

Douglass Community Land Trust

PRESENTATION FOR National Housing Conference Solutions for Affordable Housing

November 27, 2018



Douglass CLT





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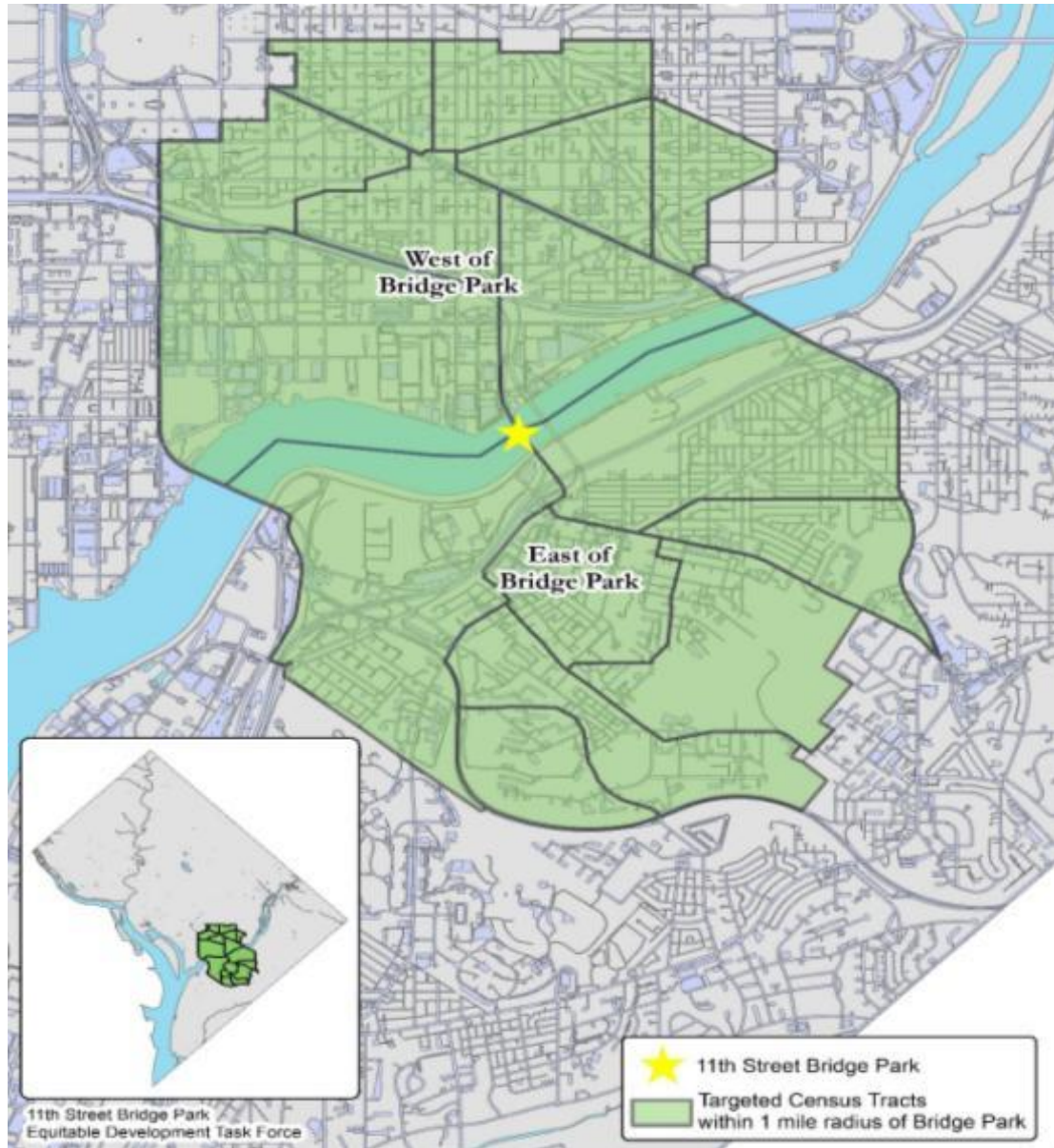
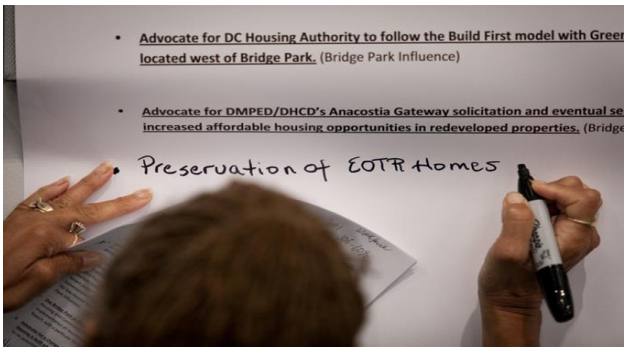
LASTING COMMUNITY ASSETS AND PERMANENTLY AFFORDABLE HOUSING FOR FAMILIES AND COMMUNITIES

- a private, nonprofit, community-driven enterprise to help create a more inclusive/ equitable community by holding land in trust and leasing it for homeownership and rental housing (and small business) at reduced cost –safeguarding permanent affordability
- puts control into the hands of the community
- prevents displacement for current residents, and to preserve and increase the long-term availability of housing that is affordable
- combines individual/household benefit, community benefit, and effective stewardship of public funding

