

September - November 2022



SPARCC's Community Ownership Peer Learning Series: Summary and Key Insights



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SERIES OVERVIEW

In the fall of 2022, building on previous research, advocacy, webinars and grantmaking to support community ownership models, SPARCC convened a four-part series that brought together leaders from all six SPARCC metro areas for shared learning and support. Through workshops, peer presentations, and discussion, the series sought to distill key aspects, challenges, and lessons from the field related to four components of [the community ownership ecosystem](#) - Collaborative Networks, Resident Leadership, Policy, and Financing Strategies. This document summarizes the key insights and highlights from this series and is intended to serve as a handy reference for revisiting and contextualizing our collective learnings.

SESSION 1 - EFFECTIVE COLLABORATION TOWARDS A STRONGER ECOSYSTEM ([LINK TO VIDEO](#))

Session 1 Overview

This session introduced the **ecosystem framework** for community ownership, highlighting the interconnected nature of **policy, financing, advocacy, networks, norms, and other structural factors** that impact the success or failure of community ownership models. **Strong networks and collaborative relationships** are key to the functioning of a healthy local community ownership ecosystem, **facilitating co-learning, development partnerships, joint advocacy, and helping to socialize important concepts** such as inter-dependence, solidarity, and permanent affordability.

Strengths and Challenges of Development Partnerships to Advance Community Ownership (Kristin Horne, [Here to Stay Community Land Trust, Chicago, IL](#))

- Development partnerships can help smaller and newer organizations bring in real estate and financial capacity as they continue to grow internally.
- Here to Stay CLT's development partnership, processes, roles, responsibilities, and expectations are captured in a **Memorandum of Agreement (MOA)**. MOAs are foundational documents in creating a framework for these relationships and should be created with significant thought and an adaptive mindset as implementation proceeds.
- **Challenges** include **high costs** from additional legal work and developer fees, which can stem from unaddressed power dynamics between smaller organizations and their higher-resourced development partners.

- **Negotiation, transparency, and cultivating shared values up front** can help ensure effective partnerships in the long term.

Neighborhood Organizing and Citywide Networks to Catalyze Community Ownership (Connie Binkowitz and Kate Kananura, [Center for Transforming Communities \(CTC\)](#), Memphis, TN)

- CTC serves as a citywide connector organization grounded in a [social determinants of health framework](#). This gives them unique access and insights into a wide range of interconnected local issues (education, public safety, economic development, health, etc.)
- CTC's work is largely **guided by the members of their neighborhood network** of community organizations and residents; this has led them to **diverse projects and approaches to community ownership**.
- In some instances, community ownership meant **deeply resident-centered visioning and planning** processes aimed at redeveloping a community anchor. In others, CTC helped connect a local community land trust to **regional and national experts** to accelerate their launch.
- **Using storytelling to elevate resident voices** is fundamental to their community outreach, narrative change work, and how they build relationships with larger institutions.
- Developing trust through long-term relationships and hosting and showing up for community events puts them in a better position to **navigate communication challenges around cultural norms** (e.g., explaining the benefits of shared vs. individual ownership).

Growing from Resident Services to Community-Owned Development (Adrienna Lujan, [Sisters of Color United for Education \(SOCUE\)](#), Denver, CO)

- SOCUE grounds its work in helping local residents become trusted health educators, leaders and change agents through its Promotor@s capacity-building and training programs.
- Capacity-building programs should be aimed at **transforming residents into decision-makers** over how local wealth-building and community development work is conducted.
- **Leadership development cohorts can serve as a foundation** for bringing residents into creative real estate ownership structures, including through the cultivation of shared governance and consensus-building skills.
- **Owning their own real estate** from early on has given SOCUE stronger footing in local political struggles over development as the surrounding neighborhood gentrifies. It has also given SOCUE time and space to explore different shared ownership strategies, such as translating the sweat equity of Promotor@s into building ownership as shareholders.
- SOCUE recognizes the struggle for community land ownership is **statewide and has started to build a coalition** that focuses on indigenous land rights.

SESSION 2 - RESIDENT LEADERSHIP AND COMMUNITY ENGAGEMENT ([LINK TO VIDEO](#))

Session 2 Overview

Our second session explored the range of community education, communications, and capacity-building strategies that can strengthen community ownership efforts. We differentiated between **community engagement** — the broader work of connecting with local residents, leaders and other stakeholders to inform the direction of your work — and **resident leadership**, which emphasizes the deep, ongoing connections and collaboration with the people that are most directly impacted and involved in community ownership. These efforts can help build broad networks to promote **systems change, shift norms and assumptions** about asset ownership, and strengthen the capacity of residents to participate in **democratic decision-making and self-governance**.

