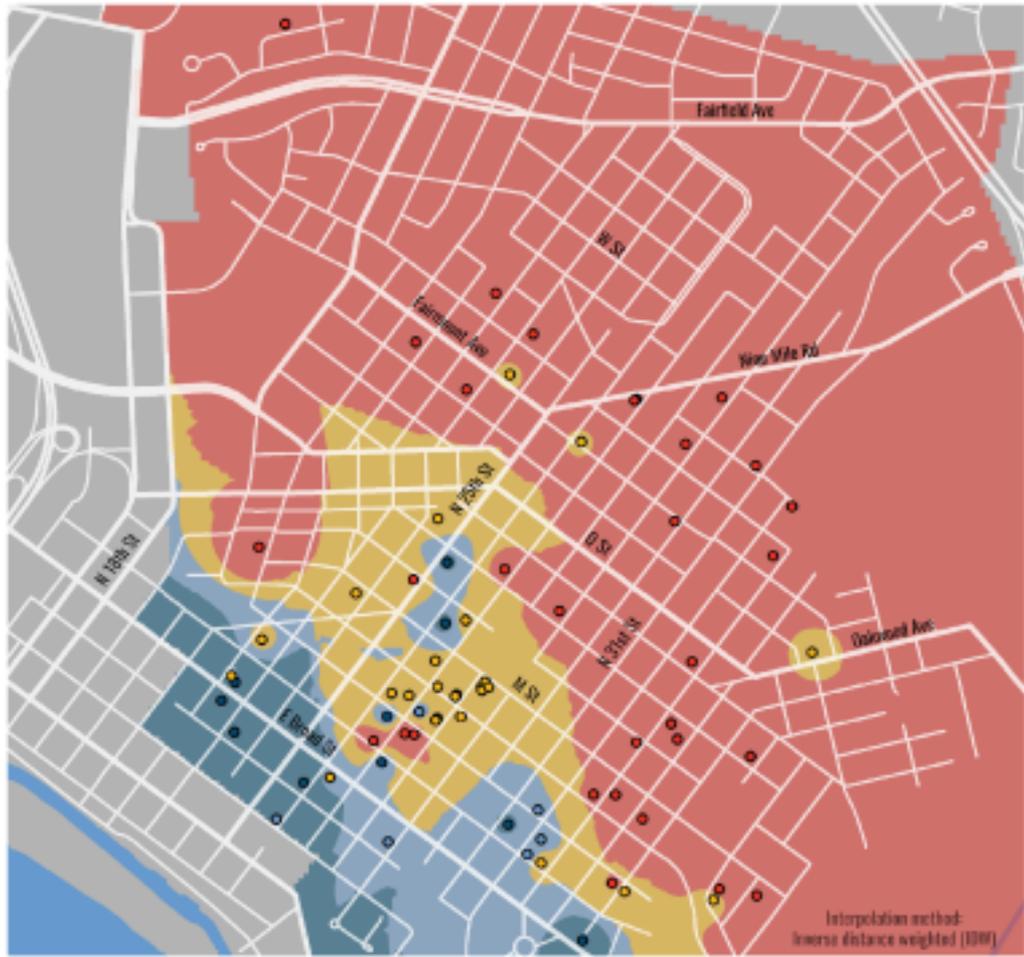
# One Time Subsidy Buys Increasing Affordability



# WHY WE NEED A CLT IN RICHMOND NOW

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***Change is happening Quickly in Some  
Neighborhoods: Single Family Home Sales  
in the East End 2012 – 2016***

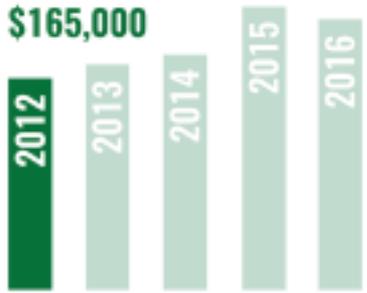


Sales Price: **Under \$150k** **\$150k – \$200k** **\$200k – \$250k** **Over \$250k**

