Pathways to Tenant and Community Control: Financing Strategies for Community Land Trusts

LISC Institute for Community Power webinar
October 21, 2022
Pathway to Permanent Affordable Housing For Very Low to Low-Income Population (Tenants of 285 Turk, San Francisco)

70% rent increase
Low-income, Long-term Tenants (10-30 years)
Seniors, Disabled, Working Families, and BIPOC live there
Door to Door outreach to residents

70% rent increase was cancelled
Campaign was a success

Campaign Coalition Organized
(10) Tenant Core Leaders Organized

Meetings held to plan the campaign:
1. Petition signing
2. Lobbying with city officials
3. Rally at City Hall
4. Rally at Mosser HQ
5. Dialogue with Mosser
6. Interview
7. TV news

Tenants and myself reach out to SFCLT to buy the building and convert to coop housing

TNDC/ MEDA outreach to buy 285 Turk
Effort did not push through

Tenant organizing continues

Survey + training re: coop
SFCLT prep / funding

Funding secured, SFCLT acquired 285 Turk in January 2022

12/17 - 01/18 - 02/18 - 04/18
5 Years of Sustained Campaign (2017 - 2022)
06/18 - 2020 - 2022
SFCLT Vision & Strategy

• Founded in 2003, SFCLT is a majority women and BIPOC led organization creating BIPOC homeownership in SF through the LEHC and CLT model.

• Today SFCLT owns 14 Permanently Affordable Properties across SF with 145 units in its portfolio.

• A true “small sites” developer. The majority of our buildings have less than 12 units.

• 70% of our residents identify as BIPOC and represent an average AMI of 55%.
SFCLT mission

- City-wide Preservation
- LEHC creation
- 14 buildings and counting
The Success Story of Columbus United Cooperative

• Early POC tenant organizing against displacement
• Creation of 21 units of LEHC homeownership
• $7.6 million purchase
• Creative financing leveraging public dollars: 6 other funding sources other than city seismic program.
• Achieved financial sustainability within five years
• Critical role of the resident education & outreach coordinator
CUC Capital Stack

Financing Total Development Cost $7,614,379

- 51% City of SF Seismic Loan Program
- 28% Low Income Investment Fund
- 10% City of SF Real Ownership for Tenants
- 4% Asian Law Caucus (Commercial Unit)
- 3% Federal Home Loan Bank
- 3% Resident Equity
- 1% SFCLT Equity
Challenges & Opportunities for Scaling the CLT and Coop model in San Francisco

**Challenges**

- The astronomical price of land and housing
- Eligibility for public funding as well as lack of familiarity with the model for private lenders
- Lack of capacity dollars available for maintaining Coops
- Opposition Forces to all forms of affordable housing but especially preservation work

**Opportunities**

- Active Tenant Community and CDC/CBO Eco-system
- Supportive Supervisors
- Prop I funds $170 million/year
- Tenants represent 65% of all San Francisco residents

10/21/2022
285 Turk: Creating 40 units of BIPOC Homeownership in SF

- Exemplifies our 2021-2022 strategic priority of centering Racial Equity at the heart of our acquisition strategy
- 40 Units
- Majority Filipino, Black and LatinX community—a majority of the LatinX community are Mayan Indigenous from the Yucatan Peninsula
- $10.4 million purchase
- 2.2 million in equity raised through donations, crowdsourcing, and individual loans towards purchase
- 5-year Timeline to LEHC conversion
285 Turk St Capital Stack

- $9.3 mil Acquisition
- Post-purchase budget of $600K
- $200K environmental remediation
- Total of $10.1mil
About OakCLT

Founded in 2009

Evolving crises in Oakland
foreclosure >> displacement/exclusion

OakCLT as flexible tool
• preventing displacement + stabilizing families
• building low-income & BIPOC resident power
• fighting against speculation & wealth extraction
• shared ownership + wealth: household + community
OakCLT’s Community Land (by the numbers)

Currently:

• 45 sites in total
• 68 housing units
• 20 single-family homeownership
• 7 single-family lease with purchase option
• 2 transitional homes for women w/ children
• 6 multi-family (37 residential & 5 commercial units)
• 9 lots for urban agriculture/new housing
• 160+ residents
California's Housing Crisis Is So Bad, People Are Turning To Rent Strikes And Squatting

“We've exhausted all our options.” Unaffordable rents and dilapidated homes are pushing people to radical action.

By Liza Ramrayka
Mar 10, 2020, 05:45 AM EDT | Updated Mar 10, 2020

Francisco Perez is an unlikely activist. The retired roofer and his wife Graciella, have rented their one-bedroom apartment in Oakland's Fruitvale neighborhood for the past 20 years.

Perez lives a quiet life and enjoys spending time with family and friends. But for the last four months, he and Graciella have been the face of Oakland's housing crisis.

OAKLAND (KPIX) -- Tenants and housing activists are celebrating the end of one of the longest rent strikes in Oakland's history.

2 years into a rent strike, Fruitvale tenants say they have a deal to buy their building

The renters were dressed up and ready to march to their landlords' house in Alameda this week—then they got some hopeful news.

by Natalie Orenstein
December 17, 2021

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