Organizing and Movement Building at the Eastside Cafe (Angela Flores, [El Sereno Community Land Trust](#), Los Angeles, CA)

- **Organizing for community ownership is often many years in the making;** the seeds of El Sereno CLT began with the creation of the East Side Cafe almost twenty years earlier, and is a direct outgrowth of the struggle by cafe members and local residents to remain in their homes and neighborhood.
- **Strong networks and governance structures created through organizing can be a foundation when the opportunity to take ownership emerges.** The collective bodies and decision-making practices created through the East Side Cafe became crucial to the formal governance structure and organizing strategy during negotiations over the property.
- Values developed through power-building efforts — such as self-determination, mutual aid, and interdependence — can help ground a Community Land Trust in people-centered roots even as the work shifts towards real estate. **Keeping strong connections to these origins of struggle helps keep people accountable as the work evolves.**

A legacy of community organizing and collective governance practices at the Eastside Café provided a strong foundation to mobilize a community land trust and take ownership of their building when they were threatened with displacement.

Resident Leadership in Vallejo to Promote Housing Justice (Bob Allen and Liat Meitzenheimer of [Urban Habitat](#) and [Vallejo Housing Justice Coalition](#), San Francisco Bay Area)

- In areas like Vallejo that lack a lot of philanthropic support and nonprofit infrastructure, **individual activists can catalyze community ownership efforts by organizing around shared issues** affecting their community.
- Non-local **nonprofits** can play a critical **support** role through their capacity to do **advocacy and education work without crowding out local resident leadership**.
- For cities that have lacked resources, dedicated staff, and strategic plans related to affordable housing for many years, **getting these issues on the radar takes repeat**

engagement and consistent follow-up with many different decision-makers. Having an **organized, resident-driven body** — like the Vallejo Housing Justice Coalition — helps maintain this active engagement and keeps local government accountable.

Session 2 Discussion Highlights

- Under the right circumstances, confrontational advocacy tactics that expose public agencies that are mismanaging their resources can open opportunities for community members to take ownership.
- **Bringing residents and community members into governance roles** early on — through community advisory councils, subcommittees, or designated board seats — can **help build the leadership skills and capacity necessary for community ownership models**.
- Part of the communication challenge is preparing residents for the jargon and talking points that developers use, since they are more likely to speak to “bottom line” issues over things like justice and power. We need ways to communicate community priorities to developers, but also need people representing the community perspective that are conversant in the language of real estate.
- Given the current state of our climate and economic crises, **there’s a need for radical honesty and directness in our communication**. In Los Angeles, that means being clear about the history of injustice, white supremacy, and colonization, and how that impacts communities today.

SESSION 3 - POLICY ADVOCACY AND ORGANIZING ([LINK TO VIDEO](#))

Session 3 Overview

In this session, we shifted attention to policymaking and advocacy efforts that can **improve the enabling environment** for community ownership by lowering barriers to implementation and unlocking new resources. At the local level, this includes targeted [real estate taxes](#), [incentives](#) and [exemptions](#); [right of first offer and refusal policies](#); [preferences in contracting and procurement](#); and budget allocations or new revenue measures. National advocacy may focus on increasing federal funding or reforming existing programs to better align with community ownership models. In each context, passing new legislation or changing policy requires a keen **analysis of the stakeholder landscape**, forging **broad coalitions**, and strong **organizing strategy**.

National-Local Advocacy Partnerships: Reflections on the Equitable and Just National Climate Platform (Mikyla Reta, [Natural Resources Defense Council NRDC](#))

- Finding **shared interests is key**: large national institutions and grassroots organizations should focus on common goals and how a partnership is mutually beneficial to reaching them.

- **National organizations have a responsibility to reflect on their historical roles and the power dynamics they are rooted in.** If there's a history of excluding smaller, more grassroots, and BIPOC-led groups in coalition-building, it will take intentionality and an explicit commitment to doing things differently at the foundation, and an expectation that local partners will hold them accountable.
- **Spaces that are designed to facilitate collaboration** between national and local advocacy organizations **should reflect this in their decision-making structures** - for the EJNCP, that means shared leadership duties in working groups (e.g. representation from one grassroots environmental justice group and one national organization on each committee).
- **National organizations can leverage their institutional resources** — fundraising, policy analysis capacity, media and communications, federal relationships — to support the work of local organizations and elevate their priorities. **Local organizations play a reciprocal role** by vetting policy ideas with their on-the-ground constituents, providing feedback and revisions to national platforms and proposals, developing communications materials, performing outreach, and meeting with policymakers.
- **Policy innovations can flow in both directions, from national to local and vice versa.** Sometimes it's a local or state policy campaign that provides the spark for a national effort, and other times a national campaign can set up a standard or platform that local advocates can push on their elected officials to rise to.