Origin: | Bridge Park Equitable Development Plan



Origin: | Bridge Park Equitable Development Plan



THE URGENCY OF NOW

Displacement Challenge

East of the River

Ward 8 - at least 40% (or 10,925) existing rental units with rent subsidies expire 2021 & 80% of existing housing units are rentals (27,313)

Housing hardship

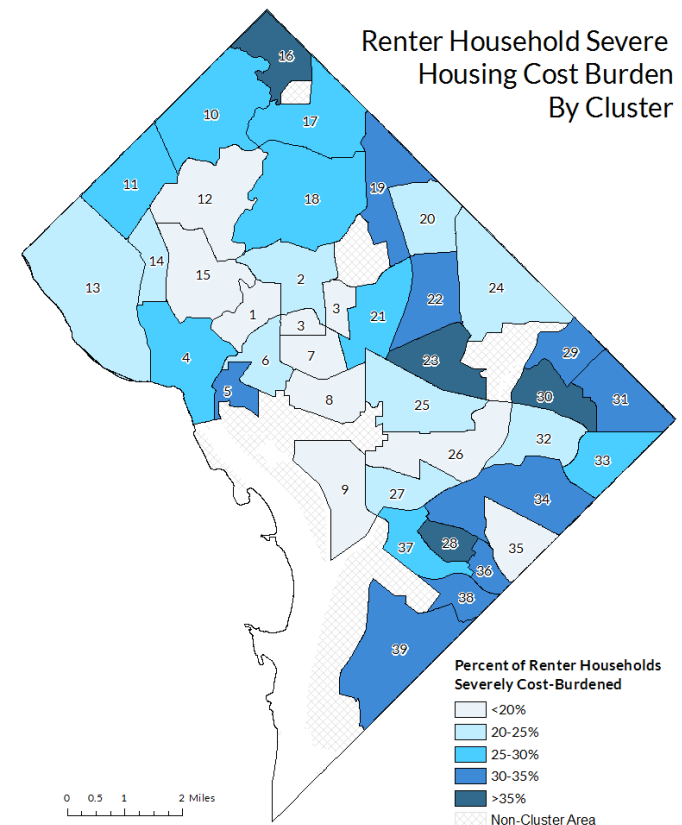
Housing prices/costs increasing & incomes stagnant

**Cost of housing increasing
(2018 projection for DC – 3.9%)**



"Washington Market Overview 2018." Zillow, 01 May 2018.
<https://www.zillow.com/washington-dc/home-values>

