



# Community Land Trusts: Investing in Affordable Housing and Neighborhood Stability

APA – PA Chapter annual conference, Pittsburgh  
Tuesday, October 19<sup>th</sup>



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# **City of Bridges**

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## **COMMUNITY LAND TRUST**

APA - 10/19/21



**City of Bridges**  
COMMUNITY LAND TRUST

## agenda

- City of Bridges CLT History
- CBCLT Organization and Operations
- CBCLT Current and Future Work



**City of Bridges**  
COMMUNITY LAND TRUST

## CBCLT History

# Lawrenceville CLT

## Outgrowth of the 10<sup>th</sup> Ward Community Plan





**GOALS:**

Upper Lawrenceville will be a place where people want to live because it is **affordable** and **authentic**.

The neighborhood will remain **affordable** with a fabric that supports a **diversity of residents**—from homeowners to renters, including newcomers to long time residents.



### Steering Committee

Etna (2)  
Lawrenceville (3)  
Millvale (2)  
Polish Hill (2)  
Sharpsburg (2)  
evolveEA  
Palo Alto Partners  
Ken Joseph  
Burlington  
Associates

### Real Estate Development Strategy

UCSUR  
Palo Alto Partners  
Burlington  
Associates  
Smith Associates  
Ken Joseph

### Permanent Financial Instrument

Fourth Economy

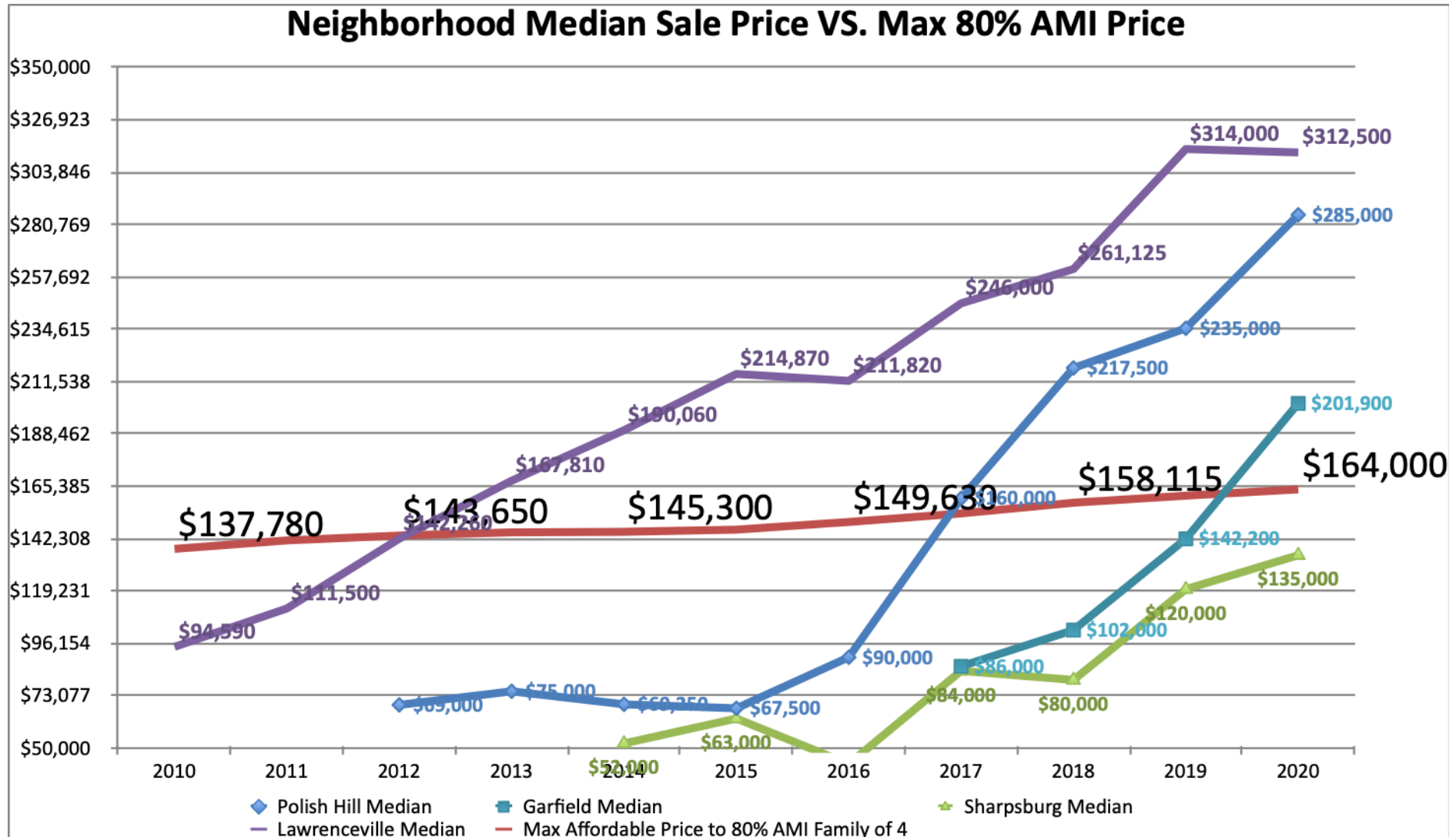
### Community Engagement

Carlson & Associates  
UCSUR

### Regional Data Hub

Electric Baby  
HomeKeeper  
Grounded Solutions  
Network

# The Regional Problem

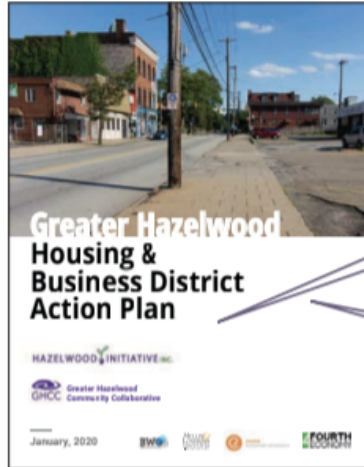




# National Models

- Proud Ground – Portland, OR
  - 5 county service area
  - 280 homes
- City of Lakes – Minneapolis, MN
  - Serves the entire city of Minneapolis
  - 275 homes
- Champlain Housing Trust – Burlington, VT
  - 3 county service area
  - 620 single family homes, 2300 rental units

# Embedded in Community Plans



“

## Closing the Current Gap

In order to close the current affordable housing gap in Greater Hazelwood, approximately 900 units of affordable housing must be added in Greater Hazelwood over the next ten years.