# 2012

## Church Hill Single-Family Home Valid Market Sales

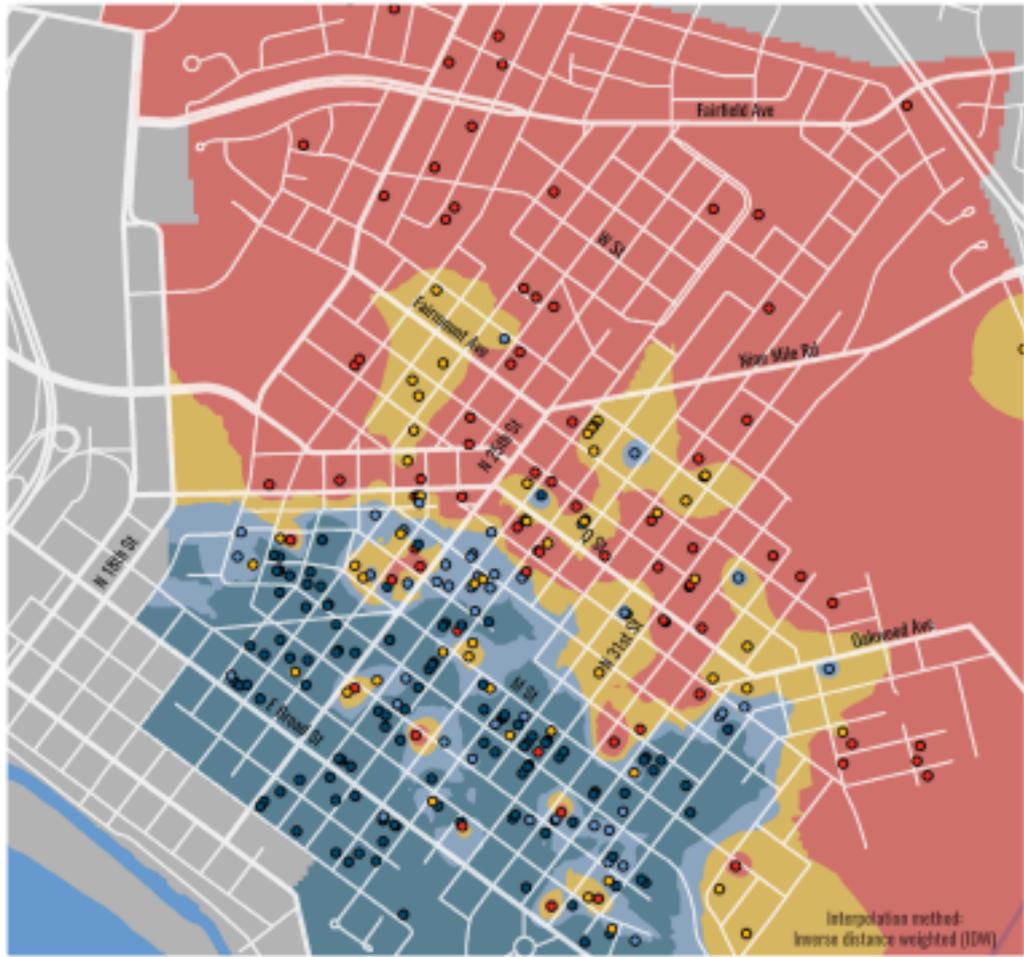
Median Sales Price:  
**\$165,000**



Number of Homes Sold:



Source: City of Richmond Assessor's Office



Sales Price: **Under \$150k** **\$150k - \$200k** **\$200k - \$250k** **Over \$250k**

# 2016

## Church Hill Single-Family Home Valid Market Sales

Median Sales Price:  
**\$215,000**



Number of Homes Sold:

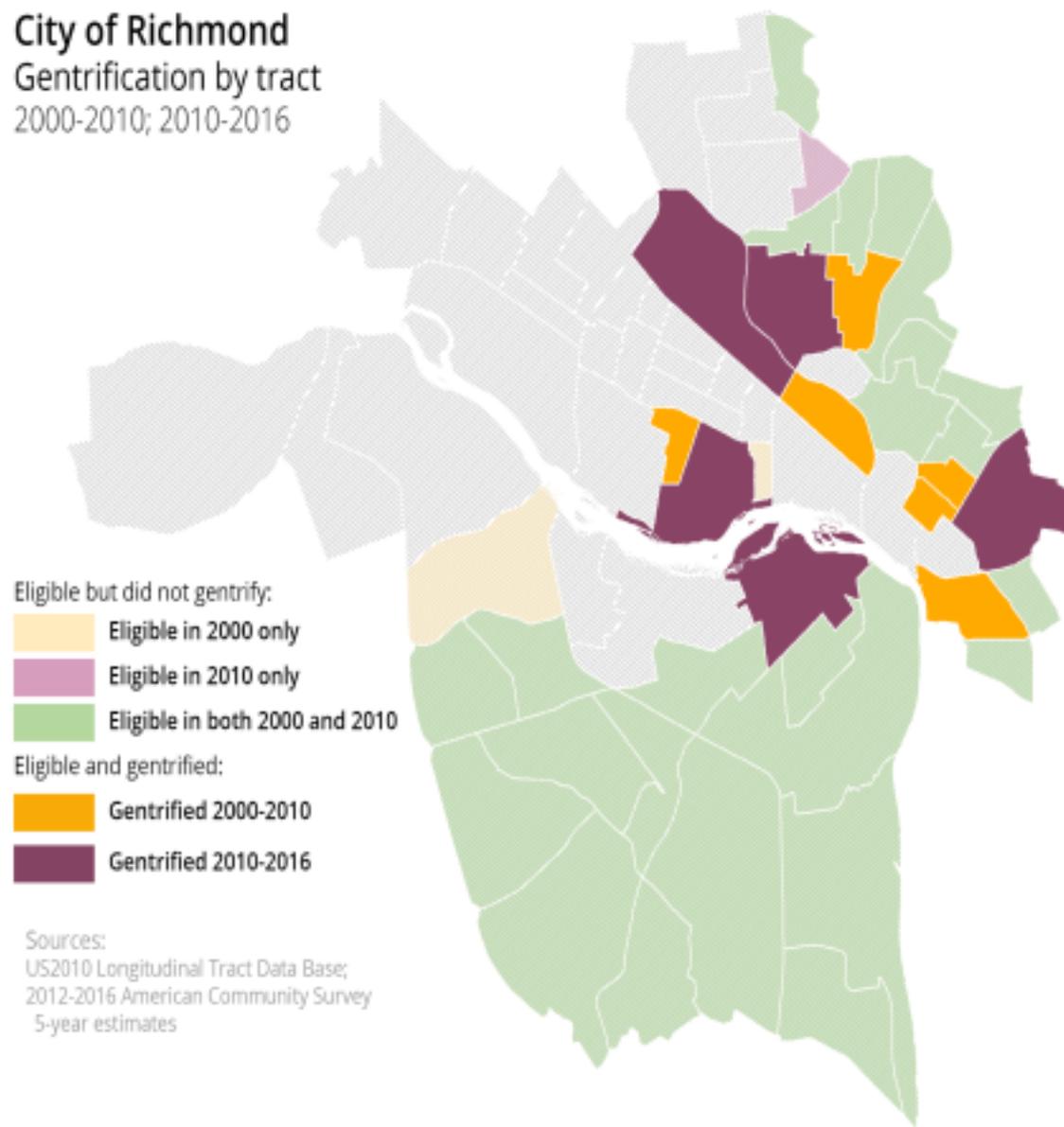


Source: City of Richmond Assessor's Office

# City of Richmond: 2019 Assessments

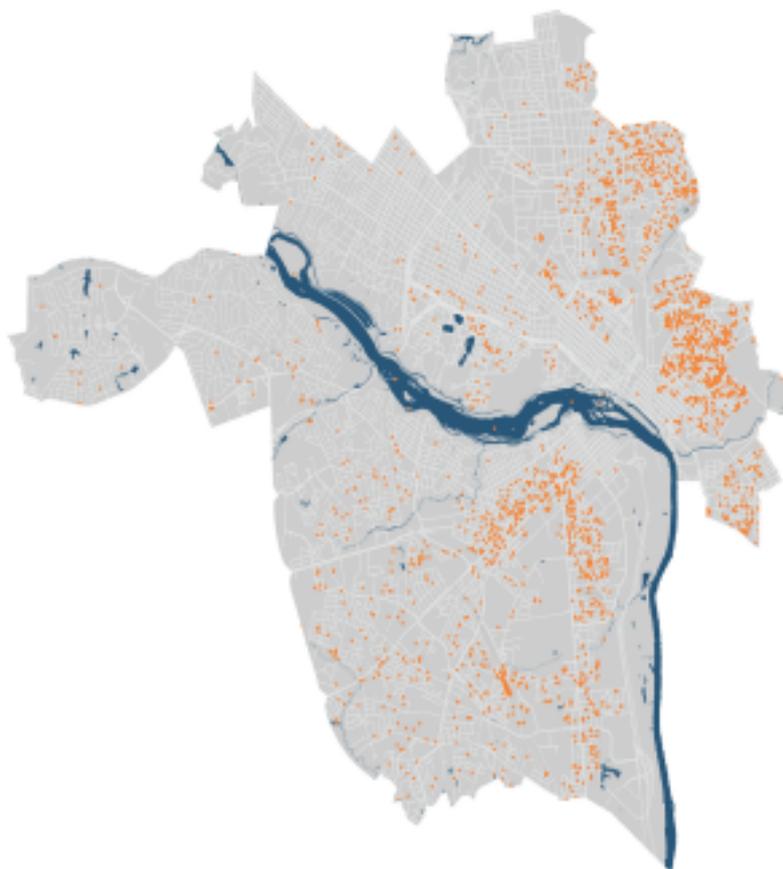
- **27 of 106 “neighborhoods” had increases > 10%**
  - Manchester 22.8%
  - Bainbridge / Blackwell 19.0%
  - East End 20.6%
  - Highland Park 16.4%
  - Old Randolph 29.7%
  - Midlo/Belt/Broad Rock 18.2%
  - Oakwood 12.8%

## City of Richmond Gentrification by tract 2000-2010; 2010-2016



## CITY OF RICHMOND TAX DELINQUENT PROPERTIES

Thousands of properties in the city have multiple years of back taxes. Many are vacant, and are liabilities to their surrounding neighborhoods.