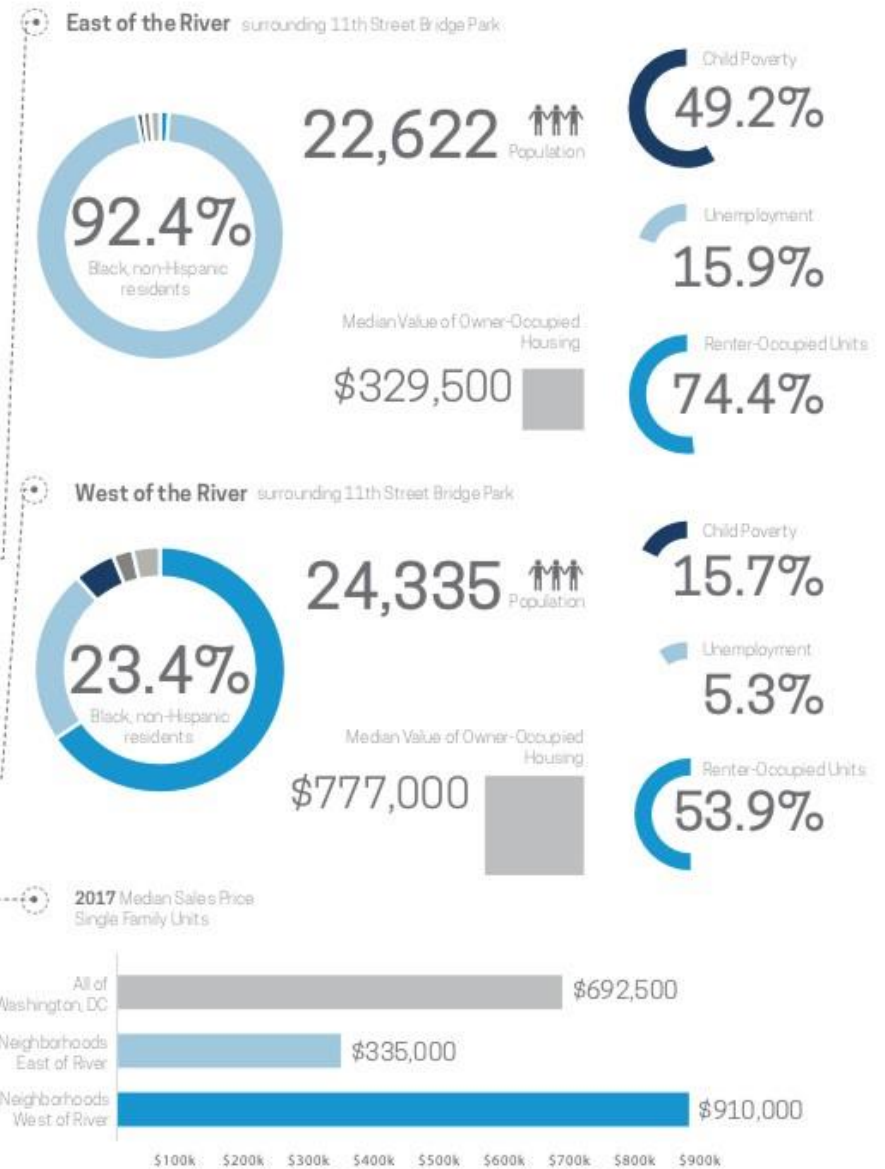
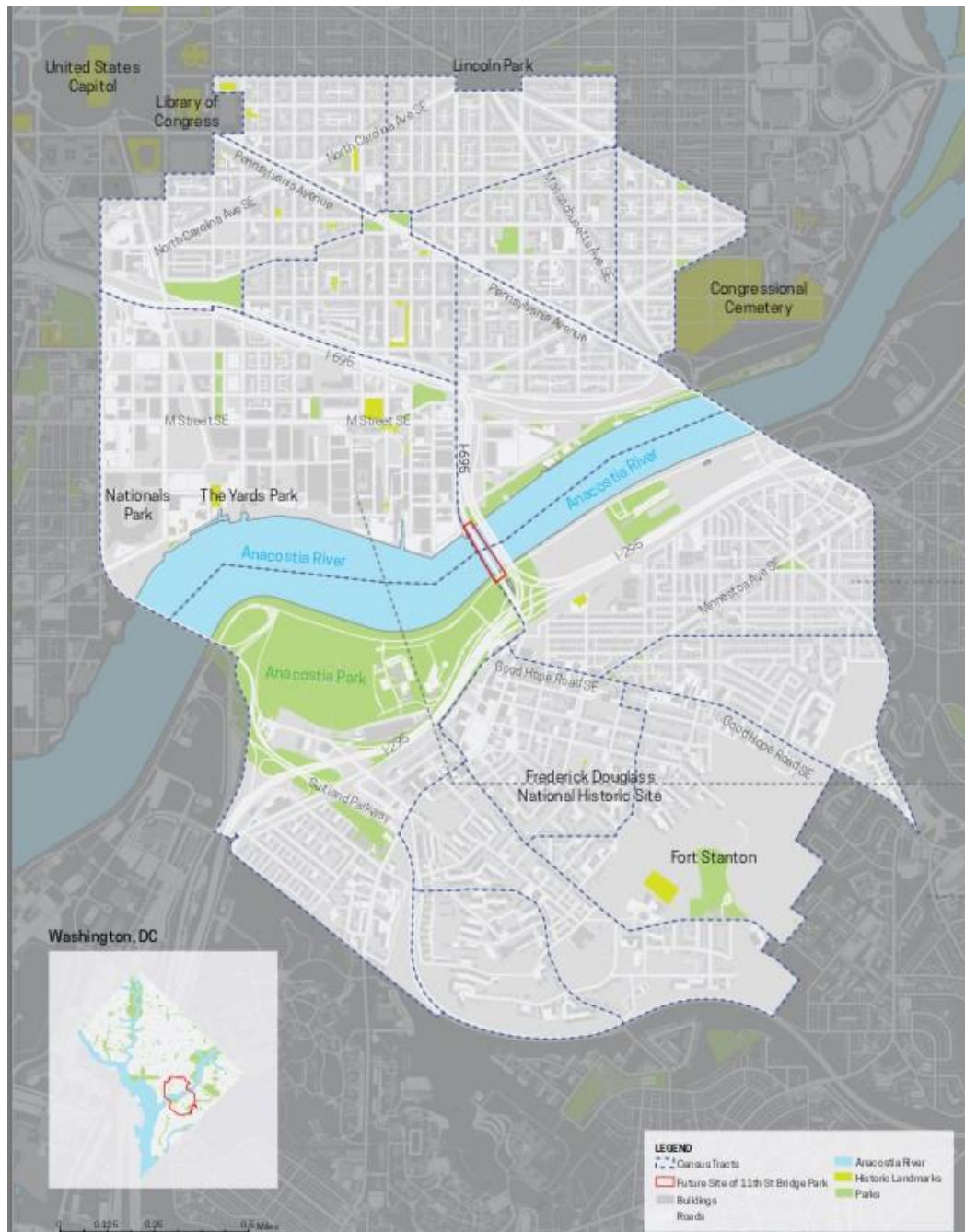
**1,750 affordable units are at
immediate risk of being lost**



Urban Institute. "Affordable Housing Needs Assessment for District of Columbia", 15 May 2015.

Wages are not keeping pace!

Origin: | Bridge Park Equitable Development Plan



THE URGENCY OF NOW

Housing demand increases...

+1,000

new residents each
month in DC

20.6%

Increase in median home
prices in Ward 8 (20020)
in 2016

...as affordable housing stock decreases

-9,500

units became unaffordable
to households earning 60%
of AMI between '09 and '14

15,226

subsidies set to expire
by 2020

Ward 8 has the highest
number of assisted
units with expiring
subsidies (5,464)

The Urgency...pressing need to act NOW!