“

**Partner with the City of Bridges Community Land Trust and Other Organizations to Create Permanently Affordable Homeownership Opportunities for Greater Hazelwood Residents**

## SHARPSBURG COMMUNITY VISION PLAN

A community vision and Ecodistrict plan for the people and places of Sharpsburg

Establish a **community land trust** to preserve permanently affordable housing. A community land trust is currently being explored with other communities that share a market with Sharpsburg. The land trust would create permanently affordable housing by separating the land value from the improved (building) value.

## Maintain affordability and build community wealth.

As Millvale's EcoDistrict develops and the Borough increases in popularity, it will become increasingly difficult to find affordable housing in the community. Affordability should be viewed as a priority in Millvale, including opportunities for existing Millvalians to build wealth.

- Require a large percent of newly constructed housing units to be affordable for both new and incoming residents.
- Establish a community land trust to ensure community stewardship of the land and guarantee long-term housing affordability. This model of land ownership will provide residents the opportunity to build community wealth.

## A FIVE-YEAR AFFORDABLE HOUSING PLAN FOR FINEVIEW & PERRY HILLTOP

2. **Create a pilot Community Land Trust project.** By working with the City of Bridges Community Land Trust, FCC & PHCC will benefit from their expertise, funding and track record to more quickly expand the supply of affordable neighborhood homes.



**City of Bridges**  
**COMMUNITY LAND TRUST**

**CBCLT**  
**Organization &  
Operations**



## WE ARE

a new, **independent nonprofit** that works closely with community organizations and individuals.

**We develop** permanently affordable assets to strengthen community and improve the quality of our buildings and housing.

**We connect** people to resources and & empower more and better prepared homeowners.

**We provide ongoing stewardship** for long-term neighborhood stability and individual opportunity.

## OUR VISION

City of Bridges CLT envisions diverse communities where people **thrive, build wealth, establish roots, and foster community ties without risk of displacement.**

## OUR MISSION

City of Bridges CLT **builds community ownership** that preserves **permanent affordability, empowers individuals**, and ensures **responsible growth and stewardship.**

## OUR VALUES

We demand dignity and respect for people and community, and advocate against discrimination and displacement

We empower people and lead the way - together

We are courageous, credible, and worthy of trust

We inspire thoughtful and honest community participation, and activate community plans and values

We advance fairness, justice, and equity

## OUR WORK

**Our goal is to create 100 units of permanently affordable housing over the next 5 years.**

**We pilot innovative programs** and find new ways to bring permanent affordability to our communities, including:

Down payment assistance

Community-controlled commercial space

Homeownership incubation

Educating the region about the community land trust model

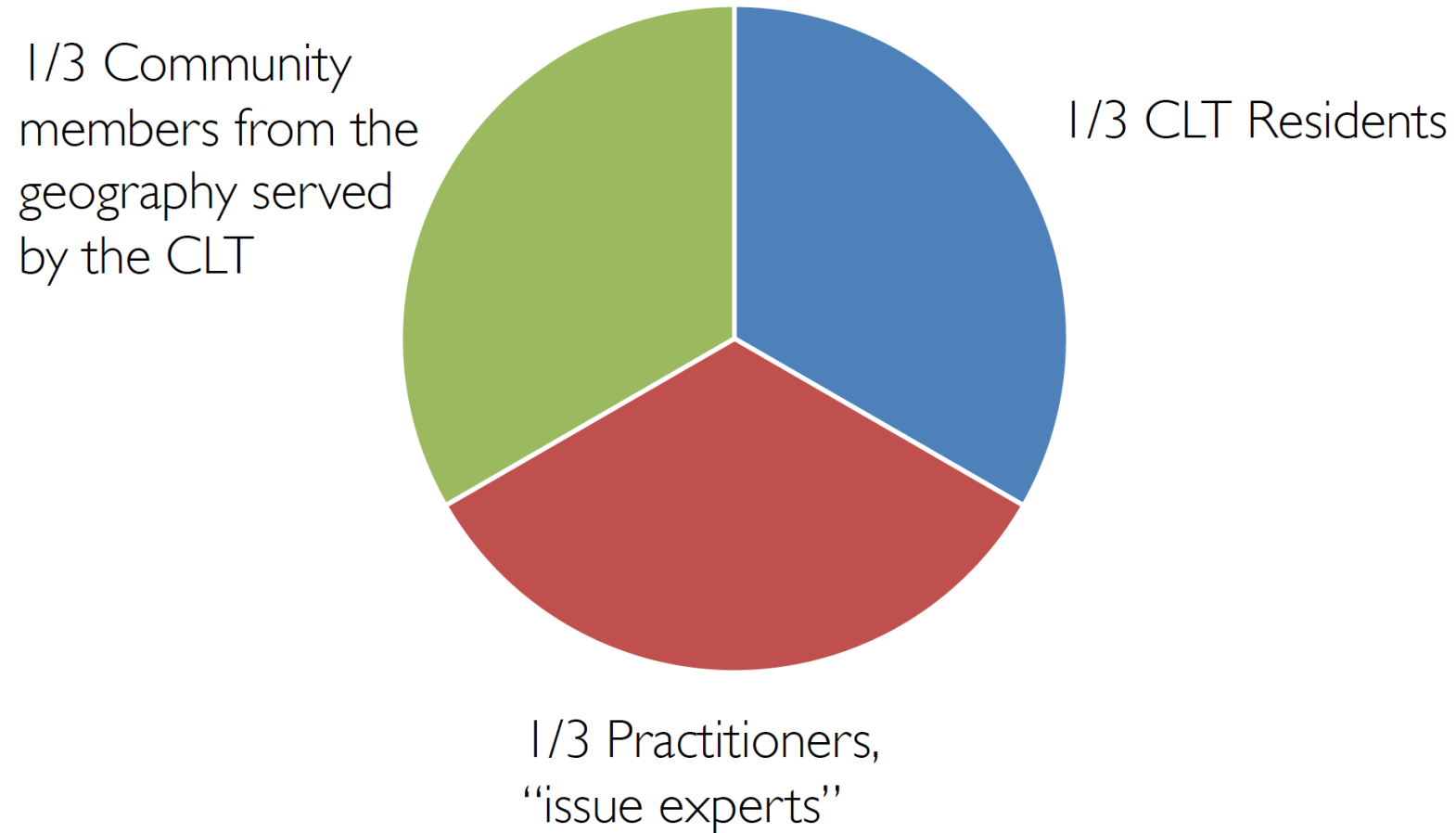
Advocating for permanently affordable housing in Pittsburgh and beyond

