Bridge Park Community Land Trust Action Plan

Prepared for the 11th Street Bridge Park

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May 2016

Preface

This Action Plan was authored by Thomas Roberts, a Masters of Urban and Regional Planning student at Virginia Tech, as an independent study in the spring semester of 2016. It is the culmination of extensive research and conversations with practitioners and experts in community land trusts. All recommendations and opinions expressed in this document belong solely to the author, and do not necessarily represent the views of the 11th Street Bridge Park, individuals interviewed or quoted, or Virginia Tech.

The author would like thank Scott Kratz, Executive Director of the 11th Street Bridge Park, or providing this opportunity and his support throughout the semester, and Dr. Elizabeth Morton, Professor of Practice at Virginia Tech, for sponsoring this project. He would also like to express gratitude to all those who contributed information, insight, comments, and resources (in alphabetical order): Robert Burns, Adam Kent, Tony Pickett, Stephen Seed, Beth Sorce, Jim Steck, and Brett Theodos. Finally, he would like to thank his wife for her support and sacrifices!

Executive Summary

Construction of the 11th Street Bridge Park in Southeast Washington, DC will add an incredible new element to the region's park system, but will also bring into acute focus the growing issues of redevelopment, gentrification, and housing affordability. The park's Equitable Development Plan (EDP) takes a strong step in addressing those issues and recommends the creation of a community land trust (CLT) in the bridge park's impact area to permanently preserve housing affordability by and for the residents of the community. This document outlines how that CLT can be created.

A community land trust is a nonprofit organization whose primary purpose is to acquire and steward housing. It is governed or advised by residents and community members and focuses on a defined geographical area, and uses a variety of tools to achieve and permanently preserve affordability. It serves low-income and disadvantaged populations in its service area by not only providing rental and ownership housing units, but also developing relationships with residents and offering programs and support throughout their tenure in CLT housing.

The Action Plan

This Action Plan presents five steps to take to initiate the CLT and then details a range of important considerations when designing and implementing the organization's operations. The steps to form the Bridge Park Community Land Trust (BPCLT):

1. Secure funding to lay the groundwork and conduct detailed feasibility analysis
2. Renew public interest and assemble a steering committee
3. Gather and analyze information
4. Make programmatic and organizational choices
5. Plan operations and initial programs and projects

Steps four and five, making programmatic and organizational choices and planning operations, will be informed by the remainder of the Plan. There are numerous specific recommendations, but they fall into several broad categories.

Formation and Partnership

It is incredibly difficult to build a stand-alone community land trust from the ground up. Incubating within another nonprofit is more efficient and builds on the credibility and resources of the existing organization. In the case of the Bridge Park CLT, City First Homes has worked closely with the 11th Street Bridge Park from the beginning to support the equitable development efforts, and is a logical fit for a parent organization of the BPCLT. City First Homes uses a shared equity model to provide permanent affordable ownership units to low-income individuals in the District of Columbia through deed restriction. Other partner organizations can be engaged to assist with client counseling and education, real estate development, and financing.

Governance

While many nonprofits provide affordable housing, CLTs are designed to connect deeply with the community in a specific place. Residents of CLT properties, immediate neighbors, and residents of the city as a whole must have meaningful input in the governance of the BPCLT through membership on the board of directors and/or an advisory board.

Properties

The BPCLT should focus its efforts on multifamily properties. Larger-scale properties, either rehabilitations or new construction, offer the potential for more "bang for the buck" creating either condominium (ownership) units or rental units to be owned and operated by the BPCLT. Additionally, limited equity cooperatives (LECs) are another opportunity to add units to the BPCLT's portfolio, potentially by conversion of existing multifamily buildings to LECs stewarded by the CLT. Although single family houses or townhomes typify the classic CLT model, scattered-site dwellings are resource-intensive to acquire, rehabilitate or build, and steward. They may, however, fight blight in a meaningful way or contribute to intangible community improvement and thus be worth a higher cost. In all cases, the BPCLT must make the numbers work on acquisition of any property.

There are a number of District of Columbia laws and programs that the BPCLT should pursue to acquire properties. They include inclusionary zoning provisions, the city's mechanisms for disposing of municipal real estate (Property Acquisition and Disposition Division and tax sales), and the Tenant Opportunity to Purchase Act (TOPA).

Funding and Financing

To be viable in the long term, the BPCLT must have multiple revenue streams and aggressively pursue sophisticated financing mechanisms for its projects. Operating revenue can come from a variety of program activities as well as rental income. Project funding and financing is available from myriad sources through myriad mechanisms, but at the top of the BPCLT's list should be the District of Columbia's Housing Production Trust Fund, mortgage revenue bonds, and Low Income Housing Tax Credits.

A Vision for the Future

The Bridge Park Community Land Trust has the potential to be a meaningful vehicle not only for providing safe and affordable housing to people who need it, but also a demonstration of an alternative to the same insensitive, profit-drive, speculative real estate market. By redefining the relationship between people, the land, and money, the BPCLT can build social and financial capital among the individuals that live in the impact area. Moreover, through the CLT's ownership and deed-restriction methods, funding that goes into the BPCLT will last much further into the future than existing housing support programs. Through diligent planning and strong leadership, the Bridge Park Community Land Trust can create a legacy of better housing and community wealth building in the District of Columbia.

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1.0 Introduction

The 11th Street Bridge Park is a transformative project for Southeast DC, and has been radical in its vision and in its planning process from the beginning. As part of intense community involvement approach, it has stepped beyond the bounds of the park land itself to create an Equitable Development Plan (EDP). The plan address the social and economic issues already present in the impact area as well as anticipated development and change that the new park will facilitate. The EDP reflects extensive community input, and outlines specific objectives and initiatives in the areas of workforce development, small business enterprise, and housing.

This Action Plan tackles one recommendation within the Housing section of the EDP, the creation of a Community Land Trust (CLT) in the bridge park's impact area. The Plan reads:

> *"Pursue a Community Land Trust (CLT) and/or other affordable housing models, prioritizing vacant and blighted properties that are tax delinquent to help create housing opportunities near the Bridge Park (both rentals and access to affordable home ownership) for residents who currently live in the Bridge Park Impact Area. The Bridge Park will advocate and partner with city agencies and those in the affordable housing industry for the creation of a community land trust and/or other housing models that provide affordable housing options near the Bridge Park."*

Although various affordable housing options and programs exist in DC, few employ the community land trust approach. One traditional CLT is located in Northwest DC, but it has a limited scope of operations at present and no plans to expand. City First Homes is another housing nonprofit which employs a deed-restriction shared equity model to ensure permanent affordability, though it does not own properties the way a traditional CLT does. As a method of providing long-term affordable housing, CLTs are innovative, sustainable, and rooted in the people of the community, making them the ideal choice for this endeavor and especially for Southeast DC.

This document is an action plan. It outlines the steps that need to be taken to form a CLT in the Bridge Park Impact Area and funding, acquisition, and operational considerations, with specific recommendations for structuring the organization and programmatic choices.

1.1 The CLT Model

The term "community land trust" was coined by Robert Swann, a community development and civil rights activist who later worked alongside key leaders of the Civil Rights movement including Slater King, Fay Bennett, Charles Sherrod to form the first recognizable example of a CLT in the late 1960s. New Communities, Inc. in Albany, Georgia, formed as a nonprofit to hold ownership of farmland and build new agricultural communities after so many years of exploitative sharecropping in the South (Davis 2006b).

The community land trust's roots and predecessors are diverse, but it is fundamentally about a better relationship between a group of people and the place they live. It addresses the fragmentation and injustice that can come out of the contemporary real estate market. Although not initially conceived to provide affordable housing, as CLTs spread across the country it became apparent they are a uniquely effective vehicle for permanently affordable housing in both urban and rural settings.

John Emmeus Davis, a leading figure in the contemporary CLT movement, defines nine key attributes that distinguish CLTs from other types of organizations (Davis 2006a). While these attributes have variations and exceptions as CLTs have evolved in response to local needs and conditions, they maintain the theme of shared equity and community improvement through better housing.

- Non-profit corporate structure with mission to serve distressed communities or individuals
- Dual ownership model in which the non-profit trust owns the land and then sells the improvements to residents, with resale restrictions
- Land is leased to the resident under the dual-ownership model as a means of retaining stewardship interest in the property
- Perpetual affordability is achieved through repurchase/resale restrictions on the dwelling units
- Perpetual stewardship of the land, buildings, and people as an involved community organizer
- A specific, limited geography that ties the organization to a defined community
- Resident control through membership, engagement with staff, and board representation
- Tripartite governance with a board composed of one-third CLT residents; one-third residents of the CLTs neighborhood; and one-third other representatives such as government leaders and affordable housing experts
- Expansionist acquisition strategy to continue mission, in contrast to a static legal device for managing a few properties

The most traditional CLT model is to acquire or build single-family homes, sell the improvements and lease land to income-qualified buyers, and to place resale restrictions on those properties through the deeds and the lease.

While community land trusts have been engaging in community-centered housing as economic development for decades, their hallmarks of local control and broad ownership are consonant with the emerging movement of community wealth building. As defined by the Democracy Collaborative, "Community wealth building is a systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly held ownership" (Kelly et al 2015). The report goes on to explain the importance of a local perspective:

> *"If globalization is the hallmark of today's mainstream economy, relocalization is the hallmark of the alternative. Globalization works well for capital, which can move across borders with a computer keystroke. But the real economy of jobs and families and the land always lives someplace real. The real economy is place-based. And a real place is more than a free market of footloose players, where firms are like objects that can be moved anywhere. Cities and towns are places that people care passionately about, where working collaboratively for the common good instinctively makes sense. Local communities are where building a new economy naturally begins."*

2.0 The Action Plan

This document proposes the creation of a community land trust to serve the neighborhoods near the park and the whole city. The proposed CLT will be referred to here as the Bridge Park Community Land Trust (BPCLT), though the steering committee may devise a better name.

