



## CALIFORNIA

# These L.A. tenants want to own their buildings. L.A. is collecting millions to help



Mary Carmen Martinez at her Koreatown apartment complex. Martinez is part of Señoras for Housing, a group of tenants that is trying to bring a social housing model to their building. (Robert Gauthier / Los Angeles Times)

**By Paloma Esquivel**

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Several years ago, investors bought the Koreatown fourplex where Mary Carmen Martinez had lived for nearly two decades and tried to push the tenants out.

Martinez, a restaurant worker, and her neighbors decided that they would fight to stay, hanging signs on the windows that said “No [cash for keys](#)” and going to court together to successfully challenge one neighbor’s eviction.

She knew how critical [rent-controlled](#) apartments were for working people, how her modest-sized unit helped her make a life in Los Angeles. When her children were babies, they could crawl around safely and not be cramped like they had been before. And her mother was able to come live with her, helping care for her kids while she made ends meet.

The apartment, she says, “is a whole life. A life of struggle, of scarcity, of living, of working.”

Through persistence and a bit of good timing, she and her neighbors emerged successful after working with a nonprofit group that bought the building. Now, they’re on the cusp of owning the property themselves — with a promise to keep it affordable and never make a significant profit from it.

If it works, Martinez, 56, said, “I’ll feel like I’ve accomplished my goals just by having a secure home. A place where, if my kids need somewhere to stay, they can feel safe, they can come here. For me, that’s more important than making money.”



“As a single mom, I never dreamed of being able to own anything like this,” said Mary Carmen Martinez. “With three kids and my salary, it felt impossible for me.” (Robert Gauthier / Los Angeles Times)

For so many Angelenos, it's a dream to own a single-family home and build wealth through equity. But having watched for years as [housing costs](#) put ownership increasingly out of reach while the cost of rent keeps tenants struggling, advocates say it's time to take a different approach to home ownership.

They want working-class tenants to own their buildings, so that they have stability and are the ones making decisions about how they are run, what repairs are made, how much to pay in monthly costs, and anything else that comes up. But they also want to keep them permanently affordable, which means letting go of the possibility of making a massive profit in a sale.

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Up until now, efforts to get these ideas off the ground have been limited by money — buying one small building in L.A. can cost millions. But the city's "[mansion tax](#)" is expected to change that, bringing in hundreds of millions per year, about a third of which could be allocated to support "social housing." Such projects require that tenants play a meaningful role in running their properties, encourage tenant ownership and include covenants that keep buildings permanently affordable.

"Often the hardest part of making it a reality is finding the funds to make it happen. We have the vision, we have the programs and, now, we have the funding to make social housing a reality," said Joe Donlin, director of the United to House LA coalition, which brought Measure ULA to the ballot.

The initiative — drafted by renters' rights groups, homeless service providers, affordable housing nonprofits and labor unions — was designed to bolster social housing across the city, allocating 22.5% of its funding to "alternative housing models" in which "residents shall have the right to participate directly and meaningfully in decision-making concerning the operation and management of the project."

"Where feasible and desirable," the law says, "the project shall include resident ownership."

Another source of funding for such projects would be part of the law that supports tenant ownership for projects that buy and rehabilitate older buildings for affordable housing, like in Martinez' case. The law allocates an additional 10% of funds to such efforts.

Yet another funding pot would allocate millions to create training, education and other support to get projects off the ground.

Since it was implemented last year, the tax has raised nearly \$440 million, according to [city data](#). The amount is less than backers expected, and the law still faces challenges in court, but it has created a significant new funding pool for projects across the city that housing advocates hope to start tapping soon.

Because the projects take a novel approach, experts say they can also have a difficult time securing the types of federal and state funding that traditionally provide the bulk of support for affordable housing development.

"If you're trying to develop a model, and all of the federal and state resources are aligned to support a different model, that can be very challenging," said Sarah Karlinsky, research director at the Turner Center for Housing Innovation at UC Berkeley.

In L.A., she said, the city will probably have to invest a significant amount of money per unit to make projects work.

"That can be just very challenging in an era of limited resources," she said.

Advocates say the social housing models they're trying to bring to the city aren't anything new — they point to similar programs in places such as New York City, Singapore and [Vienna](#) — they've just never had much support in L.A.