Get in touch with us: (412) 621-1811 or [www.cityofbridgesclt.org](http://www.cityofbridgesclt.org)



@citybridgesclt

# CBCLT Governance Structure





**City of Bridges**  
**COMMUNITY LAND TRUST**

**CBCLT**  
**Current &**  
**Future Work**

## Current Portfolio

- 14 homeownership units
- 5 rental units
- 3 units under construction

# 2020 Home Sales

- Lawrenceville - 6 unit development
  - 6 scattered site rehabs
    - 5 2-BR homes, 1 3-BR home
  - Began October 2019, final home sold December 2020
- 2 Resales of CBCLT homes
- 1 Buyer-Initiated Closing



# 4916 Plum Way



# 184 34th Street





# Monmade Partnership



# Challenges and Successes

- 4 of 8 homes sold by CBCLT in 2020 went to BIPOC households
- Median white homebuyer:
  - Credit Score: 731
  - Debt-to-income ratio: 21%
- Median BIPOC homebuyer:
  - Credit Score: 663
  - Debt-to-income ratio: 36.5%

## Future Work

- Building off of this success throughout Pittsburgh
- Development Pipeline in next 12 months:
  - Polish Hill - 8 new construction
  - Fineview - 5 new construction, 3 rehabs
  - Hazelwood - 12 new construction
  - Garfield - 2 rehabs, 5 new construction
  - East Hills - 1-3 rehabs
  - Etna - 4 new construction, 2 rehabs
  - Sharpsburg - 1 rehab





# Oakland Community Land Trust

inclusive and equitable development, community empowerment,  
and neighborhood stability in one time-tested, nationally-proven tool