East of the River target population

Ward 8:

less than 1/3 of families are homeowners
35% of families are living in poverty

Ward 7:

less than 1/3 of families are homeowners
23% of families are living in poverty



Prevent involuntary displacement

Serve existing households at or below 50% AMI

Provide wealth building opportunities - homeownership & more

	Ward 8	Ward 7	District of Columbia
Median income (2015)	\$30,910	\$39,165	\$70,848*
Median income as % of median for the District of Columbia	43.6%	55.2%	100%

* Source: Key Demographic Indicators summary report prepared by District of Columbia Office of Planning State Data Center, using 2011-2015 American Community Survey data

Origin: | Bridge Park Equitable Development Plan



Equitable Development Planning

- The 11th St Bridge Park is an initiative of the Ward 8 nonprofit Building Bridges Across the River
- BBAR engages the community via 200+ resident meetings
- to **promote inclusive development** and prevent displacement related to establishment of 11th Street Bridge Park

Recommendations

- Prevent Displacement/ Secure affordability:
Community Land Trust
- Small Business
- Workforce Training
- Arts and Culture

Community Land Trust Initiative

- Create a classic community land trust focused on providing housing opportunities for long term residents to stay in their homes
- Balance affordability preservation and wealth building

Roots of the CLT: The Civil Rights Era

Albany, Georgia



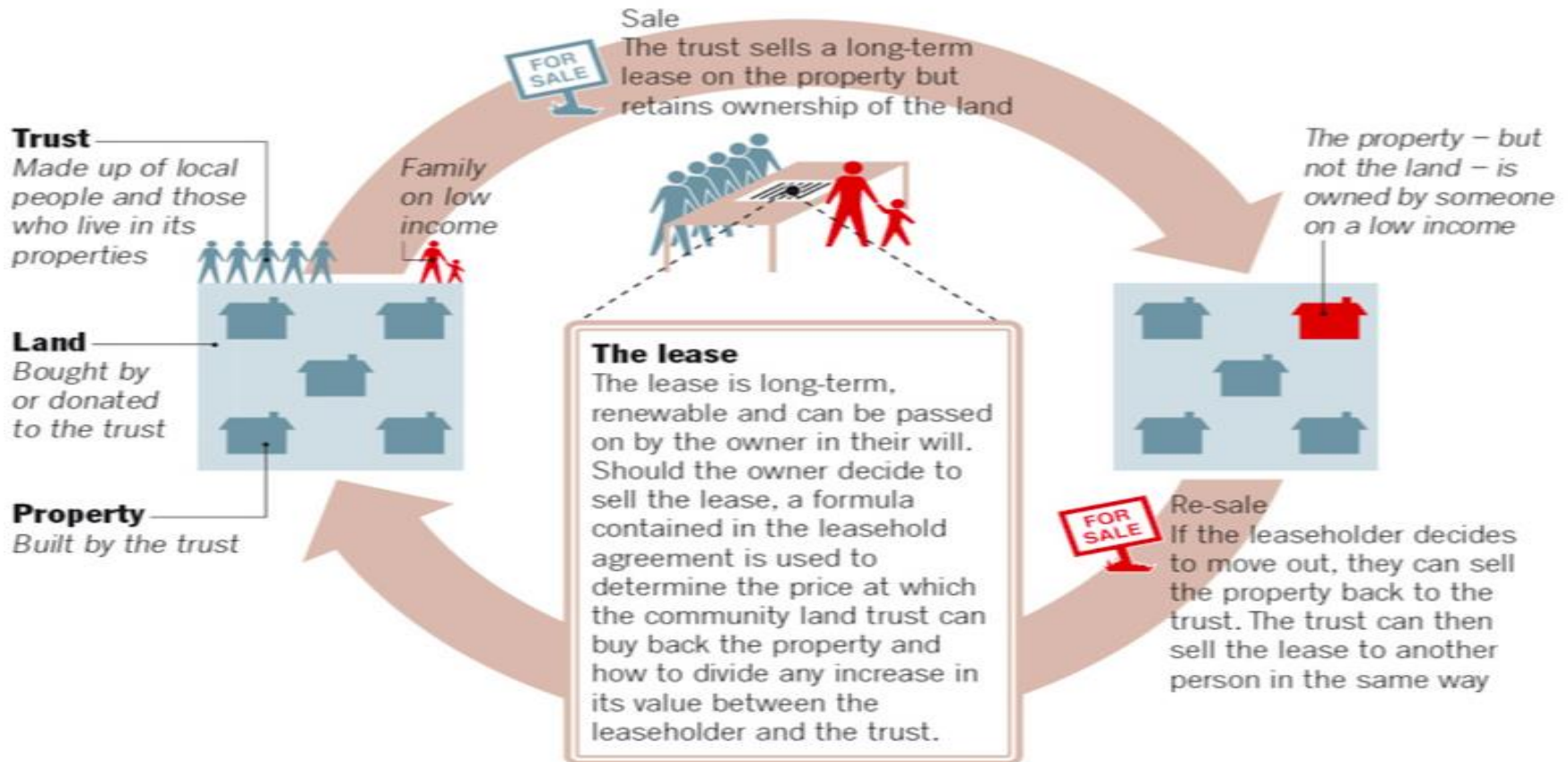
Founded in 1961, the Albany Movement demands an end to all segregation. One of its leaders is Slater King, cousin of Martin Luther King, helped establish New Communities.