There are approximately **2,470** properties in the city with more than 5 years of back taxes.

Over **1,000** of these are vacant single-family lots or unoccupied single-family homes.

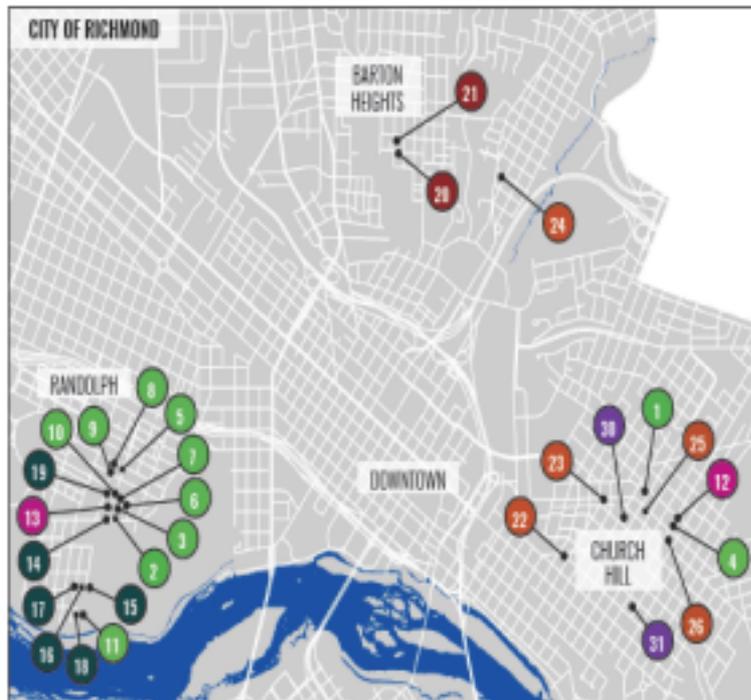
**ESTIMATED  
DELINQUENT  
BALANCE:  
\$19.7 million**

# MWCLT PLANS FOR THE NEXT FIVE YEARS

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*Move Rapidly to Build a Portfolio of  
CLT Homes in Neighborhoods  
throughout the City*

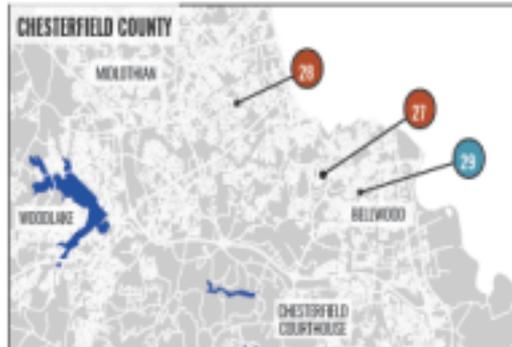
# MWCLT Property Pipeline February 2019



## CHESTERFIELD REHABS

In addition to the new properties on the map to the right, MWCLT will acquire and begin rehabbing up to seven additional single-family homes in Chesterfield County using COBG funding between now and June 2019.

- 32
  - 33
  - 34
  - 35
  - 36
  - 37
  - 38
- To be acquired and rehabilitated



## SOLD

- 1 1114 N 29th St  
project HOMES / Ben Secours
- 2 1134 Eggleston St  
Habitat for Humanity rehab
- 3 1132 Eggleston St  
Habitat for Humanity rehab
- 4 1223 N 29th St  
project HOMES / Ben Secours
- 5 1607 Elair St  
project HOMES rehab
- 6 1127 Eggleston St  
Habitat for Humanity rehab
- 7 1104 Eggleston St  
project HOMES rehab
- 8 901 Sumpter St  
project HOMES rehab
- 9 903 Sumpter St  
project HOMES rehab
- 10 1137 S Lombardy St  
Habitat for Humanity
- 11 1503 Kansas Ave  
Habitat for Humanity rehab

## BUYER UNDER CONTRACT

- 12 1225 N 29th St  
project HOMES / Ben Secours
- 13 1139 S Lombardy St  
Habitat for Humanity

## REHAB IN-PROGRESS

- 14 1143 S Lombardy St  
Habitat for Humanity
- 15 1501 New York Ave  
project HOMES
- 16 1505 New York Ave  
project HOMES
- 17 1507 New York Ave  
project HOMES