The goals of the BPCLT are clear from the mandate in the Equitable Development Plan. Along with some of these goals are assumptions derived from the EDP and the project context:

- Provide affordable rental and ownership housing units
- Focus on the bridge park impact area
    - The CLT's energies will focus on the neighborhoods east of the river (Wards 7 and 8) in order to mitigate the displacement and gentrification on the horizon, although the geographic scope of the CLT will likely be the entire impact area on both sides of the river.
- Partner with existing organizations to further the CLT's goals
    - There are many well-established nonprofits in the affordable housing sector in the District, though few use the shared equity or CLT model. The BPCLT will partner with others to provide for the community effectively and efficiently.
- Prioritize acquisition of vacant, blighted, and tax-delinquent properties

2.1 Steps of the Plan

The steps below form a framework and sequence for the 11th Street Bridge Park to initiate a community land trust. Although this document makes a case for the feasibility of a community land trust in the impact area and presents researched recommendations, more detailed consideration will be necessary before launching a new organization. A steering committee representing broad constituencies will need to chart the course of this CLT so that it remains firmly connected to the community and functions effectively and sustainably.

Step 1: Secure funding to lay the groundwork

Timeframe: Mid to Late 2016

Conducting necessary information gathering and analysis to adequately determine feasibility and identify actionable projects will require funding. The 11th Street Bridge Park should seek a technical assistance grant to engage professionals for this research and analysis. This grant could fund work by a local organization with expertise in shared equity, such as City First Homes, or it could fund an outside consultant with expertise in creating community land trusts, such as Burlington Associates. In 2015, the National CLT Network (now known as Grounded Solutions Network) provided small grants for startup CLTs as part of its Emerging CLT Initiative, as well as providing free technical resources on their website. Grounded Solutions Network is an excellent place for the 11th Street Bridge Park and the steering committee to start.

Step 2: Renew Public Interest and Assemble a Steering Committee

Timeframe: Early to Mid 2017

Once grant funding is secured for this research, the 11th Street Bridge Park can begin assembling a steering committee to review and take action on the findings. However, the community and larger public must remain engaged and involved in the formation process. The 11th Street Bridge Park should publicize the feasibility study phase, and assemble its steering committee as transparently as possible. Representatives of community groups on the committee should be encouraged to communicate with their constituents about the process. It is important that the formation process be perceived as transparent and not “closed-door,” and that the use of the CLT model is still supported by the neighborhood. The steering committee’s purpose is to gather information and make decisions to guide the formation of the community land trust, meeting often during the research phase to review the findings of the consultants. The committee should include stakeholders from the 11th Street Bridge Park, neighborhood organizations, nonprofits already partnering with the 11th Street Bridge Park, District government, and individuals familiar with real estate development.

Step 3: Gather and analyze information

Timeframe: 2017

The consulting professionals engaged by the 11th Street Bridge Park and the committee should communicate with relevant members of local government, the development community, the banking and finance committee, and others to prepare detailed and specific proposals and options for the CLT. These will clarify specific properties for acquisition, dollar amounts for financing options, and probability of securing grant funding, for example. As mentioned earlier, Grounded Solutions Network offers resources and assistance for early-stage CLTs.

Step 4: Make programmatic and organizational choices

Timeframe: Late 2017

The core work of the steering committee is to make the key choices about what programs the CLT will pursue and how it will pursue them. Choices about what programs the CLT will operate, the types of properties it will seek to acquire, its management structure, and how it engages partner and parent organizations are inextricably connected. The committee will need to chart the course of the organization by first developing a clearer sense of the mission and vision of the CLT, and then considering its practical options for operating, based on the findings of the consulting professionals.

Step 5: Plan operations

Timeframe: Late 2017-Early 2018

Having determined the organization’s strategy, the steering committee should develop a plan for its operations, including assembling an advisory board or board of directors, finding staff, and planning initial acquisition and development projects. Additionally, the committee must outline operating agreements and understandings with a parent organization and initial partner organizations as needed.

3.0 Programmatic Choices

3.1 Assessing Existing Resources

Before making definite programmatic choices, the steering committee must have a clear understanding of the area it is serving, both the people and the housing. Knowing the income stratification, household types, and existing housing stock will guide the implementation of housing programs. The brief statistics included here hint at the neighborhood characteristics, but the information and analysis efforts recommended in the plan should dive more deeply and develop a specific market for the BPCLT's housing.

Further, although the existing population can be understood with these statistics, they do not show the potential incoming population. One of the clear goals of the BPCLT is to combat displacement and the negative effects of gentrification by providing affordable housing. However, based on income and asset criteria, young professionals from outside the neighborhood may also qualify for CLT housing. This potentially could advance displacement and gentrification, or at least the perception of it. The BPCLT should make explicit its goal of serving current neighborhood low-income residents, while being inclusive and compliant with equal housing laws. This goal can be achieved through marketing and counseling targeted to individuals already living in the impact area, as well as acquisition strategies of existing buildings that keep residents in place.

Table 3.1.1 Snapshot of Bridge Park Impact Area

	West of the Bridge Park Census Tracts	East of the Bridge Park Census Tracts
Population	22194	21,007
Unemployment	6.63%	20.71%
Child Poverty	20.46%	53.18%
Median Value of Owner-Occupied Housing	$648,259	$255,553
Renter Occupied Units	50.24%	73.09%

Source: 2009-2013 American Community Survey (US Census), as quoted in the Equitable Development Plan

Table 3.1.2. Housing Types in the CHASE Neighborhoods (Congress Heights, Anacostia, and Saint Elizabeth's) of Southeast DC [*Roughly similar to the Bridge Park Impact Area on the east side of the river]*	
Housing Type	**Percentage**
Detached	23%
Semi-detached	19%
Multifamily	18%
Rowhouse	40%
Source: Clancy & EHT Traceries 2014	

In addition to understanding the character and needs of the community, the BPCLT must understand what other housing assistance programs are available to individuals in the community. The BPCLT can provide long-term affordable housing in a city that desperately needs it, complementing and supplementing existing programs and nonprofits. Awareness of the bigger picture is critical to avoid duplication and find synergies. Existing programs, ranging from short-term rental assistance to long-term homeownership support, include:

- DC Emergency Rental Assistance Program (ERAP)
- DC Local Rent Supplement Program (LRSP)
- Federal Housing Choice Voucher Program
- Project-based Section 8 units
- DC Permanent Supportive Housing Program
- Public Housing (DCRHA)
- DC Home Purchase Assistance Program (HPAP)
- DC Open Doors Down Payment Assistance Program
- Homebuyer clubs
- DC HomeSaver tax lien extinguishment with Federal Hardest Hit funds

3.2 Choosing Roles

What roles will the community land trust play? CLTs around the country have evolved to serve a range of roles, from a narrow focus on ownership and limited stewardship of property to full-blown social-service providers advocating for resident interests. The roles for a given CLT will depend on who is initiating it, the needs of the community, and the resources available.

What roles the organization plays is as much a question of identity and mission as it is ability. Some CLTs have their genesis in grassroots community organizing, so functions related to resident engagement and education may be indispensable to their mission; others focus more on housing provision. Roles and functions needed by the community can also be contracted out to varying degrees, helping to focus the CLT on its core capacities and mission.

3.2.1 Educator

Education broadly understood is a necessary part of a community land trust's work. CLTs represent a non-traditional housing mechanism, and they must continually explain why and how they work to the general public, potential buyers, financial institutions, and local government. Buyers must understand the resale restrictions and ownership structure they are buying into, and lenders and others involved in the sales transaction must understand the differences between a typical mortgage and that on a property in a CLT. Limited-equity cooperatives are another ownership structure poorly understood by most people. This continual explanation and education on the CLT model should be woven into the organization's website, literature, and public presence.

In addition to this broad sense of education, CLTs should provide more structured classes and workshops for their potential and current residents. Most subsidized mortgage products and other homeownership assistance programs require buyers to participate in a HUD-approved housing counseling class. These classes are common sense as well, given that many purchasers of CLT homes have not owned homes before and may not have optimal financial literacy. In addition to pre-purchase classes to meet minimum requirements, CLTs often facilitate post-purchase classes on financial planning, budgeting, avoiding foreclosure, and home maintenance. Providing or requiring ongoing education and development of residents' skills furthers community engagement, resonates with the CLT's goals, and improves residents' financial stability and avoids foreclosure.

There are numerous organizations in DC that already offer HUD-approved housing counseling courses. These include Manna, with whom the 11th Street Bridge Park is already partnering on a homebuyer club; Neighborworks America; Lydia's House; and Operation Hope, Inc. (HUD 2016). Given the availability of courses, the BPCLT should partner with one or more of these organizations to refer clients or host classes, rather than attempting to build capacity in-house.

3.2.2 Developer

Some CLTs act as developer on projects, and their activities range from rehabbing a single family dwelling to a large mixed-use multifamily/commercial complex. As developer, the organization has more control over the project and can reap more fees than if they partnered with separate entities, but real estate development requires significant staff resources and expertise, and can involve substantial financial risk. In a 2015 survey of members of the Community Land Trust Network, 46% of non-governmental CLT organizations reported that they were developers (Thaden and Webb 2015).