New Communities is founded as the first CLT in 1969 as a 5,700 acre land trust and farm collective owned and operated by a dozen black farmers.

CLTs: | How They Work

How a community land trust works

Community land trusts keep properties affordable and in the hands of communities by putting only the properties, not the land they occupy, on the market and allowing only those on low incomes to buy



Since the community land trust is selling only the property and is not out to make a profit, the cost of the lease is far cheaper than the market price

key functions ... for a sustainable, high impact COMMUNITY LAND TRUST

Community committed to stewarding the land and property to create a more sustainable, equitable and vibrant community.

CLT as an enterprise that can adapt and thrive.

Community

- Residents engaged and participating

Real Estate Development Partnerships

- Resources to develop quality, durable homes (capable partners and funding)

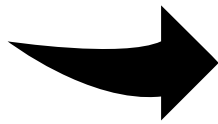
Stewardship

- Support success today and tomorrow (staff and operating income to support services)

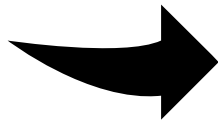
Key functions of a CLT



The Initial Partners



Equitable Development Plan

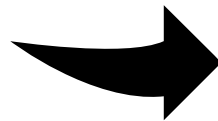


**Expertise and Track Record with
Permanent Affordable Housing**

- Shared Appreciation mortgages
- Share Loans
- Cooperative Stewardship

JPMORGAN
CHASE & CO.