- 18 1511 Kansas Ave  
project HOMES
- 19 1615 Winder Ave  
project HOMES

## UNDER CONSTRUCTION

- 20 211 W Home St  
RRNA surplus land- MWCLT developing
- 21 2011 Greenwood Ave  
RRNA surplus land- MWCLT developing

## PRE-DEVELOPMENT

- 22 418 N 23rd St  
Direct sale- project HOMES will build
- 23 2301 Venable St  
Direct sale- MWCLT will build
- 24 1810 3rd Ave  
Market acquisition- MWCLT will build
- 25 2615 Q St  
Acquired Dec 2018- MWCLT will build
- 26 2922 P St  
Acquired Dec 2018- MWCLT will build
- 27 5616 S Melbeck Rd (shown)
- 28 8418 Spruce Pine Dr (shown)

## UNDER CONTRACT

- 29 4106 Jackie Ln (shown)  
Close date 03/25/2019- rehab

## DIRECT SALE APPROVED

- 30 511 N 30th St  
Expected spring 2019
- 31 918 N 25th St  
Expected spring 2019

# East End – 26<sup>th</sup> Street



## Randolph – Maymont Rehab Bungalows

### 1127 Eggleston

2 bedrooms  
Tax assessment land value: \$30,000  
Subsidy: \$35,000  
Available: now (under contract)  
Price: \$167,000  
Price to homebuyer: \$132,000



### 1134 Eggleston

2 bedrooms  
Tax assessment land value: \$32,000  
Subsidy: \$35,000  
Available: now (to be listed)  
Price: \$167,000  
Price to homebuyer: \$132,000



### 1132 Eggleston

2 bedrooms  
Tax assessment land value: \$32,000  
Subsidy: \$35,000  
Available: now (under contract)  
Price: \$167,000  
Price to homebuyer: \$132,000



# Investing Now Increases Impact

- Rising property values will reduce or end CLT acquisitions in many neighborhoods within several years

• \$1million in 2019 

• \$1 million in 2024 

- 1  = 2 houses

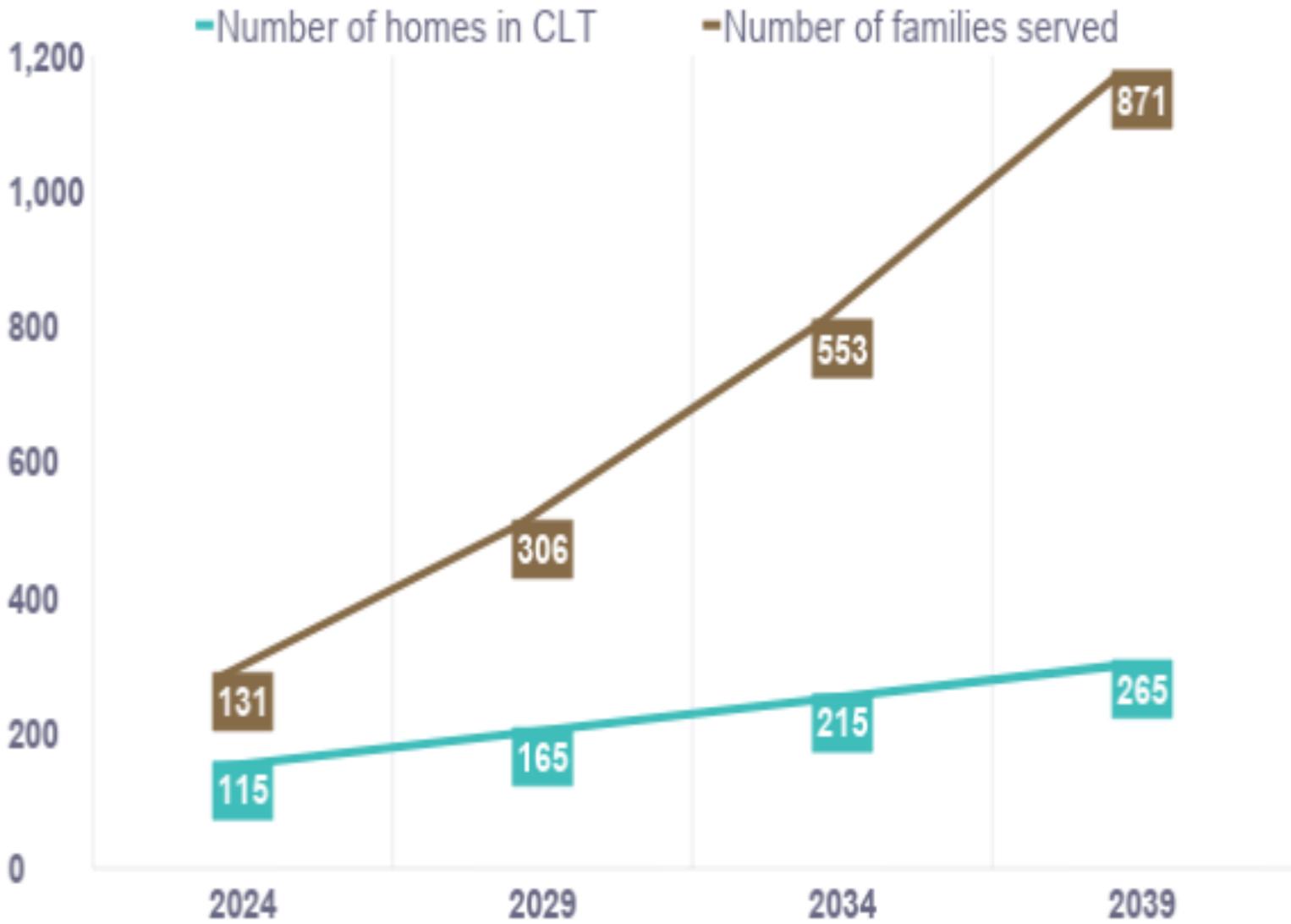
- Assumes 10% annual value increase in target neighborhoods, avg. acquisition of \$25,000/house in 2019