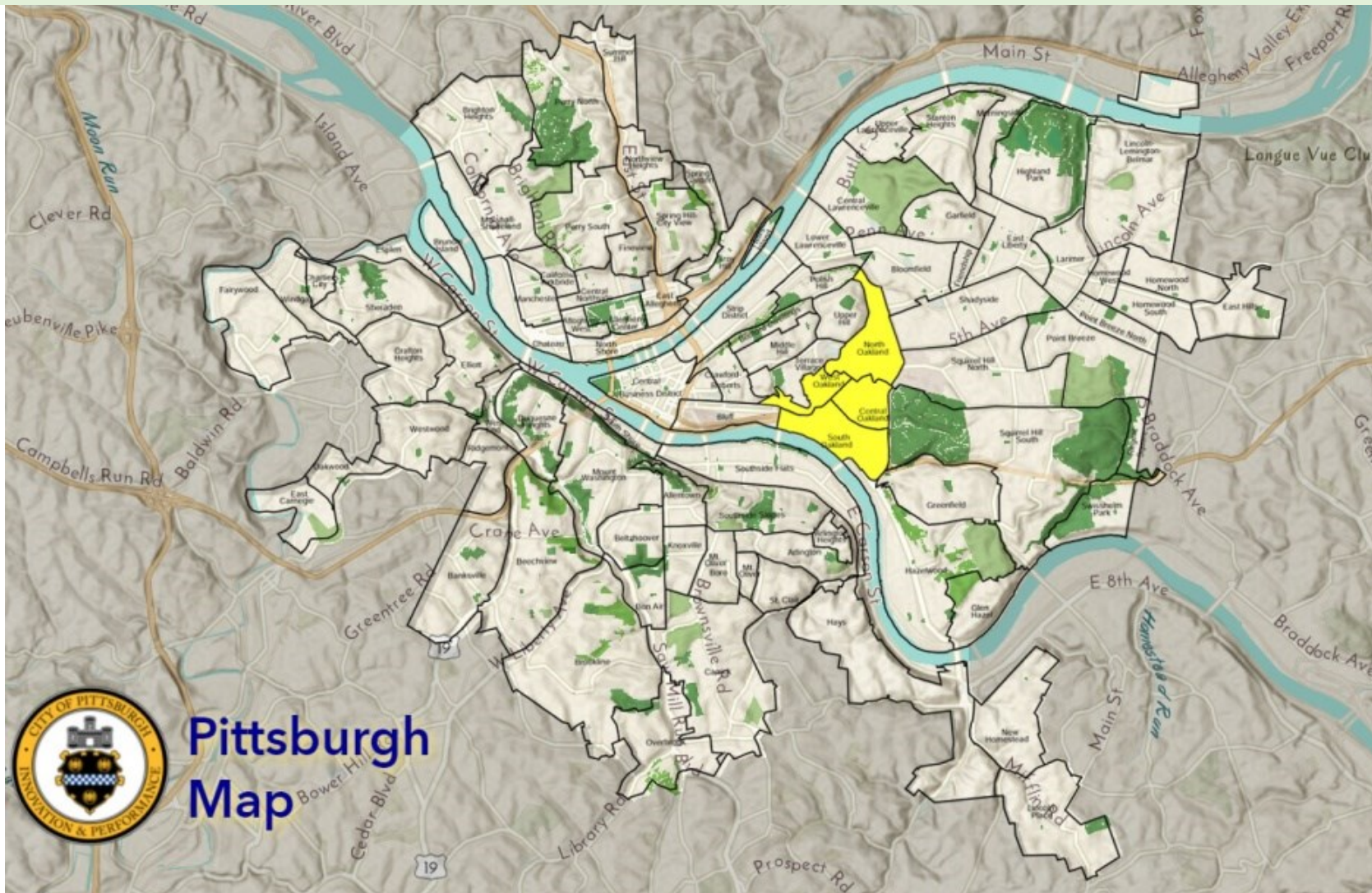




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# A Place~Based CLT Model

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# Housing in Oakland

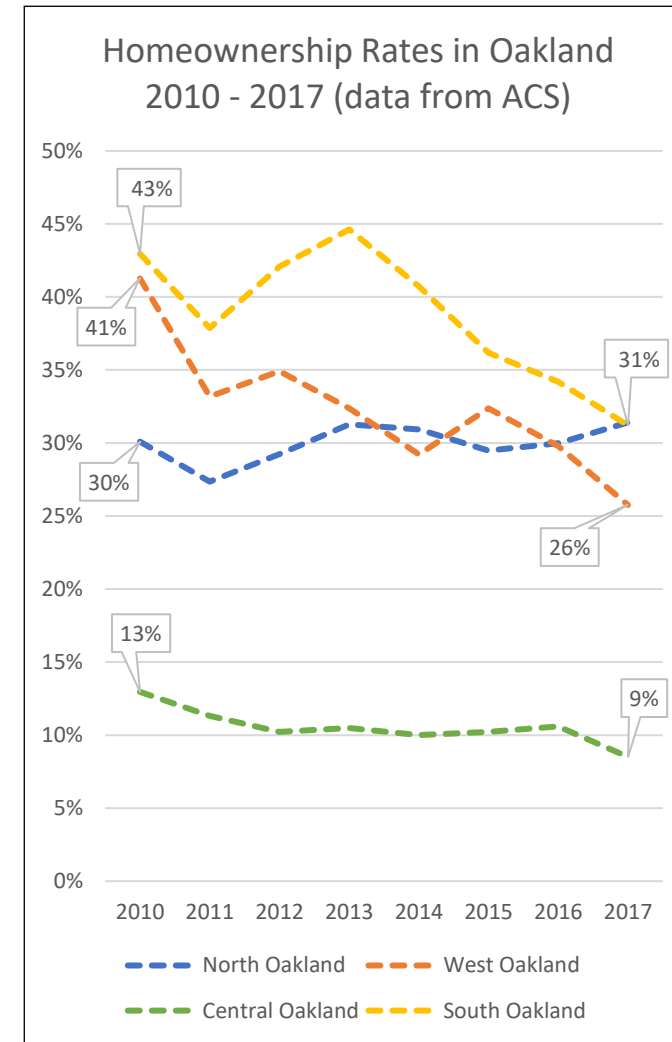
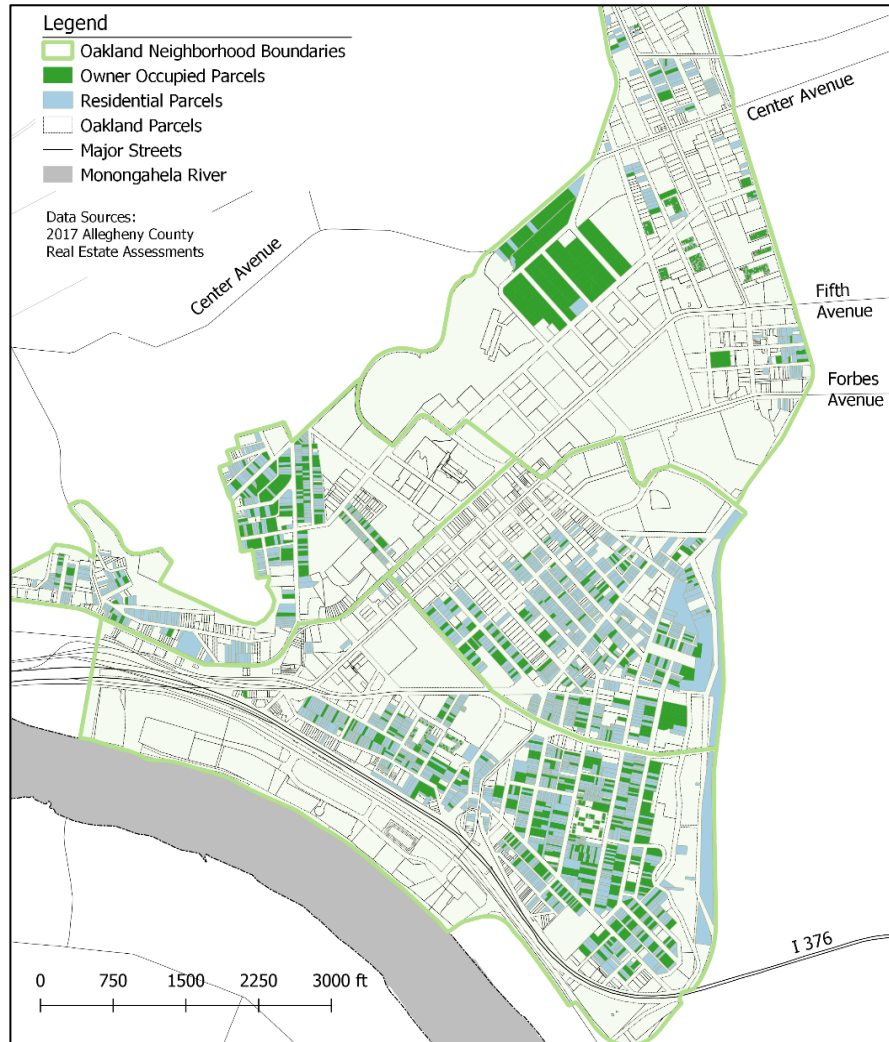
## Things to know about Oakland's housing market:

- Oakland is home to several large **universities and hospitals**.
  - Oakland was historically a diverse residential community but has seen a steady and significant **loss of homeownership** and an increase in student rentals.
  - Oakland has also seen significant **displacement of Black and minority households** and families with children.
  - Oakland faces heavy **investor pressure**.
  - Housing in Oakland is **expensive**.
    - Homebuyers must compete with investors who drive up prices.
    - Rental housing is targeted toward students (the going rate is about \$500/bedroom)
    - 76% of Oakland's rental population spends more than 30% of their income on rent.
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# Declining Homeownership in Oakland

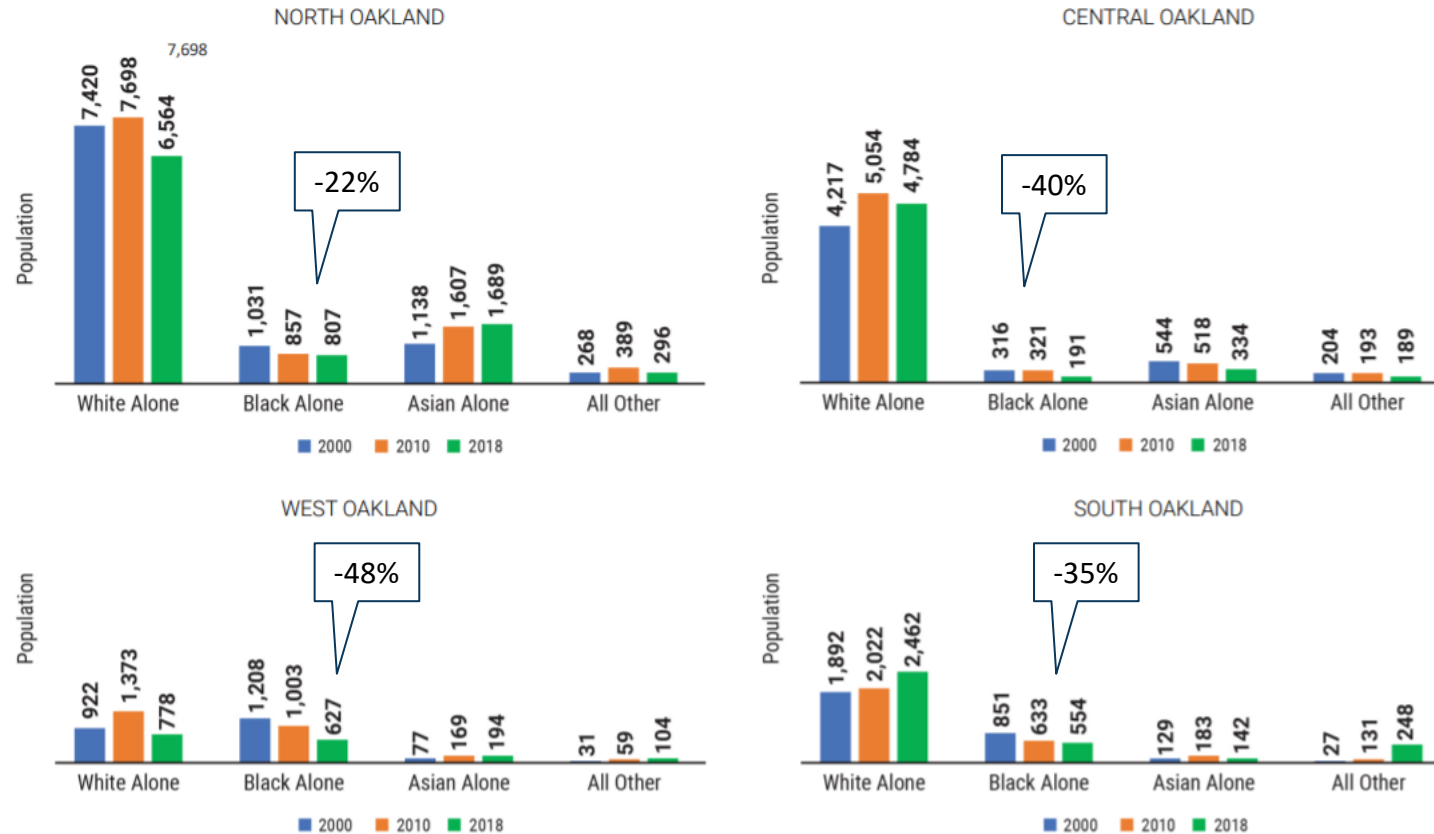
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# Displacement of Black Residents

The population of residents who identify as Black has been declining across all Oakland neighborhoods.