Nora Lichtash of the Women's Community Revitalization Project in Philadelphia, which created the Community Justice Land Trust as a program in 2010, warns:

> *"You have to focus on every detail in million dollar deals. It really takes you away from the educational work you want to do. Real estate is very hard, speculative. You think you're getting one thing and instead you get another. When we first started people told us that, but we didn't believe them. I now tell people to partner for a long time first. It's hard to keep tenants happy and funding sources happy...You're responsible to leaseholders and non-leaseholders in your community, so there are tensions."* (Axel-Lute & Hawkins-Simons 2015)

The Denver Urban Land Conservancy (ULC), in contrast, has chosen to act as developer in limited ways on several of its projects, for example conducting the site and infrastructure work. Founded in 2003, the non-traditional CLT has invested $66 million in projects since inception and has the requisite expertise to partner successfully with private for-profit and nonprofit partners for a majority of development projects (ULC 2016). However, ULC has only recently acted as a "from the ground up" vertical developer for a new neighborhood charter high school facility and its board is evaluating whether it will continue to act in the near term future as a vertical developer in light of the staff capacity, financial risk, and substantial residential project pipeline (Pickett 2016).

There are several well-established non-profit affordable housing developers in the DC metro. These experienced players will be better able to assemble financing and execute a project cost-effectively than a startup CLT. Given the resources necessary to effectively perform real estate development, it is highly recommended that the BPCLT partner with other entities to carry out any actual development work.

3.2.3 Owner

Ownership of land has historically been one of the most important traits of a community land trust. It connects the organization to the physical place and the community of that place in a way that other programs do not. Early in the CLT movement there was a strong theme of putting land back under the ownership of the community, and out of the hands of speculators or corporations or people outside the neighborhood. Many CLTs were formed by grassroots organizations in the face of environmental injustice, gentrification, or other redevelopment. Dudley Street Neighborhood Initiative and its subsidiary CLT Dudley Neighbors Inc. in Boston, Massachusetts were formed in this spirit (Blumgart 2015). However, as

CLTs have spread and diversified, alternatives have developed to ownership that move forward the goals of better housing and community wealth-building.

Ownership can take different forms for CLTs. They include:

- Land underneath buildings that have been sold separately, as in the classic CLT model;
- Land and the common spaces of a multifamily condominium property, whose units have been sold with resale restrictions;
- Land and buildings of single-family units that are rented and managed by the CLT
- Land and buildings of multifamily units that are rented and managed by the CLT

CLTs may be entirely focused on homeownership for their clients; or they may be owners themselves but have no homeownership units in their portfolio, only rental. The primary alternative to owning units (homeownership or rental), stewardship through deed restriction, is explained in the next section. In the Community Land Trust Network's 2015 member survey, 18% of its members reported neither owning, monitoring, nor managing any properties. While some of those members may be "startups," others operate different programs to further affordable housing goals.

3.2.4 Stewardship

Stewardship is both a practical function and a mission, involving the ongoing maintenance of properties and oversight of their resale but also engagement with the residents to assist and empower them. Since purchase of units is a one-time occurrence, it is largely through stewardship functions that CLTs remain active and visible in their communities. Primary stewardship functions may include:

- Enforcing deed restrictions on ownership units by managing their sale and qualifying purchasers
- Managing and maintaining multifamily rental or ownership buildings, including building management, collection of rent payments, marketing and screening of applicants
- Collecting lease payments from residents who own their unit on CLT-leased land
- Monitoring residents' financial stability and ability to pay mortgage and assisting as appropriate
- Providing technical or financial assistance to homeowners for general maintenance know-how or for specific improvement projects, e.g. winterizing, aging-in-place enhancements

This document discusses stewardship in a broad sense, but CLT stewardship often refers specifically to monitoring deed-restricted ownership units and ensuring their resale is in accordance with restrictions.

Deed restrictions in this context refers to covenants attached to the legal deed for a property that impose certain restrictions on the use and transfer of the property. They can apply to land and buildings together or separately (as in the case of the classic CLT model), or to condominium units. Typically, they limit occupancy to the owner as a primary residence, limit the types of mortgages or encumbrances the owner may place on the property, and a require a certain protocol for how and to whom the property is sold (Davis 2006a, p. 16).

Deed restriction as a method of ensuring affordability began in the 1970s with municipal inclusionary zoning programs, and has become the primary tool for requiring housing units remain affordable after their initial sale. Almost all deed restrictions are in effect for finite periods of time, ranging from five years to 40 years, for programmatic as well as legal reasons. Localities sometimes believe that five or 10 or 15 years is "long enough" for the affordability restrictions to be in place. Legally, most states do not permit such deed restrictions to be in perpetuity: "Generally, the longer the duration of the restriction and the farther the party imposing the restriction is removed from the property, the less defensible is the restriction" (Abramowitz and White 2006); however, if the property is sold during the timeframe of affordability the clock may "reset" because the party imposing the restrictions has reasserted its interest.

Although CLTs have long applied deed restrictions to their properties, the strategy is ever more relevant as some CLTs operate as stewards of deed-restricted units without owning them. City First Homes, for example, uses this model of shared equity. While owning the land provides a unique connection to place that may be important to a CLT's mission, Abramowitz and White (2006, p. 330) identify four advantages of using a deed-restriction model instead of dual-ownership:

- *[Deed restrictions] do not require the creation of separate ownership interests in land and buildings, and they avoid the possible complications of separate tax assessments on the separate ownership interests.*
- *They are likely to be more acceptable to homebuyers who want to 'own the land as well as the house.'*
- *They can be used with condominiums on a unit-by-unit basis.*
- *They do not require 'leasehold mortgages,' so many mortgage lenders are more comfortable with them*

The BPCLT should be open to including deed-restriction-only units in its portfolio when seeking to acquire properties. This method may be particularly appropriate when partnering with multiple developers on a large new construction project. The BPCLT may have sufficient funding, for example, to have an equity interest in 20 condominium units which may be interspersed with market-rate units in a large complex. In this project applying a ground lease may be impossible or unpalatable to partners. These condominiums could be sold with deed restrictions that are monitored and enforced by the BPCLT.

Another important benefit of deed restriction in the District of Columbia is that resale-restricted properties are exempt from property tax (DC Office of Tax and Revenue 2016). This provision would apply to all ownership units in a CLT's portfolio, and presents a significant advantage to low-income residents moving into higher-quality, CLT-stewarded homes.

Some stewardship functions may be performed by the CLT on a contract basis for other entities, such as municipal governments, particularly enforcement of restrictive deeds or covenants on units the CLT does not own. When inclusionary zoning programs developed deed-restricted residential units, they rarely put systems in place to ensure those restrictions were followed. Still today there is no comprehensive tracking of deed-restricted units, their exact provisions, or when they expire, at the national or state level. As time has passed, self-enforcing covenants have proved ineffective, deed-restricted units have been lost or their affordability provisions have expired, many local governments have realized the value of better tracking and stewarding these properties (Davis 2006a, p.17). This need is an opportunity for CLTs to step in and contract out their stewardship capacity. City First Homes is an example of a shared equity organization that performs this work.

3.2.5 Finance

CLTs typically focus on providing housing. To achieve that in low-income communities requires some degree of financial skill-building and assistance to residents, but some CLTs also offer more comprehensive wealth-building programming. These programs align well with CLTs' resident-empowerment ethic.

One avenue for financial assistance is to provide small loans to owners of CLT units seeking to perform renovation or other improvements. This is a natural extension of the stewardship role. The loans could be low-interest or interest-free, and good upkeep of units is in the best interests of the CLT long-term. These loans could be structured as Program-Related Investments (PRIs) by the CLT, thus avoiding some of the tax and investment regulations that apply to other loan or interest-generating investment activity of a nonprofit (IRS 2016).

Another avenue of direct support is an individual development account (IDA). IDAs are savings accounts for income-qualified individuals that match contributions (usually 1:1) and can be used only for prescribed goals such as purchasing a home, car, or higher education. Financial institutions that offer IDAs fund the matching contributions from public grant and private philanthropic sources. In DC, Capital Area Asset Builders (CAAB) operates an IDA program that has helped over 2000 people build savings for worthy goals, and already partners with dozens of area organizations such as Manna, Inc., LISC, and So Others Might Eat. CAAB also offers money management classes and tax preparation assistance.

Some affordable housing providers have tailored the IDA concept more specifically to renters. The Cornerstone Corporation for Shared Equity operates several multifamily rental properties in Cincinnati, Ohio using its (trademarked) Renter Equity program:

> *"Cornerstone offers financial incentives to stable low-income residents who make timely rent payments, participate in the resident community and help maintain the properties. In turn, Cornerstone returns some of the turnover and maintenance-related savings to residents in the form of payments into an equity account. The accounts are vested after five years, at which point they could be worth up to $4,137. So long as they are fulfilling their rental commitments, residents may request loans from Cornerstone's loan fund in order to purchase a large household appliance such as a washer or dryer or cover a financial emergency."* (Drever et al 2013)

The program not only helps build wealth but it enhances community engagement, and operations were no more costly than comparable properties without the Renter Equity program.

Another innovative strategy for fostering wealth-building is using on-time rent payment to build tenant credit scores. Building and maintaining good credit is critical to building wealth, and many low-income individuals face significant obstacles in building a credit report and score. CLTs have particular interest in supporting good credit for their rental residents because it is necessary to secure a mortgage. Theodos et al (2015) found that “creditworthiness is the most problematic issue faced by shared equity buyers when seeking a mortgage.”