# MWCLT Production Plan

- ◆ Build CLT portfolio to **175** homes in next 5 years
- ◆ Estimated capital requirement = **\$4.1** million
- ◆ Capital secured = **\$2,850,000**

# Number of CLT Homes vs. families served

## Resales Mean more families benefit



# Buffering Richmond's Neighborhoods from Rapid Social and Economic Change

*Who will be able to live in our community in 5 years? 10 years?*

- ◆ **CLTs preserve long-term affordability, stability, and opportunity.**
- ◆ **CLTs contribute to mixed income communities**
- ◆ **CLT's provide housing stability and wealth building**
- ◆ **CLT's are partners in the long term success of neighborhoods.**

# Tenant Organizing & Opportunity to Purchase in Washington, DC

Citlalli Velasquez, Latino Economic  
Development Center

# TOPA History

- TOPA as a product of the militant tenant movement in DC in the 60s and 70s, close connections to civil rights/black power movements and the struggle for DC home rule.

## *Renters on Block Win Right to Buy At Modest Prices*

By LaBarbara Bowman  
Washington Post Staff Writer

## *26 Families Fight Order To Move Out*

By Alice Bonner  
Washington Post Staff Writer

The long-running controversy over private redevelopment in the Adams-Morgan area heated up yesterday on Seaton Place, a one-block street where some 26 families ordered to vacate their apartments for renovation have decided to resist.

The tenants, backed by the vociferous Adams-Morgan Organization, a community group, held a news conference in the narrow hallway to announce legal challenges to the sale and remodeling of their homes.



- In the mid-70s DC experienced an early wave of gentrification that was confronted head on by community groups like the Adams Morgan Organization, the Citywide Housing Coalition, and a newly-created elected local government

# HOW TOPA WORKS

- How does the TOPA process work & how do tenants use TOPA to create co-ops?
- TOPA only works when the city provides material support for tenants, namely funding (City trust fund)
- Challenges with co-op: difficulty with asset mgmt, internal conflict, and limited agency because of financial constraints

# Community Control Beyond Ownership

- Ownership doesn't always mean effective control, and there are ways for people to take control of their homes without becoming owners
- We have an expanded idea of what community control looks like: tenants can bargain collectively to shape the conditions they're living in through TOPA (since a big majority of tenants don't decide to buy) but also through other kinds of struggles like rent strikes

# Supporting Resident Owned Communities in Rural Oregon

Peter Hainley, Casa of Oregon



1<sup>st</sup> Resident-Owned Coop Conversion in Oregon, Horizon Homeowners Cooperative McMinnville (2008)

## Manufactured Housing Co-ops

*Promoting affordable home ownership  
through the creation of resident-owned,  
manufactured housing cooperatives*



# Our Vision

Manufactured housing park residents in Oregon achieve long-term security and build assets through the creation of resident-owned communities (ROCs).

*“It feels great to be able to walk on this ground and say ‘this is mine, it’s mine for the rest of my life.’” - Elias Montemajor,  
Horizon Homeowners Coop*



# Homes Preserved

Since 2008, CASA has preserved housing affordability for **14** communities, representing **866** households, by converting to a limited equity, cooperative resident-ownership model.