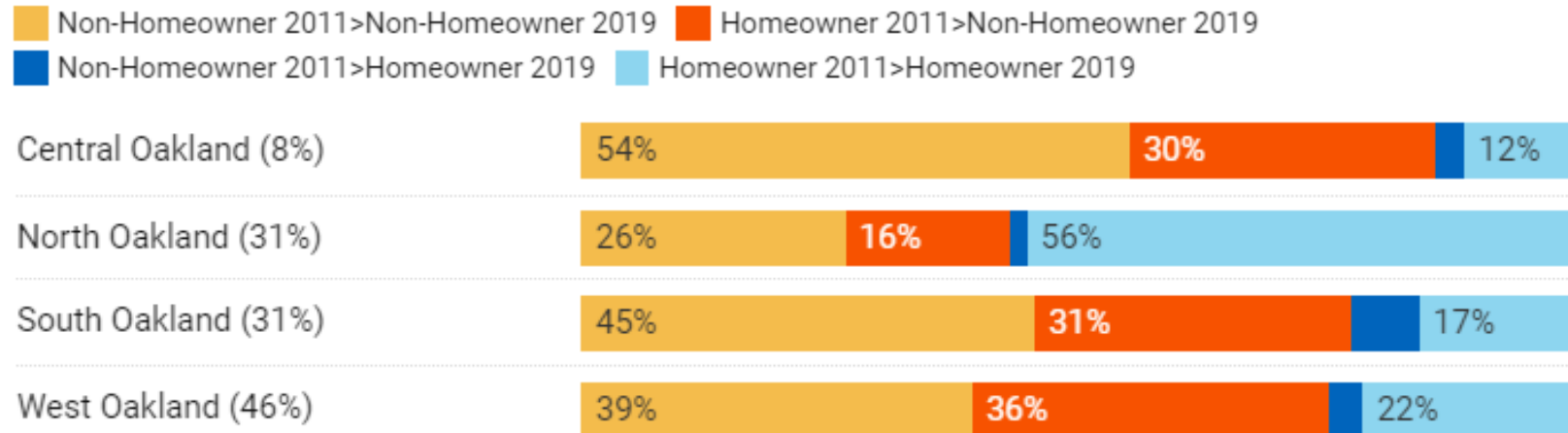
Race Over Time



# Investor Pressure in Oakland

## Ownership Status of Residential Properties Sold Between January 2012 and March 2019

(Analysis by the Western Pennsylvania Regional Data Center, data from Allegheny County Assessments)



### What does this mean for the housing market?

- Homebuyers (especially low-moderate income homebuyers) can't compete--investors can pay more, in cash, with fewer contingencies
- Increase in absentee landlords who don't maintain properties and fewer long-term residents

# CLTs As An Implementation Tool

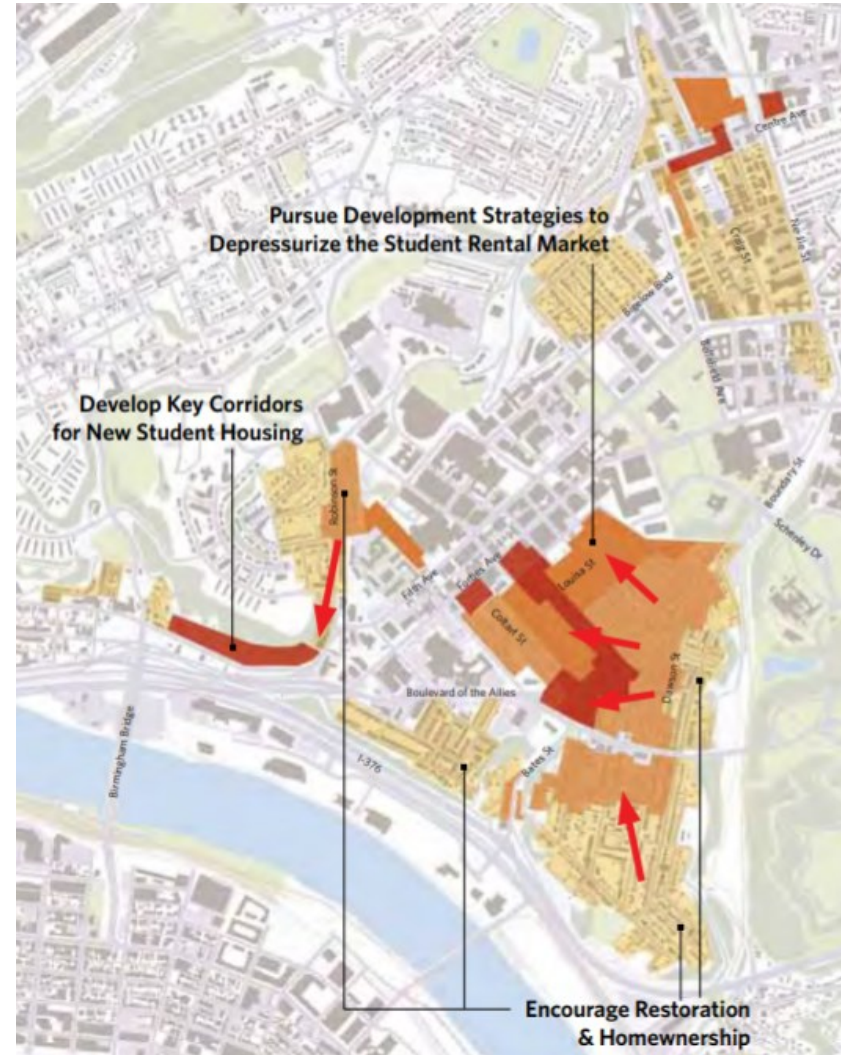
## Oakland 2025 Master Plan 3.2 Housing

*Provide innovative, sustainable housing choices for diverse new residents who are attracted to Oakland's vitality and amenities, many of whom choose to live where they work.*

*Do this through rehab, conservation and innovative new housing choices and financing incentives.*

### Summary of Plan Recommendations

- ▶ Diversify and stabilize Oakland's housing
- ▶ Address student rentals
- ▶ Create new green infill
- ▶ Develop/maintain affordable workforce housing
- ▶ Provide professional live/work opportunities
- ▶ Rehabilitate and preserve existing homes
- ▶ Implement employer assistance programs, rehabilitation design and funding assistance
- ▶ Develop retirement living options (CCRC)