Although most landlords report missed or late rent payments to credit reporting agencies in the process of collections, a common mechanism for reporting on-time payments to build positive credit scores is lacking. In 2013-2014, the Credit Builders Alliance worked with Experian RentBureau and eight affordable housing providers to pilot a program offering low-income residents a rent reporting option, in conjunction with other financial coaching and education. The pilot program was a strong success. Positive outcomes included:

- Tenants perceived rent reporting as a positive practice and were interested in participating
- 79% of participants saw an increase of their credit score, and 14% saw no change in their score
- All participants who began the program with no credit score ended with a high non-prime or prime score
- Rent reporting programs increased tenant participation in financial education and coaching programs
- Rent reporting incentivizes on-time payment
- Rent reporting is a viable strategy to enhance resident financial stability (Chenven and Schulte 2015, p 5, 16)

To report rent to Experian, property management must become credentialed and adhere to careful guidelines to ensure accurate recording and reporting of information. Alternatively, the landlord or property manager can partner with a third-party online payment processor who is credentialed. Tenants who choose to pay through the online portal could take advantage of the reporting, though this approach would likely preclude tenants who pay by cash or money order in person from benefiting from the reporting. Also, because of privacy regulations that accompany federal funding, for most affordable housing developments residents must voluntarily opt-in. The cost is low and this kind of reporting can open significant doors for low-income residents with little credit history.

The Bridge Park CLT should directly or in conjunction with a partner offer low-interest or interest-free loans to residents seeking to improve their property. It could easily be tied with participation in homeownership how-to classes or other engagement programs, and could even be a vehicle for building resident credit histories through successful repayment. Such a loan program could be initiated after a couple years of the CLT's operation, assuming residents do not need to or would not qualify to make improvements immediately after moving in.

If the BPCLT owns multifamily rental properties, it should participate in a rent payment reporting program, whether it manages its own properties or contracts with a property management vendor. Similarly, the BPCLT should develop a program using Individual Development Accounts to mimic the Renter Equity program implemented by Cornerstone, tying together mandatory tenant participation in governance and maintenance with building capital. Both these strategies have the potential to contribute significantly to community stability through lower tenant turnover, greater resident engagement and buy-in, and ultimately to raising renters to homeowners.

Financial education and counseling, loan programs, individual development accounts, and other programs to build resident wealth can be important ways to further the mission of the CLT, but should take full advantage of any partner organizations' capabilities so that they do not drag on limited staff resources.

3.3 Property Types and Ownership Structures

The best types of property to include in a CLT's portfolio and the best structure for involvement (ownership or stewardship) depend on the needs of the community, the opportunities in the neighborhood, and the resources available to the trust. CLTs nationwide have moved beyond single-family homeownership to rental and even commercial property. The EDP specifically mentions providing both rental and homeownership options, and there are different vehicles for offering these options to residents.

There are three basic variations on ownership of units for a CLT: landholder under purchased units; landlord of rental units; and stewardship without ownership. A fourth is lease-purchase units, in which a tenant rents from the CLT while saving up to purchasing his or her unit. This section will discuss the first variation, which is the classic CLT model, followed by a discussion of rental and the different dimensions of multifamily properties, including lease-purchase units and cooperatives. Finally, CLT involvement in commercial property will be addressed.

3.3.1 The Classic Model

Single family, detached ownership units formed the portfolios of many early CLTs and still are important aspects of the land trust landscape. The CLT retains ownership of the land then sells the house on it and leases the land to the resident.

Single-family dwellings, whether attached or detached, are often expensive to acquire, or develop and then to maintain for the CLT, especially in robust housing markets. When acquiring existing individual houses, they must often be purchased one-by-one in a time- and resource-intensive process. If part of a new development on a green or brownfield, it may be hard to argue for single family dwellings instead of multifamily buildings that can deliver more units at a lower per-unit cost. Similarly, if sold in a market with high overall housing prices, they are more likely to be sold to a buyer at the upper end of the income qualifications or else require a substantial portion of the trust's precious subsidy funds. In other words, they are expensive for buyers and the CLT, and may not reach the CLT's target market.

The Equitable Development Plan gives priority to the CLT acquiring vacant, blighted, or tax-delinquent property. While there may be many vacant, abandoned, and tax-delinquent single-family homes in the impact area, especially east of the river, the BPCLT should carefully weigh the financial and staff costs of acquiring, rehabilitating, and managing such properties in comparison to larger multifamily units or new construction of multiple single-family units on a single site. On the other hand, while the bottom line calculations are very important, in some cases cleaning up a blighted block might have a public relations or intangible community benefit that makes a project worth it.

3.3.2 Rental

Although homeownership is one of the cornerstones of the community land trust movement, there are multiple reasons that CLTs become involved in rental units. A 2012 detailed nationwide survey of CLTs on the topic of rental units found that the primary reasons for incorporating rental into their portfolios were first, to provide housing for individuals who could not qualify for mortgages and ownership; and second, to provide safe and decent housing that was lacking in their service area (Ciardullo 2012). Additionally, when landlords are faced with quickly rising property values and property taxes, low-income market-price renters are the first to suffer the consequences.

The reality is that for many low-income residents, especially those below 50% AMI, ownership is out of reach even with subsidies (Sorce 2016). In 2014, there were approximately twice as many rental units (nearly 17,000) in the portfolios of CLTs than homeownership units (about 8,000) (Thaden and Webb 2015). Following the rationale that individuals need housing but cannot qualify for mortgages or ownership, Ciardullo's 2012 survey found that 41% of the 17 CLTs survey had lease-purchase units to help transition residents for renting to owning. All of these units were single- or two-family scattered-site dwellings.

Rental units can take several forms: single-family units, consolidated or scattered-site; small multifamily buildings, usually less than 20 units; and larger multifamily complexes of dozens or hundreds of units. All of these types require a different skillset to develop, market, and manage than typical CLT homeownership programs; however, large multifamily complexes require a higher level of business savvy and capacity than many smaller CLTs possess.

Rental units and ownership units are very different financially as well. Acquiring and selling ownership units represents a one-time investment in a property that is then recouped, but for rental, a CLT must invest long-term. Conversely, turnover of ownership units generates a small and unpredictable cash flow from fees, but rental units provide substantial and predictable income. Ciardullo (2012) found that some CLTs cited revenue as a reason for adding rental units to their portfolio. Another major factor is that tax credit financing is available for rental units but not ownership units, and is only viable for larger multifamily projects (20+ units). Tax credit financing can be an important source of funding, but requires sophistication, expertise, and scale to use.

Rental of single-family homes or duplex/triplexes is typically resource-intensive and may not be cost-effective, especially if they are scattered around the neighborhood. As an alternative to managing the rental itself or through a property management partner, a CLT may sell the unit(s) to a low-income buyer who then rents them out; however, this arrangement requires heavy coaching and oversight to be effective (White 2011).

3.3.2.1 Large Multifamily Rental

Multifamily projects with dozens or hundreds of units can be an important part of a CLT's portfolio, but it must recognize that it is entering a sector of the affordable housing market shared by many others. It is often easier to finance multifamily projects, especially with tax credits, and developing and managing this many units offers significant economies of scale, but these advantages apply to other developers as well. Still, CLTs can ensure permanent affordability beyond the 5, 15, 30, or 40 year sunsets to deed restrictions that go along with tax-credit requirements. In fact, CLTs may be able to step in and acquire multifamily properties whose affordability is expiring and retain existing residents.

3.3.3 Multifamily Condominiums

Condominiums are another ownership structure that allows a CLT to provide homeownership within a multifamily building. Typically, the CLT retains ownership of the land, and sometimes the common spaces of the building, and individual units are sold to income-qualified buyers with the usual resale restrictions. Champlain Housing Trust in Burlington, Vermont is an example of a CLT that owns several buildings of condominiums.

3.3.4 Limited-Equity Cooperatives

Co-operatives are multifamily buildings that form a corporation and sell corporate shares to the resident of each unit. Only residents may be shareholders, and the property owner on the deed is the corporation. This corporation pays all the taxes on the property, and typically it holds a blanket mortgage. Buyers take out a share loan secured by their interest in the corporation rather than a traditional mortgage secured by the property. Through agreements set forth in the corporate bylaws, the stock certificate that the resident holds, and the subscription agreement that the resident signs, a contractual cap is placed on the resale amount for that share of the cooperative (Davis 2006a, p.24).

Cooperatives traditionally have been standalone organizations, but variations have developed to address the vulnerability of limited-equity cooperatives. If an LEC's market value has significantly exceeded the permitted resale price, and a blanket mortgage contingent on affordability measures has been paid off, there is a strong incentive for resident-board members to vote to change the bylaws and other agreements and convert to a market-rate cooperative. To address this vulnerability, some LECs have added deed restrictions that would run with the property longer than mortgage-based restrictions. CLTs may become involved with a cooperative by owning and leasing the land under a cooperative building. Additionally, CLTs and other housing nonprofits often provide technical assistance to multifamily buildings that become cooperatives. In some cases these nonprofits have built the cooperative with a requirement that outside directors sit on the board. These directors who are not residents or members of the corporation help to maintain the limited-equity structure of the cooperative (Davis 2006a, p. 25)

Cooperatives present a significant opportunity for the BPCLT because of the District of Columbia's Tenant Opportunity to Purchase Act. The law, enacted decades ago, allows residents of multifamily rental properties to organize and purchase their building should the owner wish to sell. The BPCLT can partner with existing CDCs in DC to provide technical assistance to resident organizations wishing to buy out their building, encouraging them to convert to a limited-equity cooperative. The BPCLT could provide financing for rehabilitation to the cooperative, purchase the land and lease it to them, implement deed restrictions, or provide other assistance.

3.3.5 Commercial

In their 2015 survey of Community Land Trust Network members, Thaden and Webb (2015) found that about 17% of members held commercial properties in their portfolio. Although more complex to develop and administer than residential units, the CLT's neighborhood may need non-residential space that the market is struggling to provide. Commercial units developed or owned by a CLT can complement residential development in distressed neighborhoods, providing support for locally-owned small businesses, grocery stores in food deserts, health clinics, increased retail and service diversity. CLTs across the country have planned and strategized about involvement with commercial projects, but fewer have successfully implemented such involvement.