citibank



Current Equity Sponsors

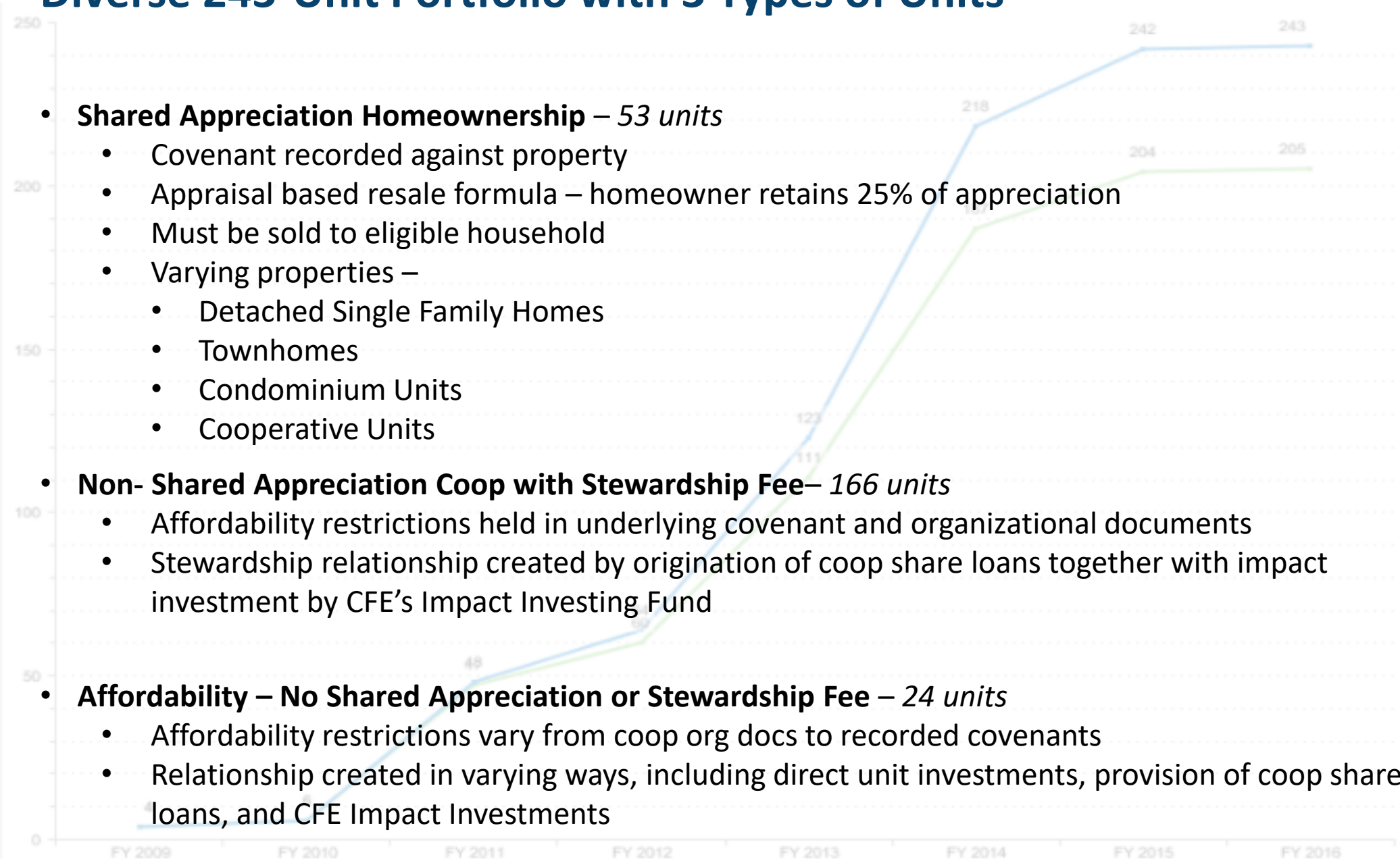
CITY FIRST HOMES

- When** Workforce housing trust program launched in 2010; first and largest city-wide permanently affordable housing program launched in DC
- What** 243 units of permanently affordable housing
- How** Initial funding from DC municipal government grant and philanthropic support
- Awards** Winner of several prizes and recognition:
- Housing Association of Nonprofit Developers – Best Small Affordable Housing Development (2013)
 - Affordable Housing Conference of Montgomery County – Architectural Design Award for Renovation and Rehabilitation (2012)
 - Washington Business Journal – Best Real Estate Deals of 2012 – Runner-Up, Community Impact (2012)
 - White House Social Innovation Fund – Cornerstone Homeownership Innovation Program Sub-grantee (2011)
- Networks** Active member of industry trade groups
- Grounded Solutions Network - former President is Board Chair
 - Coalition for Nonprofit Housing and Economic Development - TOPA working group

CITY FIRST HOMES CORE PORTFOLIO

Diverse 243-Unit Portfolio with 3 Types of Units

- **Shared Appreciation Homeownership – 53 units**
 - Covenant recorded against property
 - Appraisal based resale formula – homeowner retains 25% of appreciation
 - Must be sold to eligible household
 - Varying properties –
 - Detached Single Family Homes
 - Townhomes
 - Condominium Units
 - Cooperative Units
- **Non- Shared Appreciation Coop with Stewardship Fee– 166 units**
 - Affordability restrictions held in underlying covenant and organizational documents
 - Stewardship relationship created by origination of coop share loans together with impact investment by CFE's Impact Investing Fund
- **Affordability – No Shared Appreciation or Stewardship Fee – 24 units**
 - Affordability restrictions vary from coop org docs to recorded covenants
 - Relationship created in varying ways, including direct unit investments, provision of coop share loans, and CFE Impact Investments



Permanent Affordability Program In Transition

Evolution of DC-Wide Community Land Trust in DC

2009 - 2018 ➡ **2017 - 2019** ➡ **2019 - ?**

Phase 1 – City First Homes

- City-Wide Workforce Housing Trust
- 240 Units
- Homeownership/Coop
- Housing Covenant
- Nonprofit Board + Advisory Committee
- Funding from DC government and philanthropic community

Phase 2 – CFH +BBAR

- Pilot Community Land Trust based in Ward 8
- Homeownership/Coop/Rental
- Own and Lease Land
- Advisory Committee of community members
- Funding from philanthropic community