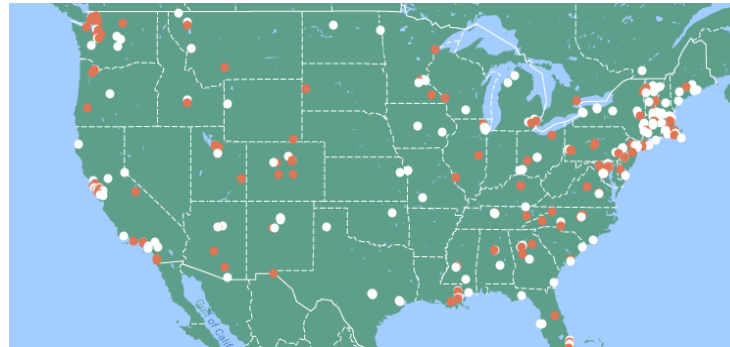
# About Community Land Trusts

- There are over **200** CLTs across the country that are part of the Grounded Solutions Network
- The community land trust (CLT) model is a time-tested, nationally-proven method to preserve affordable homeownership in perpetuity.
- CLTs provide opportunities for households that have historically been excluded from homeownership to build equity and break the generational and racial wealth gap.

The median shared equity household accumulates

**\$14,000**

in earned equity.  
(compared to a median initial investment of \$1,875)



Over

**99%**

of shared equity homes avoid foreclosure proceedings

**7** out of **10**

shared equity homeowners are first-time homebuyers



The share of minority households living in shared equity homes increased from

**13%** to **43%**

(1985-2000) (2013-2018)





# Oakland CLT Goals

- Maintain **permanent affordability**
- Ensure CLT homes remain **owner-occupied**
- Help elderly homeowners **age-in-place**
- Stop the displacement of low-income African American families from Oakland by helping them become **homeowners**
- Create permanent **community control** of CLT properties through community representation
- Develop a supply of homes separate from rental and investor market so that there are homes available for **homeowners** to purchase
- Help balance the market and **stabilize the neighborhood**



# How Does a CLT Work?



A **Community Land Trust** separates the ownership of land from home.

The **CLT** buys the land, then owns it permanently.

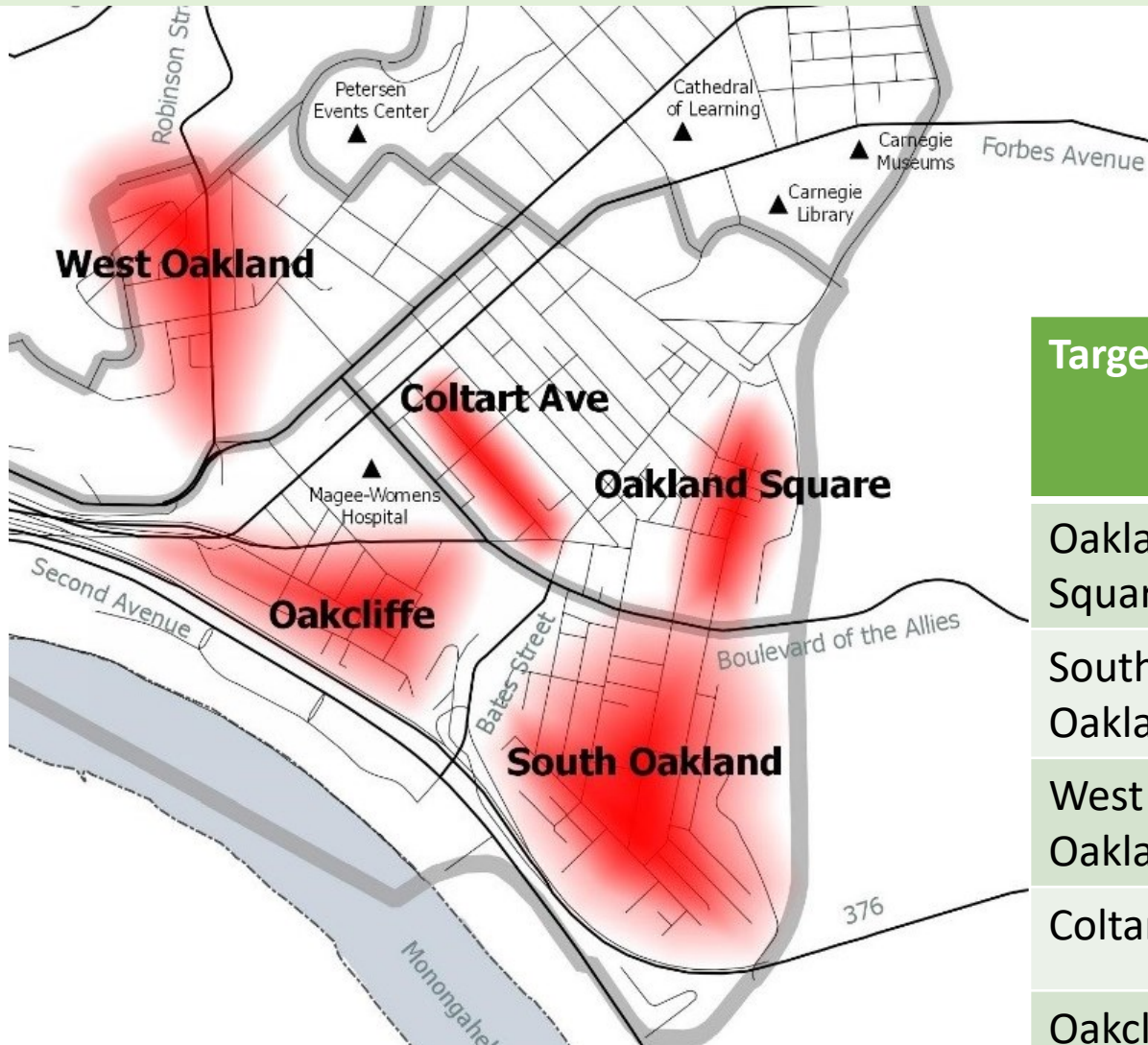
The homeowner (or buyer) owns his/her home, and leases the land from the **CLT**.