Crescent City CLT (CCCLT) in New Orleans, LA set out initially to integrate commercial projects within their portfolio. They developed four strategies to enter into commercial development initiatives:

- They will develop commercial spaces to house critical community services, such as fresh food stores or nonprofit health clinics. CCCLT usually enters these deals as part of a broad partnership of public agencies and private capital providers.
- They will acquire and redevelop vacant commercial or mixed-use buildings on key commercial corridors to reduce blight and provide quality commercial space that will generate economic activity and job creation, offering some affordable spaces and some market-rate spaces and encouraging tenants to engage with the community and hire locally.
- They will work with partners to execute commercial projects focused on economic development for low-wealth communities, ensuring that the financial and design elements of the project meet the needs of local entrepreneurs and small businesses and providing wrap-around services through partners.
- They will retain and strengthen existing community-owned small businesses that are already located in retail space, such as helping businesses purchase their building in a shared-equity ownership model to avoid displacement or providing technical assistance to businesses that own their buildings but are not taking full advantage of this asset. (CCCLT 2014)

CCCLT was formed in 2011 and currently has one project under development, a mixed-use rehabilitation of a historic downtown building. It has partnered with several other developers and is currently seeking tenants for the commercial spaces.

While commercial projects can directly further the impact that a CLT has on the community, owning or developing commercial space can also be a revenue source for a CLT. Market-rate leased space could be an important income-generating aspect of a new mixed-use development whether ownership remains with the CLT or it is owned by a partner.

Involvement in commercial real estate should be one of the first decisions of the BPCLT steering committee. It is a question of mission, of organizational capacity, and of market feasibility. It is almost certain that neighborhoods east of the river suffer from food deserts, lack of retail diversity, and other non-residential deficits that a CLT could attack; and that with competent real estate brokerage it could find a feasible development opportunity. Focusing only on housing keeps the organization's scope clearer to the community and to other stakeholders. Adding commercial property could increase community impact and add revenue streams, but introduces additional operational complexity and requires greater resources and staff expertise.

4.0 Partner and Parent Organizations

A successful CLT needs to be part of a network of organizations working to meet the needs of its target community, relying on their resources and expertise while increasing the overall capacity for helping people. Different types of partnerships will need to be formed.

4.1 Incubation

In recent years, experience has shown that to be viable, a new community land trust should "incubate" within another nonprofit organization to start. Even with a groundswell of popular support and experts at the helm, a new organization must work extremely hard to build credibility with government, the community, and funding sources. Aligning with an existing nonprofit organization and beginning as a program of that organization provides several distinct advantages:

- Shared resources: establishing under the wing of another organization allows the CLT to share staff, office space, and other resources while it is charting its strategy and gaining funding
- Shared expertise: existing affordable housing providers often have rich expertise in the sector and may already have some experience in shared equity models
- Political goodwill: existing organizations may have established relationships with decision-makers and other nonprofits as well as credibility in the public's eye, all of which will be pivotal in building buy-in for the CLT model and securing properties and funding
- Funding eligibility: Many grantmakers are unwilling to provide funds for startup nonprofits without a track record of mission execution or financial performance. Initial funding is critical for a CLT to acquire properties, and can make or break their existence.

The Bridge Park CLT is well-positioned to begin under the auspices of another organization. The 11th Street Bridge Park has done significant work already building relationships with a myriad of nonprofits supporting neighborhoods in the bridge park's impact area, including some who operate in the affordable housing and housing support realm.

One organization, City First Homes, stands out given that it already operates a shared-equity deed-restriction program in DC. Its staff are well versed in marketing resale-restricted homes and seeing those purchases through closing, and it has well-established ties with Grounded Solutions Network, the primary membership organization of CLTs. It has worked closely with the 11th Street Bridge Park since the park's inception. City First Homes estimates that it could begin a conservative Bridge Park CLT program with one to one-and-a-half additional staff members, operating out of its office. Also, City First Homes is affiliated with City First Enterprises and City First Bank. These organizations can offer significant opportunities for accessing public funding and private capital as a certified CDFI.

Although incubating within an existing organization is the best route to viability, the future is wide open. Once the CLT has established a portfolio, staff build experience, and programs get off the ground, it can remain a program or subsidiary of that organization or it may spin off and become an independent nonprofit. The choice of spinning off may be moot because of resources constraints and the unsustainability of the CLT as an independent entity. However, it is important to consider the long view: by design, a CLT's mandate is to exist perpetually, maintaining the units in its portfolio and acquiring more if appropriate. The mission and vision of the parent organization must align in the short term and the long term. For example, City First Homes states, "City First Homes expands opportunity for working families and individuals, drives neighborhood stabilization and preserves affordable housing located near transit centers, and in gentrifying and challenged communities." Nonprofit community service providers, including affordable housing providers, regularly shift program focus, shift geographic focus, merge, or close shop; yet the CLT must remain committed to the same neighborhood far into the future.

As beneficial as incubation within an organization like City First Homes is, community involvement in governance of the BPCLT at this stage within City First is critical to maintain engagement and buy-in. Although the BPCLT may be operated as a program within the larger nonprofit, some type of resident advisory board should be formed to provide input. Another key question the steering committee must address is the distinction between the BPCLT's portfolio and City First's portfolio. City First currently maintains a portfolio of deed-restricted properties but does not own any land or units in its portfolio, though it has indicated interest in acquiring property to hold using the classic CLT model. Should the BPCLT incubate with City First, any memorandum of understanding will need to address how or if the portfolios will be distinguished.

In addition to a parent organization for incubation, CLTs need strong ties with other nonprofits operating in the affordable housing realm and in related social services. As mentioned earlier in the discussion of roles the CLT can fill, working with partner organizations can further the mission and deliver high-quality results without stretching staff.

4.2 Partners

4.2.1 Local government

A strong relationship with local government is necessary to access public dollars and to access properties. Subsequent sections of this report on funding options and acquisition considerations will detail programs and mechanisms through the District and federal government, but the best results can be achieved by building collaborative relationships with individuals and departments.

One particular opportunity for partnership with the District of Columbia is exploring options for preferential inclusionary zoning (IZ) initiatives. The District could amend its IZ regulations to direct IZ-generated units to CLTs (in particular the BPCLT). Currently the District uses a lottery process to dispose of IZ-generated units, but this could be altered. A related potential policy is to give points to developers in the competition for Housing Trust Fund (HTF) monies for allocation of units to a CLT. This could be publicized as a demonstration project of the viability of CLTs with arguments for the value of non-profit ownership and “recycling” of subsidies through permanent affordability. An example of a locality that directs the majority of its IZ units to a CLT is Orange County, North Carolina and the Community Home Trust (Community Home Trust 2016).

4.2.2 Developers

As highlighted in the Roles section, this report recommends that the BPCLT partners with other developers in the DC area for construction projects. Additional research will be necessary to map the full landscape of developers in the region and how the BPCLT might build deals with them, but one nationwide trend is for CLTs to partner with Habitat for Humanity affiliates.

Habitat for Humanity is one of the oldest and largest organizations working in the affordable housing sphere. The classic Habitat development model is for a local Habitat affiliate to build a house using donated labor and materials, then sell the home to a pre-qualified needy family with a low-interest rate mortgage (Habitat for Humanity International 2016). Habitat’s goals of promoting homeownership by low- and moderate-income families as a means to social and financial stability and wealth growth align well with the goals of CLTs. In fact, several Habitat affiliates have become community land trusts themselves.

CLTs have taken different approaches to structuring their projects with Habitat, and like any developer partner, all parties must agree on details of ownership, stewardship, sale to homeowner, etc. Both Habitat and CLTs bring to the table their own methods for qualifying buyers, arranging mortgage financing, stewarding the property, and assisting the residents long-term; these differing approaches must be negotiated to satisfaction of both organizations.

One example of a successful partnership is in Flagstaff, Arizona. The city government operates a CLT, and Habitat has built several houses on CLT land generally following the classic CLT model. A ground lease was executed allowing the construction of the homes, with the improvements owned by the local Habitat affiliate. The lease was negotiated so that the affiliate would have primary rights and responsibilities for administration and first right of homebuyer selection when homes sell, as long as the eligibility conforms to both Habitat's and the CLT's program requirements (Rodgers 2014)

The Thomas Jefferson Community Land Trust (TJCLT) in Charlottesville, Virginia is another organization that recently partnered with Habitat. The following describes their arrangement:

> *"Terms of agreement for this program call for the CLT to pay up to a stated amount for the land, maintain a long term relationship with the homebuyer to assist them and preserve the value of the home, and provide an attorney to instruct and review the terms of the land lease with Habitat Partner Families prior to purchase. [Habitat] agrees to identify and purchase the land, select families and coordinate pre-purchase counseling with the CLT, manage the design, permitting and construction of the homes, and coordinate with TJCLT in the legal/closing work for the homes. The agreement also provides flexible options for the resale of the home if the usual resale process conducted by the CLT doesn't produce an income-qualified buyer within 90 days."* (Rodgers 2014)

4.2.3 Stewardship Partners

Stewardship consists of several aspects discussed earlier, including monitoring and shepherding the resale of properties, staying engaged with residents and their needs, and physical management and maintenance of land and buildings owned by the CLT. Because stewardship is so fundamental to a CLT's "value add," the BPCLT should build capacity to conduct stewardship in-house. However, property management companies are an easy partner to take the load off internal staff in dealing with daily operations of the portfolio, especially rental units.

4.2.4 Education Partners

The section on Roles makes a clear case for use of partner organization who already operate homebuyer clubs, financial management workshops, and homeowner skill sessions.