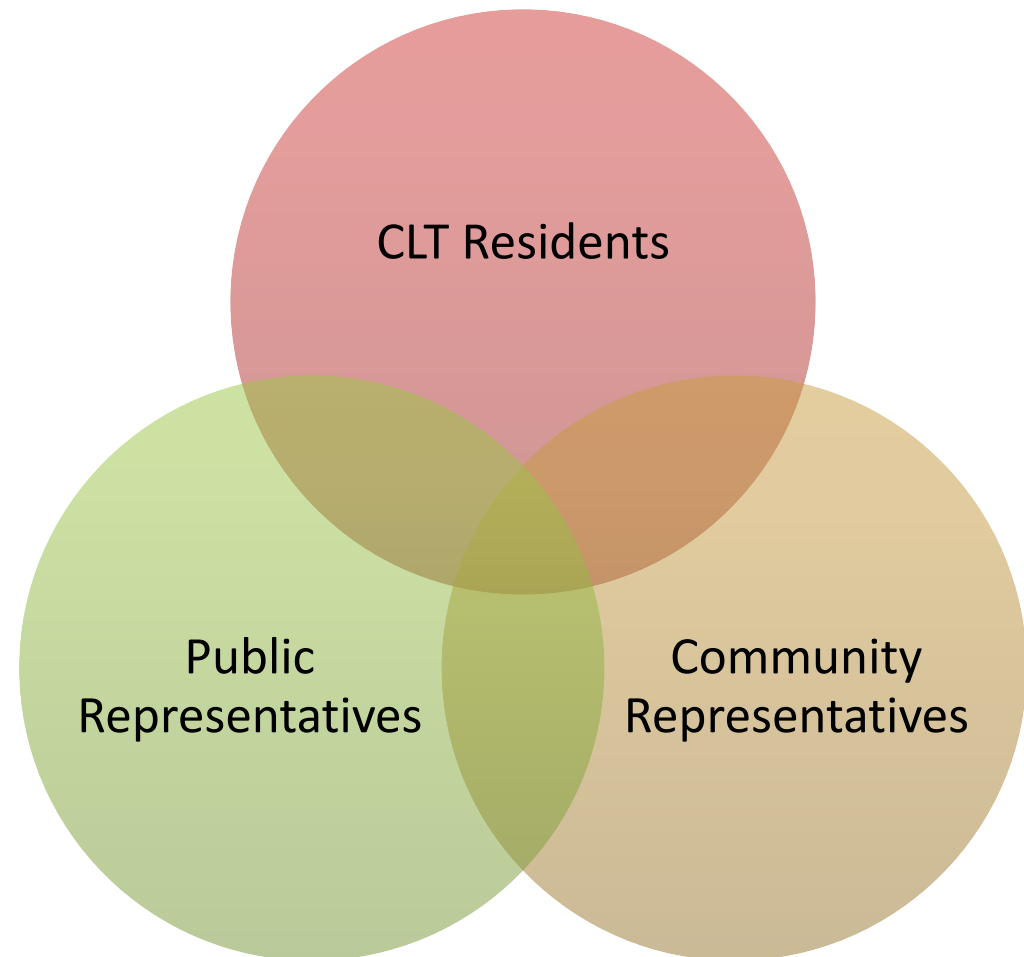
Phase 3 – DCLT CLT

- City-Wide Community Land Trust w/initial Ward 8 Focus
- 750 Unit target
- Homeownership/Coop/Rental/Commercial
- Own Land +Covenant
- Nonprofit Board + Advisory Committee
- Funding from DC government and philanthropic community

CLTs: | Tri-Partite Board

- **CLT Classic:**

- Three part board:
 - Resident representatives,
 - General community representatives
 - Public representatives
- All stakeholders are heard; no one interest dominates.





Advisory Committee

Daniel Blaise, Ward 8 resident

Sheldon Clark, Ward 8 resident

Keisha Davis, Ward 8 resident

Keiva Dennis, PNC Bank*

Kymone Freeman, We Act Radio, a Ward 8 business

Christie Gardner, Ward 8 resident & Bread for the City*

Jade Hall, Housing Counseling Services*

Wanda Lockridge, office of Councilmember Trayon White, Sr.

Meche Martinez, Ward 8 resident

Morgann Reeves, Ward 8 resident

Brett Theodos, Urban Institute*

Kalilia Wilson, Ward 8 resident

Claire Zippel, Enterprise Community Partners*

*Organizational affiliation does not constitute official organizational representation or support.