# How Does the Oakland CLT Work?

- All Oakland CLT homes must be permanently owner-occupied.
  - The Oakland CLT leases land to homeowners at a low monthly fee.
  - The homeowner retains responsibility for maintaining the home, land, and systems.
  - The CLT preserves affordability permanently so subsidy that goes into a house will no longer be lost when the original owner sells. CLT homes are priced affordably, so that an 80% AMI homeowner is spending less than 30% of their income on housing.
  - A resale formula provides a fair and equitable method to determine an affordable sale price for the home in the future. The homeowner retains the equity they put into the house plus the increase based on the increase in AMI.
  - An advisory CLT committee is responsible for the stewardship of the CLT and consists of CLT leaseholders, community stakeholders, and OPDC board members.
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# Oakland CLT Target Areas



Target Areas	2017 Owner-Occupancy
Oakland Square	36%
South Oakland	43%
West Oakland	40%
Coltart Ave	37%
Oakcliffe	27%

# Paths into the CLT

- **Rehab for Resale:** OPDC purchases houses for rehab from departing homeowners or landlords, renovates the homes to a move-in-ready condition, and sells them to CLT homebuyers at a price affordable to buyers at or below 80% AMI.
  - **New Construction:** OPDC purchases vacant property and builds new, energy efficient homes which are sold to CLT homebuyers at a price affordable to buyers at or below 80% AMI.
  - **Buyer/Seller Initiated Sales:** A buyer or seller interested in participating in the CLT, approaches OPDC for help finding a home/homebuyer. At the time of sale, OPDC purchases the land and the new homeowner signs a CLT lease. In some cases, OPDC can bring the price down enough (by purchasing the land), and connect the buyer to assistance programs, to make the home affordable for low-moderate income families.
  - **Existing Homeowner Buy-In:** Existing homeowners who want to stay in their homes may choose to sell their land to the CLT (or leave their land to the CLT in their will) so that their home will remain owner-occupied in the future. The purchase price of the land may help some homeowners to age in place or make repairs to their home.
  - **Partnerships with Private Developers:** OPDC partners with a private developer who will build a new construction home on a vacant lot owned by OPDC. Once complete, the home will be sold as an Oakland CLT property.
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# Rehab for Resale

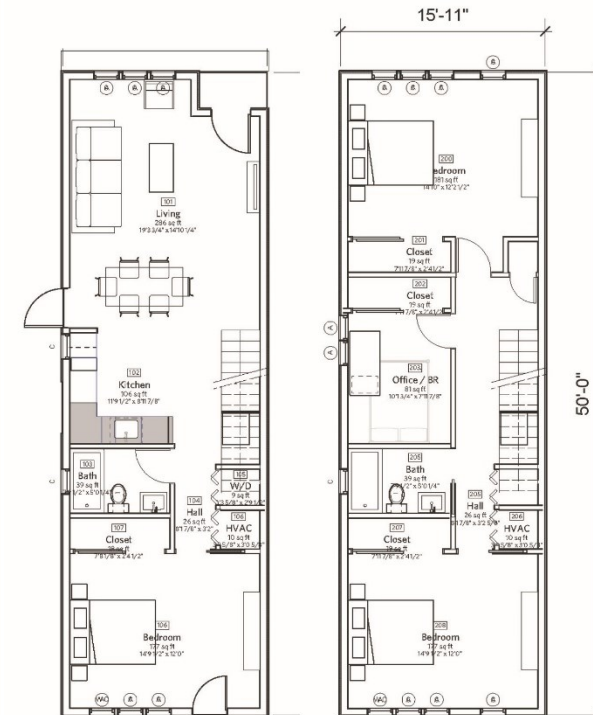




# New Construction



Typical Street View



# Where are we now?

**OPDC currently has 40 properties secured for community control through the Oakland CLT:**

- 📍 **8** CLT homes with signed ground leases
  - 6 income-restricted
  - 2 market-rate
- 📍 **1** home rented to an income-qualified resident working towards homeownership
- 📍 **7** homes under renovation
- 📍 **4** new construction homes under construction by OPDC as part of “Frazier North Residences”
- 📍 **8** new construction homes currently in the planning phase, for construction by OPDC
  - 4 homes planned for new construction as part of “Frazier South Residences”
  - 4 homes planned for new construction on Burrows St.
- 📍 **1** home planned for new construction by a private developer for inclusion in the CLT
- 📍 **11** other vacant lots for future new construction



# Who are our homeowners?

- First-time homebuyers
- Families who were previously renters in the neighborhood
- Black and Hispanic homeowners
- Immigrants and first-generation Americans
- Families with children
- Young professionals working in Oakland at local universities
- Elderly, existing homeowners who have lived in the neighborhood for many years



## Part of a Neighborhood Stabilization Strategy

- Numerous studies have shown the positive correlation between homeownership, neighborhood stability, and quality of life.
  - The CLT is one of several OPDC initiatives designed improve neighborhood quality.
    - Grants for BIPOC CLT homebuyers
    - Financial coaching and supportive services for Oakland residents
    - Oakwatch: The Oakland Code Enforcement Project
    - Community gardens
    - Support for local community groups
    - Monthly volunteer trash pick ups and other clean-up projects
  - The CLT will be the catalyst for Oakland homeownership, grow a strong, diverse base of residents committed to the community, build equity, and improve the quality of life for all in Oakland, including our anchor institutions and future innovation district businesses.
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# Questions?

Wanda Wilson

Executive Director

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Oakland Planning  
and Development  
Corporation