4.2.5 Financial Partners

The section earlier on a CLT's role in finance focused on client-facing programs. Lending to residents, providing Individual Development Accounts, or renter equity strategies likely requires legal and institutional capacities beyond a CLT, so partnering with banks or other financial institutions makes sense. Capital Area Asset Builders, mentioned earlier, operates an IDA program in DC already. City First Bank, which is affiliated with City First Homes, is a full-service bank and may have existing relevant programs or the capacity to provide new programs.

Another aspect of financial partnering concerns the home purchase transactions. The separation of the building from the land represents an unusual arrangement for most mortgage lenders, and CLTs often spend considerable time walking lenders and other parties to the transaction through the details of the property and the provisions of the deed (Steck 2016). Similarly, residents of cooperatives can take out share loans, which are like mortgages but are less familiar to most lenders. CLTs can get ahead of the curve and develop relationships with banks and other mortgage lenders in the area to teach them about the CLT and coop model, which smooths the process for the home buyer.

One of the early successes of the Atlanta Land Trust Collaborative was a partnership with Wells Fargo to develop a mortgage product. The ALTC used funds from the Ford Foundation and the National CLT Network to develop a home sales program that included the mortgage product for a neighborhood CLT that acquired a set of foreclosed homes. The partnership ALTC had with the bank extended to Wells Fargo providing free office space to the land trust as well (Pickett 2016).

A third type of financial partner would provide project and/or operational funding. This kind of partnership could take many forms, from direct grant funding to low-cost loans to partial equity stakes to tax credits. Funding and financing strategies will be discussed in a subsequent section. The 11th Street Bridge Park already has relationships with many organizations in a position to assist with funding, from LISC to City First Bank, which is a certified CDFI.

5.0 Identity and Organizational Considerations

5.1 Management Style

A critical choice for any CLT is how it will be managed and how it will present itself to the community. These choices are reflected in the programs but also in the governance of the organization. Many CLTs grew out of grassroots organizing efforts and a down-to-earth, resident-driven agenda and mode of operation is central to their mission. Indeed, the traditional CLT model explicitly calls for voting corporate membership for all and a tripartite board composed of one third CLT residents, one third neighborhood residents, and one third people from the larger community. This gives a decision-making power to individuals who are on the ground and likely not housing or real estate professionals or politicians.

Despite this, statistics suggest that few CLTs have both the traditional membership basis and the tripartite board. The CLT Network's 2014 survey shows that only 56% of non-governmental CLTs have a membership that votes for board seats, and only 18% had both traditional elements of a voting membership and a tripartite board.

In the spirit of grassroots community engagement, some CLTs choose to collect rent or lease payments at their office so that they regularly see residents in person, and some perform property management functions in-house so they are in touch with the day-to-day of their portfolio. For example, Jubilee Housing in Washington DC boasts:

> *"Since Jubilee Housing manages its own properties, property management staff is in constant contact with residents, and as such, can often spot opportunities for assisting residents in a variety of areas. Interested residents can engage Jubilee staff in solving occasional challenges relating to their housing commitment before they become overwhelming, and identify opportunities for growth and advancement as well."* (Jubilee Housing 2016)

Other CLTs grew out of a more technical approach to a perceived housing problem, such as Chicago's municipally-sponsored city-wide CLT. Operating at a larger scale and less rooted in ideology of community ownership, at a governance level, such CLTs may not be membership-based organizations and may have limited or no resident representation on their board. At a programmatic level they may opt for contracted property management services.

The 11th Street Bridge Park has been intentional from the beginning to engage the community and discern their needs. The BPCLT steering committee will need to also determine the level of organizational ownership and involvement that people of the neighborhoods within the impact area will have, and this is admittedly a delicate task. In an environment of fear and frustration with disinvestment, gentrification, and displacement, it is critical that the BPCLT is intentionally inclusive, but that inclusiveness can take a number of forms. The BPCLT may be a membership organization open to all residents of the neighborhood, or it may have a resident-majority board, or it could hold frequent outreach sessions--or all three.

Complicating this dynamic is that early on, the governance question will be dictated by the structure of the parent organization under which the BPCLT is incubated. For example, City First Homes is not a membership organization and does not have resident representation on its board, but the BPCLT program could have an advisory board comprised of residents and other community members.

A final dimension of the governance and particularly board composition is the inclusion of tenants of rental units. The traditional model, which only places home owners on the board, was conceived before rental became a prominent part of CLT portfolio. Today, tenants form a large percentage of those housed by CLTs (Thaden and Webb 2015). However, some organizations have found renters less interested or engaged in leadership roles and the commitment they demand (Ciardullo and Thaden 2013). These potential issues could be addressed by outreach and engagement efforts by the CLT. Regardless, rental tenant perspectives must be factored into decisions affecting relevant properties and the organization as a whole.

6.0 Funding Considerations

Real estate is expensive, especially in the District of Columbia in recent years. CLTs must find capital financing to acquire and/or develop units, and then must find operational funding to maintain their portfolio in perpetuity. One clear lesson, especially since the housing crash in 2008, is that to be successful, a CLT must find a diversity of sustainable revenue sources. The housing market inevitably goes up and down, as does public funding for affordable housing initiatives, but a CLT must be able to continue stewardship operations regardless.

6.1 Sustainability

The issue of financial sustainability is at the forefront of research into shared equity homeownership models. In 2015, the Urban Institute issued a report evaluating nine shared-equity homeownership programs around the country that had participated in the Cornerstone Homeownership Innovation Program (CHIP), and initiative of Capital Impact Partners, a CDFI. CHIP provided grant funding to the organizations. The report examines many aspects of the programs' impact the programs on homeowners as well as the performance of the organizations. One finding was that shared equity organizations needed at least 100-300 properties in their portfolio to cover operating costs with program fees generated by turnover of units (Theodos et al 2015, p 4). It should be remembered that this analysis was based on a small sample, but the point is clear that scale of the portfolio is very important to generate sufficient revenue from program fees.

In addition to the core portfolio of a CLT, program revenue is another critical aspect of sustainable operations. One example of this is Proud Ground CLT's Community Realty program. Proud Ground is a community land trust in Portland, Oregon with over 250 properties in its portfolio. One of its business lines is operating a full-service realty brokerage. Advertising itself as Oregon's only non-profit real estate brokerage, its agents work with buyers and sellers on any property, not just those in which the CLT otherwise has involvement. Profits are fed back into the organization and support the mission of the CLT. While launching a real estate brokerage may or may not be advisable for the BPCLT, it shows one option for creative social enterprise.

6.2 Capital Project Financing

A startup CLT must find access to a large source of funding to kick start its portfolio as well as smaller sources to close the gap and demonstrate viability. The universe of grantors, lenders, and vehicles for affordable housing financing is enormous and cannot be covered comprehensively here, but the BPCLT should investigate the following general options among others.

6.2.1 District of Columbia Affordable Housing Funding

The District of Columbia administers a vast array of financing vehicles and mechanisms through multiple government departments and agencies. Some are more relevant to CLTs than others, and this document is only able to address some programs and vehicles. Below is a table from a District of Columbia Housing Finance Agency (DCHFA) presentation summarizing methods of financing housing in the District, covering public and private sources.

6.2.1.1 Financing Market Rate and Affordable Housing in the District of Columbia	
Entity	**Funding Vehicles**
District of Columbia Housing Finance Agency	Tax-exempt bonds, 4% LIHTC, Mortgage Insurance (Risk Share Program)
Department of Housing and Community Development	9% LIHTC, Gap funding (HPTF, HOME, CDBG, DMH, TCAP, Exchange)
Deputy Mayor for Planning and Economic Development	Land, Development Funds, Tax Abatements, PILOTs, TIFs
Investors	Bond purchasers and tax credit equity
Private Lenders	Construction financing and Letters of Credit
Grants	Green building, resident services, AHP, etc.
District of Columbia Housing Authority	Operating subsidy (HAP, LRSP, ACC), Construction Financing
Source: adapted from Sewell 2010, p.16	

6.2.1.2 District of Columbia Housing Finance Agency (DCHFA)

DCHFA offers several financing mechanisms, but one of its key functions is to issue municipal bonds to finance housing. Its Multifamily Mortgage Revenue Bond Program (MMRB) provides acquisition, construction, and permanent loans for multifamily housing units through tax-exempt or taxable bonds. Eligible housing can be affordable or market-rate, may target seniors or serve as transitional housing, and extends to cooperatives. Affordable housing projects financed through tax-exempt bonds are then also eligible for 4% Low Income Housing Tax Credits (LIHTC) (DCHFA 2016a).

DCHFA also provides gap financing through its McKinney Act Loan Program. Limiting borrowers to an aggregate maximum of $1 million, it requires that some housing units be set aside for individuals under 50% AMI and attaches a 10 year deed restriction on the property (DCHFA 2016b).

6.2.1.3 District of Columbia Department of Housing and Community Development (DHCD)

DHCD annually releases a single request for proposals (RFP) to allocate funds from a variety of programs. In the RFP release April 1, 2016, the programs included were:

Housing Production Trust Fund (HPTF)
Department of Behavioral Health (DBH) Grant Funds
HOME Investment Partnerships Program (HOME)
Community Development Block Grant (CDBG)
Housing Opportunities for Persons With Aids (HOPWA
9% Low-Income Housing Tax Credits (9% LIHTC)
Local Rent Supplement Program (LRSP)
Housing Choice Voucher Program (HCVP)
Annual Contributions Contract Program (AAC)
Department of Human Services (DHS) Supportive Services Funds

Of these, the largest portion of available dollars and the most relevant to the BPCLT is the Housing Production Trust Fund (HPTF). The HPTF provides loans and grants to affordable housing developers to rehabilitate or build dwelling units for residents at 80% or less of the area median income (AMI). The 2017 DC budget allocates $100 million for this trust fund, although portions of that are set aside for sub-programs and administrative costs.