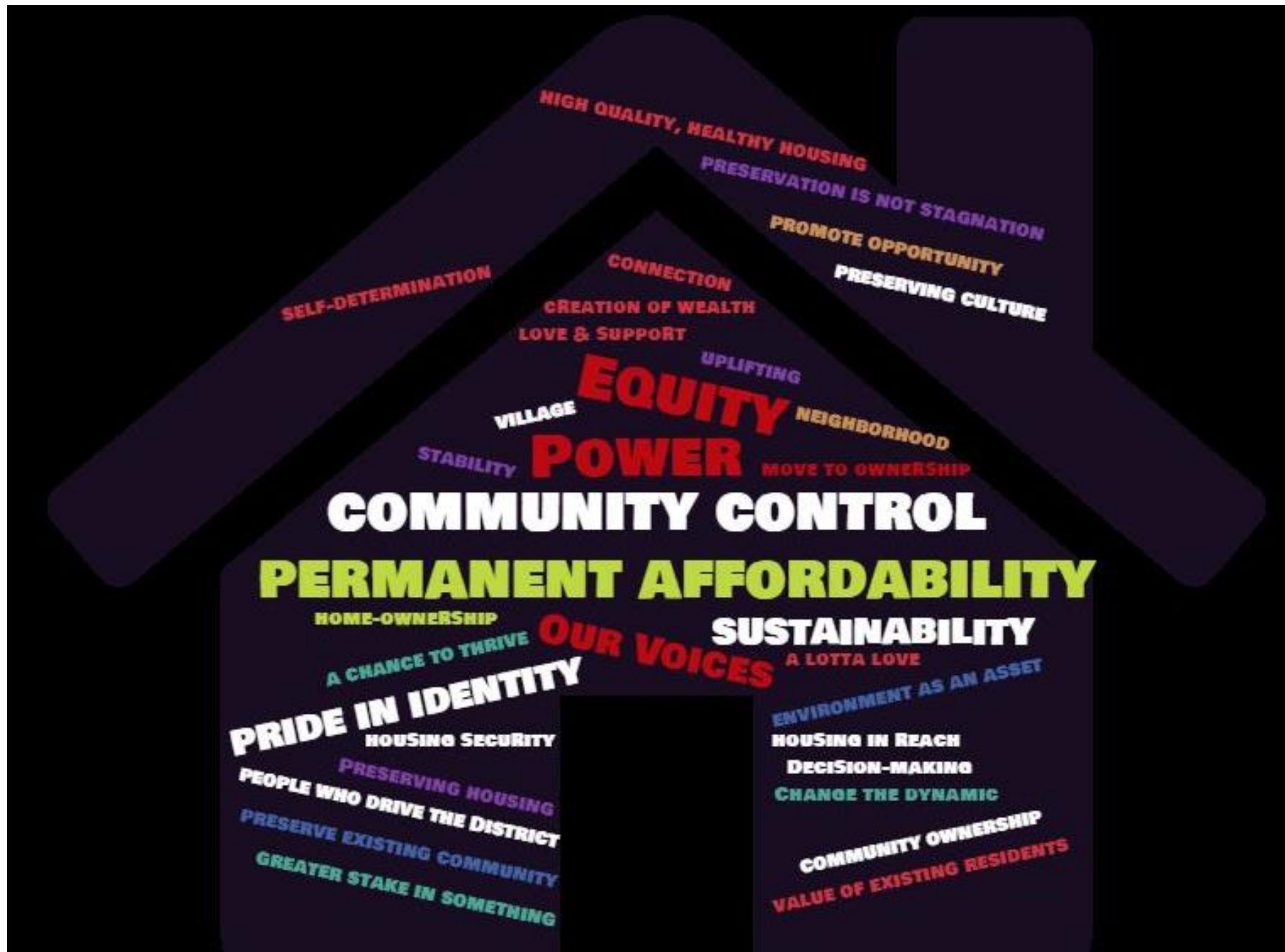


CLTs: | Advisory Committee

- **Community Land Trust Advisory Committee**
 - Sets mission goals; AML served, geographic focus
 - Reviews and recommends deals
- **Advocacy & Education**
 - Numerous meetings with civic and neighborhood associations, council members, and city department heads



DOUGLASS COMMUNITY LAND TRUST



MISSION

The **Douglass Community Land Trust** contributes to a more inclusive and equitable District of Columbia by enabling the development and preservation of permanently affordable, resident-controlled housing and other public assets through community ownership of land for the benefit of low-income residents.

VALUES

COMMUNITY CONTROL

PERMANENT AFFORDABILITY

HIGH QUALITY, HEALTHY HOUSING

INDIVIDUAL / FAMILY ASSET BUILDING

RIGHT TO STAY AND THRIVE

OPERATIONAL EXCELLENCE AND SUSTAINABILITY



Goal: Within 10 years, acquire land under 750 units to reach scale, focusing on units at risk of losing existing affordability

CLT permanently affordable homes

- Acquire/rehab (yrs 1-10) – 526 homes
- Steward IZ units (yrs 3-10) – 224 homes

Meet range of needs

- Homeownership – avg. 50% AMI
- Rental – target 30 - 50% AMI

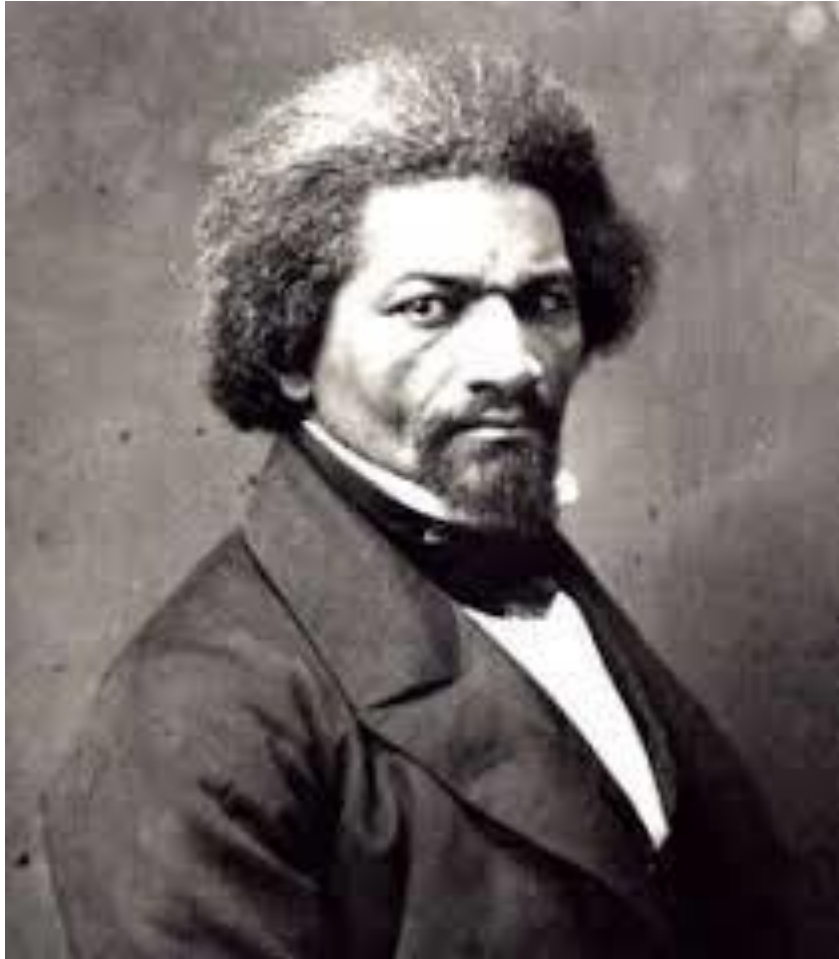
Focused effort with partners

- Initial focus: Wards 7 & 8; Expand activity west of the Anacostia
- Engage willing and able partners

Key Assumptions

- Diverse funding: private & public contributions, debt and earned income
- Cost assumptions – 2018 MLS Survey/RCLCO/local development consultant

- Real estate development
- Service providers / asset building for residents - i.e housing counseling, IDAs
- Funding / Resources
- Land / properties /sites needed
- Advocacy on policy
- Membership / participate in the subcommittees & working groups



"Man's own greatness consists in his ability to do and the proper application of his powers to things needed to be done."

Frederick Douglass

Thank you!

Questions?

Douglass CLT