City of Bridges
COMMUNITY LAND TRUST

Women’s Community Revitalization Project
Proyecto de Mujeres para la Revitalización Comunal

Permanent Affordability & Community Control

Pittsburgh Black Worker Center
What is a Community Land Trust?

- Nonprofit, geographic-based organization
- Have been in existence for 50 years
- Operate in 47 States
- Governed by a tri-partite board of CLT residents, stakeholders, & practitioners
- Over 13,000 units of CLT housing exist throughout the U.S.
COMMUNITY LAND TRUSTS

Create PERMANENTLY affordable homeownership

CLTs follow a unique approach to create affordable homeownership by:

- Changing the structure of traditional property ownership;
- and
- Cultivating long-term relationships with residents, occupants, and users.
How We Do It: Ground Lease

- CLT owns and holds title to the land forever, on behalf of the community
- Homeowner owns the home
- CLT leases land to homeowner
Permanently Affordable Homeownership

- CLT homeowners, by signing the ground lease:

  Agree to share with future homebuyers the affordability that was initially created for them

  Agree to a resale formula that will be used to determine the price at which they can sell their homes
Resale Formula

• The key tool that allow CLTs to maintain permanent affordability and simultaneously allows homeowners to build equity

• Can follow one of three options:
  – Fixed Rate of Return
  – Indexed
  – Shared Appreciation
Equity in your home

"Owner's Interest"

Some of our equity is a direct result of the investment we make up-front and over time.

Acquisition
"Downpayment"
"Amortized Principal"

Some of this appreciation comes from value we add - taking care of our home, making improvements, etc.

Appreciation
"Equity Build-up"
"Betterment"

And some of our equity comes from the increase in value of our property over time.

Personally-created Appreciation

And some of this appreciation comes from value that comes from other factors: good schools, public improvements, natural amenities, public subsidies, etc.

Socially-created Appreciation
HOMEOWNER SECURITY

- Over 90% of CLT homeowners remain in their homes at least five years.
- Historically, the average tenure of CLT homeowners is seven years.
- Over 70% of CLT homeowners, when they sell their CLT homes, purchase an unrestricted, market-rate home.
POST-PURCHASE STEWARDSHIP

- CLT lays out clear expectations - and monitors - and enforces - compliance
- CLT enters into long-term, mutually accountable relationships with homeowners
- CLT stands behind - and backstops - its homeowners, to ensure their success.
How do CLT homes act as the first rung of the home ownership ladder?

In a Community Land Trust, the subsidy is locked in to the home. Instead of increasing a buyer’s purchasing power, the subsidy is preserved by the resale formula, ensuring the home is permanently affordable. This allows future buyers to benefit from the initial, one-time subsidy.

Nationally, CLT homes are resold, on average, every 7 years. This means each home can house 14 families over the next 99 years.

2017

2024-2116

$1.3 million investment
98 households over 99 years
Investment/household: $13,200

70% of CLT home buyers go on to buy a market rate home, using the equity they gained by becoming a CLT homeowner.

The work of City of Bridges is made possible by: the Hillman Foundation, Bridgeway Capital, Anonymous, the Heinz Endowments, UPMC Health Plan, Duquesne Light, City of Pittsburgh - Mayor William Peduto, Deborah Gross of City Council, District 7, and the Urban Redevelopment Authority of Pittsburgh, Wesbanco, and PNC Bank.
CLT Mortgage Performance

Total Mortgage Loans
CLT Mortgage Loans

FORECLOSURE PROCEEDINGS

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Mortgage Loans</th>
<th>CLT Mortgage Loans</th>
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<tbody>
<tr>
<td>2008</td>
<td>3.3%</td>
<td>0.52%</td>
</tr>
<tr>
<td>2009</td>
<td>4.58%</td>
<td>0.56%</td>
</tr>
<tr>
<td>2010</td>
<td>4.63%</td>
<td>0.46%</td>
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City of Bridges
COMMUNITY LAND TRUST

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

@citybridgesclt
City of Bridges
COMMUNITY LAND TRUST

CBCLT History
Lawrenceville CLT

Outgrowth of the 10th Ward Community Plan
The Regional Problem

Neighborhood Median Sale Price VS. Max 80% AMI Price

- Polish Hill Median
- Garfield Median
- Lawrenceville Median
- Max Affordable Price to 80% AMI Family of 4
- Sharpsburg Median

- $137,780
- $143,650
- $145,300
- $149,630
- $158,115
- $164,000

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**

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**

1. **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.
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
Monmade Partnership
Challenges and Successes

• 4 of 9 CBCLT homes 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 early success to bring CLT homes to communities throughout Pittsburgh & Allegheny County

• Currently In Progress:
  • 3 renovations in 2 neighborhoods

• Development Pipeline in next 12 months
  • 40 + homes in 8 communities

• Beginning planning work for other alternative housing models: COOPERATIVES!
Homes Within Reach 12-2-21

Permanent Affordability and Community Control:
Successes and Challenges

Nora Lichtash  nlichtash@wcrpphiladelphia.org
Women’s Community Revitalization Project

Proyecto de Mujeres para la Revitalizacion Comunal

WCRP

BUILDING HOMES, BUILDING LEADERSHIP
1 in 4 pieces of land in our community is vacant
Market pressure on all sides

S: Northern Liberties (2006)

(2011)

W: Infill Student Housing near Temple U

E: Fishtown
The cumulative impact, verified

Median Sales Price 2001/2002
Source: TRF

- $40,000 or Less
- $40,001 - $80,000
- $80,001 - $120,000
- $120,001 - $180,000
- $180,001 - $250,000
- $250,001 - $400,000
- Over $400,000
- 5 Sales or Fewer

Median Sales Price 2007/2008
Source: TRF

- $40,000 or Less
- $40,001 - $80,000
- $80,001 - $120,000
- $120,001 - $180,000
- $180,001 - $250,000
- $250,001 - $400,000
- Over $400,000
- 5 Sales or Fewer
Listening project to determine right course of action

How has the neighborhood changed?