But efforts have been gaining in popularity across the country. Earlier this year, Sen. Tina Smith (D-Minn.) and Rep. Alexandria Ocasio-Cortez (D-N.Y.) [introduced](#) a federal bill to promote social housing, arguing that "we can't wait for the private market alone to solve the housing crisis." A [state law](#) approved last year commissioned a study to analyze opportunities for and obstacles to increasing social housing in California.

As of yet, there is no single, agreed-upon definition of social housing nor is there a single model for how it would work. In Los Angeles, however, advocates say social housing should be permanently affordable



and tenants should have a meaningful say in governance or the chance to own their properties. They also want to see new projects built on public land.

Backers have been looking to community land trusts to help guide the way.

Community land trusts, or CLTs as they're sometimes known, are nonprofit groups that buy properties with the intent of keeping them affordable. The trust maintains ownership of the land while selling or leasing the property itself to low-income tenants.

Tenants might own their apartment or a share of the building. Often equity is capped so that if a person leaves, the building remains affordable for the next resident.

Across California, land trusts remain a small part of the affordable housing landscape though they have grown in number since 2000. In 2022, the state had 29 community land trusts with about 1,600 units, according to the [California Community Land Trust Network](#). In L.A. there have only been a few such projects. But they received a boost in 2020, when Los Angeles County approved a \$14-million pilot program for land trusts to buy and rehabilitate properties across the county.

That program led to the preservation of eight properties across the county with a total of 43 residential units, according to a [report](#) commissioned by the progressive nonprofit Liberty Hill Foundation.

One of those buildings was a small Craftsman-style home, not far from USC, where Noe Herrera and his siblings have lived since July 2018, paying about \$500 a month in rent.

A few years ago, Herrera approached the owner about possibly buying the property, knowing the cost would probably be out of reach. He was surprised to learn that the owner was interested in selling the home to Herrera and the other tenants of the building. But he wanted to do so in a way that would ensure that it remained affordable.

In 2021, the community land trust organization TRUST South LA worked out a deal to buy it for the below-market price of \$475,000 using funds from the county's pilot project. They plan to eventually transfer ownership of the property to Herrera and the others through an ownership model that the residents will decide on, such as the limited equity housing co-op.

"These cases are rare," said Oscar Monge, the group's interim executive director. "But it's important for us to highlight that there are property owners that are trying to create affordability for their tenants."

Herrera, who works as a bartender, said he would have liked to have been able to own the home outright and eventually profit from it. That's the dream, he said.

But he also knows he could not afford to pay market rate. An injury a few years ago made it so that he is only able to work part time. Having a low rent allows him to keep a roof over his head. So, he said, he understands the urgent need to keep homes affordable.



The rent-controlled apartment helped Mary Carmen Martinez make a life in Los Angeles as a single mom, she says. (Robert Gauthier / Los Angeles Times)

In Koreatown, Martinez and her neighbors were skeptical at first when they were approached by the Beverly-Vermont Community Land Trust. They had grown close as they organized together to oppose their landlord's efforts to get them to leave with cash-for-keys offers. And they were unsure about an organization that said it wanted to help them by buying the building and then returning ownership to them. But over weeks of meetings, they grew to trust in their work.

In 2021, the organization bought the property with \$1.6 million in county funds. Since then, the group has worked to remodel the aging building while Martinez and her neighbors worked to create a nonprofit

co-op that will allow them to take ownership of the property. They named it Señoras for Housing — almost every tenant in the building is a single mom.

They've written bylaws for themselves, including rules for how to decide things such as how much residents would contribute to a repair fund for the property, which repairs to prioritize, and how to deal with disagreements. By next year, Martinez said, they could have the title to the building. The land trust will continue to own the land.

Martinez says she feels now like she has a place to live for the rest of her life.

"In my old age, I know I won't end up on the street," she said.

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Paloma Esquivel was an assistant editor with De Los, the Los Angeles Times vertical that explores Latino culture and identity. A former reporter in Metro, she was on the team that won the 2011 Pulitzer Prize for public service for investigating corruption in the city of Bell and the team that won the 2016 Pulitzer Prize for breaking news for coverage of the San Bernardino terror attack. Prior to joining The Times in 2007, she was a freelance writer, worked in Spanish-language radio and was an occasional

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