Session 3 Discussion Highlights

- Getting cities to dedicate **project funding for development costs is a recurring challenge** in several cities. It can take years of engaging local elected officials and agency staff to get project funding for community ownership in the budget, and sometimes — such as the case in Vallejo through the creation of a new county-level Housing Trust Fund — it takes incremental steps before reaching the ultimate goal of dedicated, reliable funding.
- City leadership can go a long way towards educating the public, funders, and other stakeholders about community ownership models. **In Chicago, the City's Community Wealth Building pilot created a new platform** to get people on the same page about what community land trusts are, how they work, and why they need to be resourced.
- **National organizations can also play a crucial role by providing technical assistance** to advance local policy priorities. In Atlanta, this included getting support from the Center for Community Progress on developing and implementing a Memorandum of Understanding between the Atlanta Land Trust and the local land bank on a policy that allows the land trust to acquire land bank land at well below market value in exchange for affordability guarantees.

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- Coalition partners can appear from a variety of places, and may be unexpected:
 - **More established peers in your sector** may serve as important partners in advancing community ownership goals, but it requires long-term relationship-building and a commitment on both sides to understanding each other's work. In Los Angeles, the close partnerships between Community Land Trusts and community development corporations (CDCs), which took several years of coming together regularly through a local convening space, was key in securing county funding for the [first community land trust acquisition-rehab pilot](#). Having more established and well-known affordable housing developers join in to advocate for new resources was a big part of their success. The coalition they have built also creates a strong foundation for additional advocacy, and there's optimism for securing new funding beyond the initial \$14 million.
 - **Local elected leaders** can also play an important role in championing community ownership priorities. In LA County, collaboration with county departments on a state grant opportunity created room for education on CLTs and helped cultivate the support of a county supervisor, who continued to play a leadership role in securing funding for their \$14 million pilot.
 - **Local business leaders and private donors** may be motivated to support community-led solutions, including sectors that are far outside of the community development world. In Denver, this included reaching out to more independent businesses in the emerging hemp manufacturing sector, where innovation and experimentation are part of the ethos. This might require using different language and messaging strategies that resonate with alternative audiences.
 - **Trade unions and labor organizations** have been historical partners in advancing economic justice, and intersections between the need for quality jobs, affordable housing, and wealth-building opportunities creates new opportunities for collaboration. At the same time, competing interests, such as securing project labor agreements (PLAs) versus other community benefits, may emerge and create friction. This highlights the need for [power mapping work](#) to identify the specific players (e.g. building trades) in the local ecosystem and where they stand relative to your goals.

SESSION 4 – FINANCING STRATEGIES: PUBLIC SOURCES & CDFIS ([LINK TO VIDEO](#))

Session 4 Overview

Our final session began with a presentation on the wide range of strategies localities can use to generate revenue for community ownership real estate development. This includes a variety of **real estate taxes** (such as graduated transfer taxes like Los Angeles' new "Mansion tax" made possible by [Measure ULA](#)), **bond measures** like Oakland's recently-passed [Measure U](#), federal **block grant allocations**, and sources that commonly support **housing trust funds** (commercial linkage fee,

inclusionary in-lieu fees, document recording fees, etc.). Cities may also set aside funding in their general budget that draws from a variety of sources, such as [Chicago's \\$15 million Community Wealth Building Pilot](#). In addition, we discussed how:

- **Property tax reductions and exemptions** can also help significantly reduce long term operating costs and increase the ability of projects to leverage debt.
- Localities can also provide the valuable resource of **land and buildings** through reducing the price of public land that is sold for community benefit purposes.
- **Community Development Financial Institutions (CDFIs)** are designed to address financing needs that tend to be unaddressed by banks and other lenders. While they still tend to be somewhat conservative in their lending, they are also more **accountable to advocacy efforts to improve their practices** and can benefit from lower-cost, flexible capital sources from philanthropy and other partners.