# The Cooperative Model

- Membership is limited to park residents - one membership per household
- Members must own, not rent, their homes
- Members control the monthly rent
- Members share equally in the decision-making
- The park is owned *collectively* by the cooperative
- The cooperative holds the mortgage and is responsible for paying debt service and operating expenses
- The elected Board of Directors manages the day-to-day operations of the cooperative



# Benefits to Homeowners

- Long-term security & stabilized lot rents (current range is \$250-\$605 a month)
- Wealth-building through homeownership and asset appreciation
- Democratic control of park operations, community rules and park maintenance
- Health and safety improvements to park infrastructure
- Civic engagement
- Leadership skills development



# National Snapshot

- 233 resident-owned cooperatives formed under the ROC USA model since 1984
- 15,018 households preserved as affordable
- Nine certified technical assistance providers nationwide
- No defaults at any of the resident-owned cooperatives in over 34 years



# What Makes The Co-op Successful?

- Ongoing technical assistance for the life of the loan
- Healthy operating and replacement reserves
- Short & long term capital improvement planning
- Leadership & business development training
- Historically low vacancy rates in coops
- Member participation
- Stability of land and space rents



# Types of Financing Needed

- Pre-development loans
- Permanent loans with and without tax credit subsidies
  - First and second position financing
  - Covers infrastructure improvements
- State, city or county subsidy
- Park income for ongoing operations (may require a rent increase).



# Most recent conversion closed Feb. 2019

## Deer River Cooperative

- Located in Clatskanie, OR
- 39 space community
- Over 65% at or below 80% AMI
- Almost 30% at or below 30% AMI
- Sales price \$1,700,000
- Total Cost \$2,615,000



# Deer River Cooperative Funding Sources and Uses

Sources	Amount	Int. Rate	Term
OHCS - GHAP	\$1,365,000.	grant	Grant
BANNER BANK (OAHTC - reduces interest rate by 4%)	\$1,000,000.	2.00%	30 yr amort due in 20 yrs
CASA of Oregon	\$250,000.	5.00%	30 yr amort due in 20 yrs

Uses	Amount	Description
Acquisition	\$1,854,321.	Purchase Price + soft costs
Construction	\$250,000.	Immediate Need Cap Improvements
Reserves	\$510,679.	Operating/ Debt Service, Capital Improvements, Business start up, Flood mitigation



# Manufactured Home Resident Owned Cooperatives (ROCs)

Cooperative Name	Horizon Homeowners Cooperative	Green Pastures Senior Cooperative	Saunders Creek Homeowners Cooperative	Vida Lea Community Cooperative	Clackamas River Village	West-Side Pines Cooperative
City/County/Year Preserved	McMinnville Yamhill 2008	Redmond Deschutes 2010	Gold Beach Curry 2011	Leaburg Lane 2012	Clackamas Clackamas 2012	Bend Deschutes 2013
Purchase Price	\$1,200,000	\$1,400,000	\$900,000	\$1,485,000	\$5,000,000	\$3,650,000
Capital Improvements	\$550,000	\$50,000	\$380,000	\$350,000	\$117,000	\$63,000
Number of Spaces	30	52	42	33	76	71
Lenders	CASA: \$750k OHCS: \$600k <b>2016 refinance</b> NOAH: \$1.1million CASA: \$100k	NOAH OAHTC: \$1.05M CASA: \$463k OHCS: \$100k	CASA: \$500k RCAC: \$265k OHCS Grant: \$600k	NOAH OAHTC: \$530k CASA: \$435k OHCS Grant: \$600K	ROC Capital: \$5.4M	NOAH OAHTC: \$2.6M CASA: \$639k OHCS Grant: \$600k City of Bend Grant: \$200k
Annual Incomes	81% under 40% AMI	83% under 60% AMI	80% under 80% AMI	98% under 80% AMI	66% under 80% AMI	65% under 80% AMI
Preservation Price per Space (w/o capital imp)	\$40,000	\$26,923	\$21,429	\$45,000	\$65,789	\$51,408
Rents	Increase of almost \$400 to \$600, now at \$400	Increase of \$50 to \$350	Range of \$260-\$300 Increase of \$7 for Single-wides (SW) and \$15 for Double-wides (DW).	RV: \$ 350 - \$375 SW: \$325 DW: \$415 - \$430 RV and SW: Increase of \$25, DW: Increase of \$35	Average rent of \$681 Original increase of \$100 - has since decreased by approx. \$20	Rents \$466
Representatives	Senate: Brian Boquist 503-986-1712 House: Ron Noble 503-986-1424 Congress: Suzanne Bonamici 503-469-6010	Senate: Tim Knopp 503-986-1727 House: Jack Zika 503-986-1453 Congress: Greg Walden 541-389-4408	Senate: Dallas Heard 503-986-1701 House: David Brock Smith 503-986-1401 Congress: Peter DeFazio 541-465-6732	Senate: Lee Beyer 503-986-1706 House: Marty Wilde 503-986-1411 Congress: Peter DeFazio 541-465-6732	Senate: Kathleen Taylor 503-986-1721 House: Karin A. Power 503-986-1439 Congress: Earl Blumenauer 503-231-2300	Senate: Tim Knopp 503-986-1727 House: Cheri Helt 503-986-1454 Congress: Greg Walden 541-389-4408