Some of the key stipulations for use of these funds for affordable housing:

- 50% of funds must be for rental units
- Rental units must be affordable for 40 years, ownership units must be affordable for between 5-15 years
- Two-fifths of the funds must be for those at 30% or less of AMI; another two-fifths for those at 31-50% AMI; and one-fifth for those at 51-80% AMI (DHCD 2016)

One sub-program of the HPTF is the Site Acquisition Funding Initiative (SAFI). SAFI is a revolving loan fund, administered by four community development finance institutions in the District, for acquisition and predevelopment costs for affordable housing projects.

Another relevant source of funding included in the RFP are the 9% Low Income Housing Tax Credits (LIHTC). Each year dollar amounts are allocated by the federal government to each of the states and the District of Columbia, who then allocate to eligible affordable housing development projects. Tax credits are syndicated and sold on the secondary market, providing equity financing for the project.

To utilize DHCD funds the BPCLT would partner with a developer who would submit the application. The application process is competitive, but this could be a significant source of funds for property acquisition or development for the BPCLT. There are multiple housing developers and financial institutions in DC familiar with these funding mechanisms, but one of the potential synergies of affiliating with or incubating under City First Homes is that City First Bank is a CDFI that can syndicate LIHTC and one of the four designated SAFI lenders.

6.2.2 Loan Funds

While paying cash to purchase or develop a property is appealing for its simplicity and finality, it is rare that a CLT or an affordable housing developer is able to do that. Affordable housing projects are typically financed by several layers of loans from different sources, public and private. The Denver Urban Land Conservancy (ULC), for example, partners with and borrows heavily from the Denver Transit Oriented Development (TOD) revolving loan fund (Enterprise Community Partners 2016).

Two organizations that provide loans to community development corporations nationwide for affordable housing projects are Enterprise Community Partners (http://www.enterprisecommunity.com/) and Partners for the Common Good (http://www.pcgloanfund.org/). Additionally, the Local Initiatives Support Corporation (LISC) DC office, which has already been working closely with the 11th Street Bridge Park, is a rich resource for connecting the BPCLT to other loan opportunities.

6.2.3 Crowdsourcing

A CLT is built on visibility and community engagement, and crowdsourcing loan funding for projects is an emerging way for individuals to literally buy into the idea. There are two avenues for crowdsourcing: donations and lending. Both are built on the power of the web and social media, and both the platforms for crowdsourcing and the regulatory environment are still evolving.

Crowdsourcing donations is essentially a revamped version of the “donate here” link on an organization’s website, and usually built around a specific project. A campaign is for a finite period of time and involves a strong publicity push. Kickstarter may be the most well-known platform for donation crowdsourcing (although frequently on Kickstarter donors may receive tangible goods or services, which would compromise the tax-deductibility for a nonprofit organization). Other platforms more geared to nonprofit campaigns include

- https://www.causes.com/
- https://www.crowdrise.com/
- https://www.fundraise.com/
- https://rally.org/

- Additional information on nonprofit fundraising through crowdsourcing can be found at https://www.councilofnonprofits.org/tools-resources/crowdfunding-nonprofits.

Crowdsourcing lending arose when the internet made it administratively possible to borrow relatively small amounts of money from a large number of people. The premise is that individuals invest online, directly with an organization or through a third-party platform, anywhere from a few hundred to a few thousand dollars. A modest interest rate is fixed for the period of the investment, for example one or two percent for a term of one or two years, and at the end of the term the principal and interest are reinvested or returned to the investor. Lending over the internet has been much more challenging than simple fundraising because of the initial regulatory uncertainty and subsequent scrutiny, and several operators in the crowdsourcing and related peer-to-peer lending space have faced significant lawsuits or ceased operations.

In 2015, the Securities and Exchange Commission issued "Regulation Crowdsourcing" which eases the administrative burden on organizations issuing investment notes to individuals through a crowdsourcing model and clarifies the role of online platforms that manage such investments. There remain protections for investors such as an income-based sliding-scale cap on the amount that an individual can invest under crowdsourcing regulation. (The lowest cap is $2,000, which anyone can invest regardless of income.) Also, there is a limit of $1 million that issuers can raise in a 12-month period through crowdsourcing, as well as compliance and oversight requirements (US Securities and Exchange Commission 2015). These new rules will provide greater certainty in the crowdsourcing space and make it easier to raise money through this vehicle.

One organization operating in this space is the Calvert Foundation, through their Vested.org platform. The Calvert Foundation is a large nonprofit that has been providing financial support to organizations worldwide for decades, and their model for Vested.org is more layered than a straightforward vendor of investment notes. Individuals can invest as little as $20 toward a specified cause in a specified place. They are investing in an SEC-registered Note issued by the Calvert Foundation which is not specific to a cause or organization, but then the Foundation turns around and lends funds to their partner organizations proportionate to investments through the platform. The Calvert Foundation also has other funding sources and may supplement money given through the platform depending on their relationship with the partner organization (Calvert Foundation 2016).

The Urban Land Conservancy (ULC) in Denver, Colorado has received financing from the Calvert Foundation through the Ours to Own initiative, which focuses investments on community services in three select cities through the Vested.org platform. Tony Pickett, Vice President, writes: "...the Calvert funding was relatively easy and quickly realized within approximately one year from concept to closing...the ULC's proven track record of success in deployment and use of the [Denver] TOD Fund was a major advantage, along with ULC's strong financial balance sheet and our ability to solicit and achieve additional local foundation investors…" (2016)

The BPCLT should seriously consider crowdsourcing both direction donations as well as lending opportunities for project financing. Crowdsourcing aligns well with a CLT's neighborhood-empowerment ethos and can build public support while garnering money.

6.3 Operational Funding

Operational funding can come from myriad sources, but as discussed above the CLT needs to have a diversity of reliable funding streams so that the organization is not scrambling every year to apply for new grants.

6.3.1 Direct Contributions

Direct donor or member contributions are one source the BPCLT should pursue. The 11th Street Bridge Park has already worked hard to establish its name and build credibility in the larger DC community, and this should be leveraged to seek donations from individuals, corporations, nonprofits, and foundations. Crowdsourcing direct donations was discussed earlier in the context of funding particular projects, but some platforms listed are conducive to long-term cause-oriented giving. Any fundraising platform or website should be strategically integrated with the fundraising efforts and web presence of sponsor organizations such as the 11th Street Bridge Park, THEARC, and the organization under which the CLT is incubated.

6.3.2 Grants

Grants from corporations, foundations, other nonprofits, and government entities will be a key source of operational funding. The landscape of grants available to nonprofits is enormous, and leadership of the 11th Street Bridge Park has already been thoughtfully engaged with grantmakers in the years leading up to the park itself as well as initiatives of the EDP. The steering committee of the BPCLT, board, and staff must continue efforts to find and apply for grants from foundations and corporations as well as public entities for ongoing operational and program costs. An excellent resource listing nearly two dozen potential grant sources specifically for community land trusts is the National CLT Network's Funding Opportunities webpage (http://cltnetwork.org/funding-opportunities-community-land-trusts/).

6.3.3 Program Revenue

One of the most important sources of operational funding will be program revenue. This is money that comes into the organization as fees for program elements or provision of services. Possible program-related revenues:

- Rental income from rented properties
- Lease payments for land under homeownership units
- Fees from the ownership unit resale. For example, City First Homes collects from buyers 1% of the appraised market value of the home.
- Contracting out deed restriction monitoring
- Developer fee from project partnerships

- Technical assistance fee for service contract payments from other organizations pursuing CLT activities

A more detailed example of a transfer fee schedule comes from the Community Land Trust in the Southern Berkshires, Massachusetts:

> *Lease Change Fee: $500*
> *The Lease Change Fee is to cover the legal and administrative costs incurred in making a change to the Lease Agreement. For example, changing the name of the Leaseholder. The Lease Change Fee is paid by the Leaseholder.*
>
> *New Lease Fee: $1000*
> *The New Lease Fee is to cover the legal and administrative costs incurred in creating a new lease agreement. For example, a new lease is created when a leasehold is sold to a new owner. The New Lease Fee is paid by the Buyer.*
>
> *Development Fee:*
> *2% for the first $300,000 of the seller offered price*
> *3.5% for the next $200,000*
> *5% for the remainder of the price*
> *The Development Fee is to fund the operating expenses of the Community Land Trust and also to fund the acquisition of land. It is added to the purchase price. The Development Fee is paid by the Buyer* (Best 2015).

6.3.4 Development

Although in the Roles section it was recommended that the BPCLT not act as developer on real estate projects, it must be noted that participating in some components of the development process generate revenue. For example, given the right partnership negotiations, for large multifamily projects a share of developer fees and reimbursement for pre-development costs can be a useful source of income.

7.0 Acquisition Considerations

7.1 General Acquisition Considerations

Acquisition of properties to assemble a portfolio is central to a successful CLT. The classic CLT model is easiest to imagine: the land trust purchases existing houses and their lots with cash, owns them free and clear, and then sells the buildings while leasing the land. However, acquisition understood more broadly is an equity stake in a property with housing units, and is necessarily more complex with multifamily developments. Here, an equity stake means that the CLT has a partial or full claim to the deed of the property based on money it contributed to the purchase or development of that property. In sophisticated deals, a CLT is one of several parties, including developers and investors, who have equity stakes in the project and will receive returns based on the revenue and profit of the property. The complexity of negotiating these deals with multiple parties and layers of financial commitments is why the BPCLT should partner with an experienced developer on all projects.