How does vacant land affect your life? And the neighborhood?

What do you think about creating a Community Land Trust?

325 interviews neighbors asking neighbors

photos by Harvey Finkle
How does a Community Land Trust work?

PUBLICLY-OWNED VACANT LAND

TRANSFERRED TO COMMUNITY LAND TRUST

RESTORED & PUT BACK TO COMMUNITY USE

Structures on the land are owned by families, businesses & organizations

GROUND LEASE (99 years)
Land is held in trust by a community organization (CLT) in perpetuity
PROBLEM: INCOMES ARE STAGNANT OR SHRINKING WHILE HOUSING COSTS ARE SKYROCKETING

... ESPECIALLY IN GENTRYIFYING NEIGHBORHOODS

CHANGE IN INCOME VERSUS HOUSING COSTS
2000-2016

CITYWIDE
-10%
+19%
+78%
+363%

NORTH PHILLY
+363%

SOUTH PHILLY
+292%

WEST PHILLY
+169%

BETWEEN 2000-2016, CITYWIDE MEDIAN HOUSEHOLD INCOME DECREASED 10% WHILE HOUSING COSTS INCREASED.
In gentrifying neighborhoods, people of color are being displaced.

**Change in Race, 2000-2016**

- **North Philly**: +39%, -22%
- **South Philly**: +17%, -30%
- **West Philly**: +74%, -35%

**Decline in Percent of Population African-American, 2000-2016**

Sources: 2000 Census, 2012-2016 American Community Survey 5-year Estimates
ORGANIZING TO WIN:
How we build our power to influence decision-makers
A growing coalition of 40 community, disability, faith, labor & urban agriculture organizations that have joined together to pass a series of laws that will expand and protect affordability in neighborhoods undergoing gentrification.

www.phillyaffordablecommunities.org
PHILADELPHIA COALITION FOR AFFORDABLE COMMUNITIES

- **2005**- Fought for and won the city’s Housing Trust Fund
- **2013**- Fought for and won the city’s Land Bank
- **2019**- PCAC forced Philadelphia’s mayor to put $100 million over 5 years into the HTF
- **2021**- Fought for and won mandatory annual commitment from our city’s general fund for HTF
- **2022**- Campaign to win priority disposition of city owned land for permanent affordability
THE PROBLEM

- Philadelphia has a **housing and food affordability crisis**.
- Affordable, accessible homes are out of reach for most Philadelphians.
- Community open space and gardens are being lost to development.
- In the past 5 years, only **1 in 3 disposions of City-owned land supported the development of affordable housing**. Just **1 in 10 went to a community garden** or open space.
- The **City owns more than 5,000 parcels of surplus vacant land and has disposed of less than 700 of them in the last 5 years** — at this rate, it will take 35 years for the City to dispose of its publicly-owned vacant land.
- Meanwhile, **housing markets are changing rapidly**, and with each piece of land lost to for-profit development, the City loses an opportunity to shore up affordability and community-serving uses.

GARDENS ARE AT RISK OF REDEVELOPMENT
THE COSTS
Residents cannot afford to meet their basic needs.

- In Philadelphia half of all renters and nearly 1 out of every 3 homeowners are cost burdened — after paying their housing costs there’s not enough left to cover other basic needs.
- Food insecurity is on the rise in Philadelphia; more than 300,000 residents — almost 1 out of every 5 city residents — live in households that do not have enough to eat over the course of a year.

Communities are being broken apart.

- In North, West and South Philadelphia displacement due to rising housing costs since 2000 has pushed out 32% of Black community residents.
- Community gardens and farms that have been sources of affordable nutrition and places where people gather are uprooted.

PEOPLE ARE BEING FORCED TO LEAVE THEIR HOMES AND COMMUNITIES
The Philadelphia Coalition for Affordable Communities (PCAC) calls on Philadelphia’s elected officials to adopt a progressive policy that will prioritize the disposition of public land for permanent affordability to community-controlled entities that will work cooperatively alongside community members to make decisions.

THE SOLUTION

City owned vacant land must be transferred to groups that will put the land back to use and ensure permanent affordability and community control.

- **PERMANENT AFFORDABILITY:** accessible and affordable homes, gardens, farms and community businesses need to be protected from market forces in order to ensure affordability over the long term, preserve our communities, and increase opportunities for all Philadelphians to thrive.

- **COMMUNITY CONTROL:** Land and the housing or other buildings on the land should be owned and controlled through democratic structures and processes by those who live, work or worship in that community.

The time is now: We call on city council to pass legislation that puts vacant land in community hands!
Land Justice legislation will be introduced in city council on December 9th that

>> supports permanent affordability & community control

>> is accountable to communities

>> serves our people
SOLUTIONS: Land Justice Campaign—Fighting for policies to expand permanent affordability and community control