**TOTAL SPACES PRESERVED TO DATE: 866**

# Manufactured Home Resident Owned Cooperatives

Cooperative Name	Bella Vista Estates Cooperative	Dexter Oaks Cooperative	Umpqua Ranch Cooperative	Two Rivers Homeowners' Cooperative	Shoreview Meadows Cooperative	Colorado Lake Cooperative
City/County/Year Preserved	Boardman Morrow 2014	Dexter Lane 2015	Idleyld Park Douglas 2015	Gladstone Clackamas 2017 (permanent loan in process)	Cottage Grove Lane 2017	Corvallis Benton 2017
Purchase Price	\$3,150,000	\$1,300,000	\$5,225,210	\$8,750,000	\$1,350,000	\$2,100,000
Capital Improvements	\$118,000	\$16,000	\$2,000,000	\$2,669,024	\$80,000	\$0
Number of Spaces	127	39	110	142	23	45
Lenders	Banner OAHTC: \$2.3M CASA: \$500k RCAC: \$750k	OHCS GHAP Grant: \$1.56M CASA: \$175k	Banner OAHTC: \$2.52M OHCS GHAP Grant: \$2.503M CASA: \$225k	<u>Permanent Fin.</u> OHCS GHAP Grant: \$3.55M CASA: \$2.5M NOAH: \$3.8M NOAH OAHTC: \$3M	NOAH OAHTC: \$902k OHCS GHAP Grant: \$805k	<u>REFINANCE</u> NOAH: \$1.9M CASA: \$200k
Annual Incomes	79% under 80% AMI	60% under 80% AMI	65% under 80% AMI	65% under 80% AMI	50% Under 50% AMI 7% Under 35% AMI	70% under 80% AMI
Preservation Price per Space (w/o capital imp)	\$24,803	\$33,333	\$47,502	\$61,620	\$58,696	\$46,667
Rents	\$275 average \$25 Increase	\$285-\$325 \$30 Increase	\$345 \$10 Increase	\$520 - \$580 \$86 Increase	SW \$380 DW \$390 \$18 Increase	\$500
Representatives	Senate: Bill Hansell 503-986-1729 House: Greg Smith 503-986-1457 Congress: Greg Walden 541-389-4408	Senate: Floyd Prozanski 503-986-1704 House: Paul Holvey 503-986-1408 Congress: Peter DeFazio 541-465-6732	Senate: Floyd Prozanski 503-986-1704 House: Cedric Hayden 503-986-1407 Congress: Peter DeFazio 541-465-6732	Senate: Alan Olsen 503-986-1720 House: Mark Meek 503-986-1440 Congress: Kurt Schrader 503-588-9100	Senate: Floyd Prozanski 503-986-1704 House: Cedric Hayden 503-986-1407 Congress: Peter DeFazio 541-465-6732	Senate: Sara Gelser 503-986-1708 House: Shelly Boshart Davis 503-986-1415 Congress: Peter DeFazio 541-465-6732

## Manufactured Home Resident Owned Cooperatives (ROCs)

Cooperative Name	Elk Meadow Cooperative	Deer River Cooperative
City/County/Year Preserved	Warrenton Clatsop 2018	Clatskanie Columbia 2019
Purchase Price	\$1,700,000	\$1,700,000
Capital Improvements	\$521,300	\$150,000
Number of Spaces	37	39
Lenders	<u>Permanent Fin.</u> OHCS GHAP Grant: \$1.295M CASA: \$385K NOAH OAHTC: \$1M	OHCS GHAP Grant: \$1.365M CASA: \$250k Banner OAHTC: \$1M
Annual Incomes	70% under 80% AMI	60% under 80% AMI
Preservation Price per Space (w/o capital imp)	\$45,946	\$43,590
Rents	\$400 \$13 Increase	\$370-410
Representatives	Senate: Betsy Johnson 503-986-1716 House: Tiffany Mitchell 503-986-1432 Congress: Suzanne Bonamici 503-469-6010	Senate: Betsy Johnson 503-986-1716 House: Brad Witt 503-986-1431 Congress: Suzanne Bonamici 503-469-6010

# Questions & Discussion