A CLT's equity stake is typically long-term given that CLTs are built on the premise of permanent affordability through nonprofit ownership of land and/or buildings. However, stewardship-only shared-equity models take an equity stake in housing units but then sell that stake entirely, with deed restrictions attached, not retaining any real property. Thus, a CLT may partner in the development of a multifamily condominium project, attach deed restrictions to its share of the units, market and qualify residents for those units, and then sell those units to the qualified buyers. Common areas and open spaces in the development would be owned and maintained by another party, perhaps a for-profit developer or property maintenance firm, in contrast to multifamily buildings owned by a CLT. This is the model used by City First Homes in Washington, DC. Regardless of the exact form of acquisition, it is essential for a CLT to get access to properties or develop opportunities where its limited dollars can have maximal impact.

Given DC's competitive real estate market, it may be tempting for the BPCLT to jump at any chance to purchase a property at a significant discount to market rate. While the BPCLT should be opportunistic and leave no stone unturned, it must also be strategic in what it purchases. Scattered-site single family homes may be the easiest to acquire, even at rock-bottom prices, but they may be the most difficult and expensive on a per-unit or per-square-foot basis to rehabilitate, market, and maintain. As in every business venture, the math has to work.

7.2 District of Columbia Laws and Programs

Although properties and opportunities may be available on the open market or found through partner organizations, the District of Columbia government will be pivotal in developing a portfolio of housing units. DC has several laws and programs that could facilitate acquisition of existing units or development of new units by CLTs.

7.2.1 Property Acquisition and Disposition Division (PADD)

The PADD is one of the mechanisms that DC uses to dispose of vacant and abandoned properties throughout the city. It acquires vacant, abandoned, and deteriorated properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure when owners are unwilling or unable to maintain their properties. It then sells these properties to individuals and developers through either an RFP process, a lottery, or an auction. Working with the PADD could be a fruitful venue for property acquisition for the BPCLT, though undoubtedly there will be competition from other non-profit and for-profit developers.

The list of properties under the purview of PADD (though not necessarily for sale) as of February 2016 included 152 properties, of which 109 (71%) were located in Wards 7 and 8. While the bridge park impact area does not cover the entirety of those wards, this clearly shows opportunities here.

7.2.2 Annual Real Property Tax Sale

The District auctions properties with substantial unpaid property and other back taxes annually. Additionally, it conducts a second discount auction of properties not sold in the first round. In general, auction winners have the right to pay off the tax debt and then claim possession of the property deed. While this could be an acquisition tactic for the BPCLT, participating in these auctions is risky and there are many other real estate investors present. Each property is different and the bidder must perform due diligence. Additionally, properties auctioned are mostly single-family residences. This plan advises strong caution in the BPCLT acquiring scattered-site existing housing for its portfolio.

7.2.3 Proposed Property Rehabilitation for Affordable Housing Act of 2016

This bill would empower the DC mayor to transfer blighted and vacant property to residents, non-profits, or for/non-profit joint ventures to develop as affordable housing. It is targeted at properties with tax liens that have not sold at auction or are not likely to sell at auction because their tax debt is 50% or more of their assessed value (Whitehead 2016). The bill would require that at least 75% of units be affordable for 40 years (Council of the District of Columbia 2016). This bill offers a significant opportunity for the BPCLT to access tax-delinquent properties which currently can be stuck for years in a limbo of tax liens and auctions.

7.2.4 Tenant Opportunity to Purchase Act (TOPA)

TOPA was passed in 1980 in an effort to put more power in the hands of renters, especially of multifamily complexes. It requires that landlords give tenants notice before the property is sold and the right to organize and purchase their building. The provision applies to single-family dwellings up to large multifamily complexes, but in practice usually applies to larger multifamily buildings. The long history of the provision has been contentious at times and the process is complicated, but has given the tenants of dilapidated and neglected buildings leverage to demand renovations, and has paved the way for many conversions to cooperatives. Nonprofit housing developers and CLTs can play an important role in the TOPA process by offering technical and organizing assistance to residents, and residents can transfer their purchase rights to a third party developer. Especially given the BPCLT's role as an on-the-ground, engaged community actor, assisting with TOPA acquisitions is a significant opportunity to acquire units. The BPCLT could organize residents then purchase a property and rehabilitate it as deed-restricted condominiums, or it could organize residents, purchase the property, retain the land, and sell the building back to residents as a cooperative. At an early stage, the BPCLT should partner with existing tenant advocacy organizations so that it can mobilize technical assistance when opportunities arise, as TOPA offers a narrow time frame in which to act.

7.2.5 District Opportunity to Purchase Act (DOPA)

This law allows the District to purchase multifamily rental buildings for the purpose of providing affordable housing. It is similar to the Tenant Opportunity to Purchase Act in that it opens the door to the District acquiring a property before back-room dealers and investors can purchase the building. The act "requires rental property owners to provide the District of Columbia with the opportunity to purchase housing accommodations consisting of five (5) or more rental units, provided that twenty-five percent (25%) or more of the rental units are 'Affordable Units.'" (DHCD 2015). The purchase rights can be transferred to a third party such as an affordable housing developer or a CLT. It was passed by council in 2008, but has never been exercised because regulations and guidelines for its implementation were only issued in 2015. If the Mayor's office chooses to use this tool, it could be a conduit for a CLT to acquire multifamily buildings. Part of the impetus for this measure was to save multifamily affordable housing projects whose affordability provisions were expiring, and for this reason transferring to a CLT that can assure permanent affordability would be a compelling case for the District. The District's right to purchase is subordinate to the tenant's right to purchase under Tenant Opportunity to Purchase (TOPA) law.

7.2.6 Disposition of District Land for Affordable Housing Amendment Act of 2013 (DDLAH)

DDLAH requires that on land sold by the District of Columbia to developers, 20% of residential units, or 30% on sites near transit, must be low- and moderate-income affordable (Zippel 2015). This measure is hoped to increase the number of affordable housing units that come online by leveraging the District's surplus property that it periodically sells, imposing a higher requirement for affordable units than existing inclusionary zoning. This provision will play a role in determining the percentage of affordable units required on a number of major redevelopment projects in the coming years, opening the door for the BPCLT to become involved and acquire units.

7.3 Potential Developments

As the BPCLT conducts additional information gathering and analysis, it should look carefully at new developments proposed within the bridge park impact area and seek involvement in their planning and execution. Several projects on the horizon deserve further attention:

7.3.1 Poplar Point

Immediately adjacent to the bridge park on the south side of the Anacostia River is a 110-acre parcel known as Poplar Point. Owned by the National Park Service but in the process of being transferred to the District of Columbia, it is currently home to a few NPS support facilities and many acres of forests and meadows. Redevelopment plans for the site have been in the works for over a decade but have been stalled by environmental issues, legal challenges, and economic cycles. Although various proposals have been put forth, all of them envision transforming the site into roughly 70 acres of parkland and 40 acres of vibrant mixed-use real estate.

Poplar Point redevelopment represents a pivotal opportunity for the bridge park because of its scale. Across all phases, between 3,000-4,000 residential units are planned. Thanks to a recent DC resolution, the Disposition of District Land for Affordable Housing Act of 2015 mentioned above, 30% of those units--nearly 1,000 units--must be affordable housing. If the BPCLT could secure funding to participate in the development and possibly receive favorable consideration by the city in its selection of developers/developer partners, the BPCLT could quickly build a substantial portfolio. As discussed earlier, scale of operations and size of portfolio are critical in the financial and organizational sustainability of a CLT. Participation in Poplar Point would also be significant for the BPCLT given its close proximity and obvious physical and programmatic relation to the bridge park. Finally, while the clearest opportunity for the BPCLT lies in residential units, involvement in commercial space is another possibility, as well as collaboration with workforce development and small business support initiatives of the Equitable Development Plan.

In February 2016, a graduate real estate student prepared a detailed redevelopment proposal and value capture analysis of the Poplar Point site for the 11th Street Bridge Park. This report considers community planning goals and physical realities of the site, as well as market analysis of the area and comparable other developments, to propose a financially feasible balance of market-rate residential, affordable residential, retail, hotel, and office totaling 4.5 million gross square feet. The report then turns to real estate development value capture techniques that could harness the economic engine of this mixed-use, transit-oriented hub and direct dollars to operating costs for the 11th Street Bridge Park. These techniques include business improvement districts (BIDs), Special (tax) Assessment Districts (SADs), and one-time development impact fees (Edelson 2016). The case for the bridge park receiving funding collected from new development and businesses in Poplar Point would only be stronger if the bridge park-affiliated CLT were involved in ownership or stewardship of residential units or even commercial space.

7.3.2 Hill East

The Hill East neighborhood of Washington DC lies on the west bank of the Anacostia River, north of the 11th Street Bridge Park site. The District of Columbia owns about 67 acres of land between the Stadium Armory Metro station and the river, currently occupied with the city's central facility serving the homeless population as well as a jail. Plans have been in the works for over a decade to transform this into a mixed-use hub, and construction on a portion of the site is expected to begin in 2016 (Neibauer 2015). Additionally, this site is immediately south of the DC United soccer team's stadium, and many proposals are swirling for redevelopment of that site. While at the edge of the park's impact area, redevelopment on and around this site presents an opportunity for the BPCLT to partner in creating affordable residential units. Like Poplar Point, at least 30% of the residential units must be affordable because the land is being transferred from the District.

8.0 Conclusion: A Vision for the Future

The Bridge Park Community Land Trust has the potential to be a meaningful vehicle not only for providing safe and affordable housing to people who need it, but also a demonstration of an alternative to the same insensitive, profit-drive, speculative real estate market. By redefining the relationship between people, the land, and money, the BPCLT can build social and financial capital among the individuals that live in the impact area. Moreover, through the CLT's ownership and deed-restriction methods, funding that goes into the BPCLT will last much further into the future than existing housing support programs. Through diligent planning and strong leadership, the Bridge Park Community Land Trust can create a legacy of better housing and community wealth building in the District of Columbia.

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