Public and Philanthropic Partnerships to Support CLTs (Amanda Rhein and Grace Roth, Atlanta Land Trust (ALT), Atlanta, GA)

- With a primary focus on single family homeownership on CLT-owned land and new construction, ALT has been seeking ways to dramatically scale up their work by pursuing larger sites and development projects rather than one home at a time.
- In addition to public subsidy, ALT realized early on that **philanthropic sources would need to play a significant role**. To support expanded fundraising efforts as a small organization, they **engaged a nonprofit consultancy** — Coxe Curry & Associates. The firm helped ALT **assess the local giving landscape, develop realistic fundraising goals, and launch a campaign** to raise over \$11 million. In less than two years, they have already raised most of this amount.
- Strategies to help attract and leverage philanthropic funding:
 - **Tax increment financing** from the City of Atlanta was secured for two of their three large projects.
 - **Land donated by a family foundation** helped bring development costs down.
 - Subsidy from Atlanta's [Housing Opportunity Bonds program](#), half of which was structured as a **forgivable loan**.
 - **Down payment assistance** from three local partners, structured as a forgivable, soft second loan to homebuyers.
 - **Mixed income structures** that allow higher-priced units (100-120% AMI) to cross-subsidize more deeply affordable units (as low as 60% AMI).
- Another major component of the development cost calculus is property taxes. ALT has been involved in **two separate advocacy campaigns** — one that's statewide, another that's local to Atlanta — **to make it easier for CLTs and CLT homeowners in Georgia to qualify for property tax exemptions and reductions**.
 - The fight for fair property taxation has included ongoing engagement of the county tax assessor, who ultimately determines the value that CLT-owned properties are assessed at. Like many CLTs, Atlanta Land Trust has struggled to **persuade their tax assessor to recognize the reduced resale value of CLT-owned homes** in their assessment of taxable value.

- ALT has also spent significant time **developing relationships with mortgage lenders and CDFIs to make sure they are reliable, CLT-competent partners** on both the residential mortgage side (residents borrowing to purchase CLT homes) and site acquisition-development side (loans for up-front acquisition and development costs before sale to homeowners).
- **Today's higher interest rates** mean reduced buying power for homeowners, **lowering the affordable sale price that ALT can set**. ALT has done additional fundraising to fill their project funding gaps and help buy down mortgage interest rates for their buyers.

In both the Bay Area and Los Angeles, voters in 2022 passed ballot measures that will generate several billion dollars for affordable housing development. Coalition-building and advocacy efforts will ensure that a portion of this new funding will go towards community ownership models such as CLTs and limited equity housing cooperatives.

Session 4 Discussion Highlights

- Participants noted the challenge of **staffing shortages and high turnover among local public sector agencies**, making it **harder to sustain relationships** and ensure decision-makers are aware of community ownership models, and needs. These shortages also extend to permitting departments and other core city bureaucracies that are necessary to move projects forward.
- Connecting affordable housing and community ownership to economic development is a key messaging and advocacy strategy, especially in cities with weaker markets and tax revenue. Some have found the **permanent affordability** aspect of community ownership models persuasive because it's a clear response to the ongoing loss of affordable units that typically house the workforce.
- **Ballot measures** that bring in new funding for affordable housing — including community land trusts and other shared equity — **had strong overall success in California**. This included sales tax measures, real estate transfer taxes, and bond measures.
- Participants identified **new federal funding resources for building decarbonization and other building improvements** as a key potential source for preservation and rehabilitation projects. **More advocacy to influence program guidelines at the federal and local level will be necessary** to ensure these new dollars can work with community ownership models, which is rarely a given. [SPARCC made sure to include community ownership considerations in its public comment letter for the EPA's new Greenhouse Gas Reduction Fund.](#)

Participating Organizations

ATLANTA LAND TRUST (Atlanta, GA)

CENTER FOR TRANSFORMING COMMUNITIES (Memphis, TN)

EL SERENO CLT, EASTSIDE CAFÉ (Los Angeles, CA)

FIDEICOMISO COMUNITARIO TIERRA LIBRE (Los Angeles, CA)

FOUNDATION FOR HUMAN SQUARE (Chicago, IL)

HERE TO STAY COMMUNITY LAND TRUST (Chicago, IL)

LIBERTY COMMUNITY LAND TRUST (Los Angeles, CA)

MONUMENT IMPACT (Concord, CA)

POPULACE COMMUNITY STRATEGY (Memphis/Nashville, TN)

SISTERS OF COLOR UNITED FOR EDUCATION (Denver, CO)

TONE (Memphis, TN)

T.R.U.S.T. SOUTH LA (Los Angeles, CA)

VALLEJO HOUSING JUSTICE COALITION/URBAN HABITAT (Vallejo, CA)

FACILITATION: ENTERPRISE COMMUNITY PARTNERS

