

# San Joaquin Valley Workshop Series

## Community Ownership Models

**California CLT Network in collaboration  
with CNB Consulting**

**January 19, 2023**  
Valley Dream Center, Fresno



# Today's Orientation/Agenda

1. Introductions, including brief intro of orgs/projects
2. Overview of Models, incl. examples
3. Project specific break-out conversations
4. Report back & problem solving

This workshop series is possible thanks to the SJV Funders' Collaborative and Smart Growth CA



# Intros: CNB Consulting

Nicole Celaya



# Intros: CA Community Land Trust Network



Leo Goldberg, Co-Director  
Lydia Lopez, Co-Director  
Kim Thompson, Principal, Kim Thompson Consulting

# Intro: SJV Landscape Scan

- Scan of community ownership models
- Diversity of projects, diversity of neighborhoods/communities
- How these (or other community ownership models) can fit your community's needs and wants

# Intro: SJV Landscape Scan

- Community Assets
- Challenges to promoting community ownership in the SJV
- Recommendations based on interviews conducted

E. Kim Coontz, Executive Director  
CA Center for Cooperative  
Development







California Center for Cooperative Development

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# Co-ops

## *An Alternative to Business as Usual*

E. Kim Coontz



# CA Center for Cooperative Development



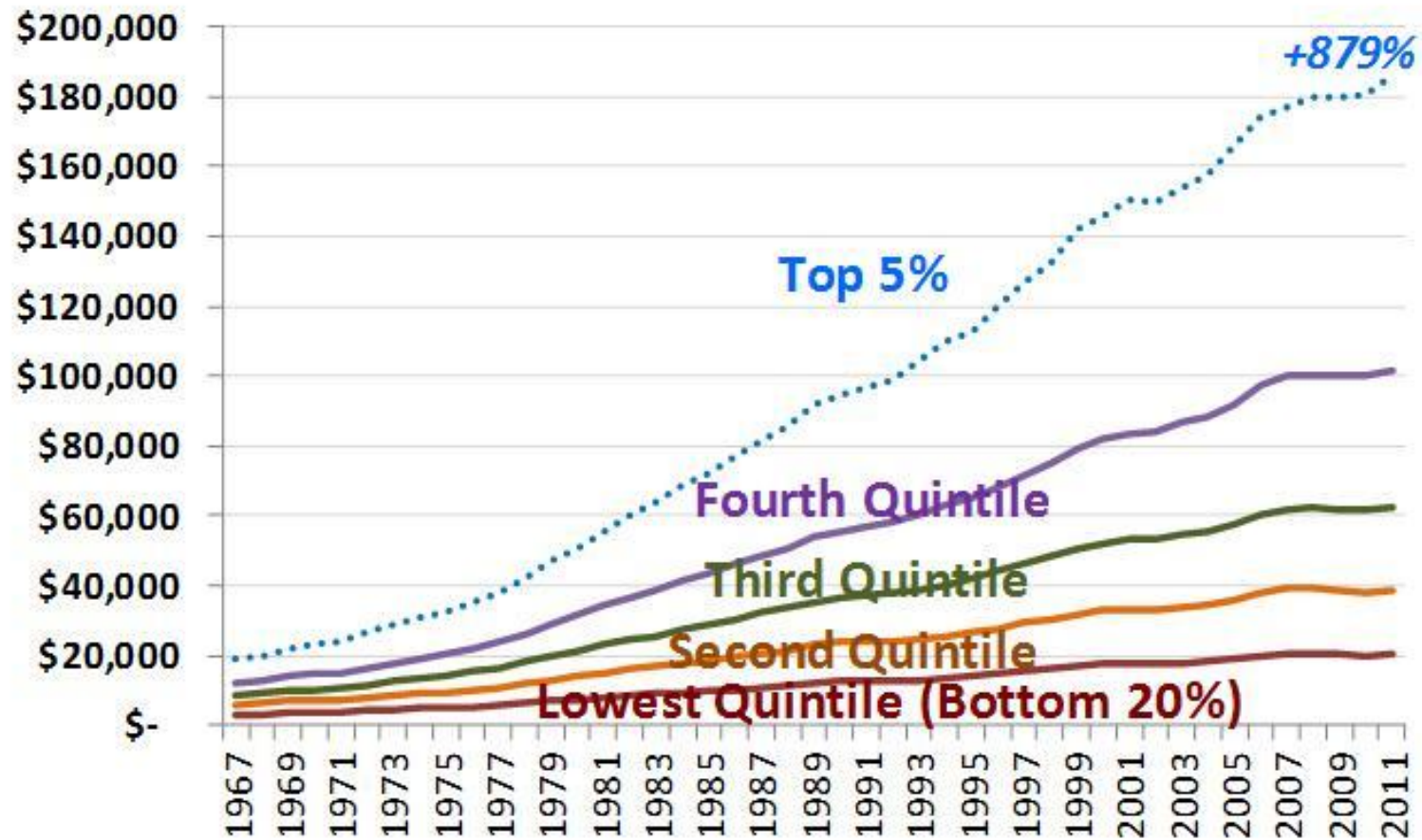
## Mission

**To promote cooperatives as a vibrant business model to address the economic and social needs of California's communities.**

# Historical US Income Inequality

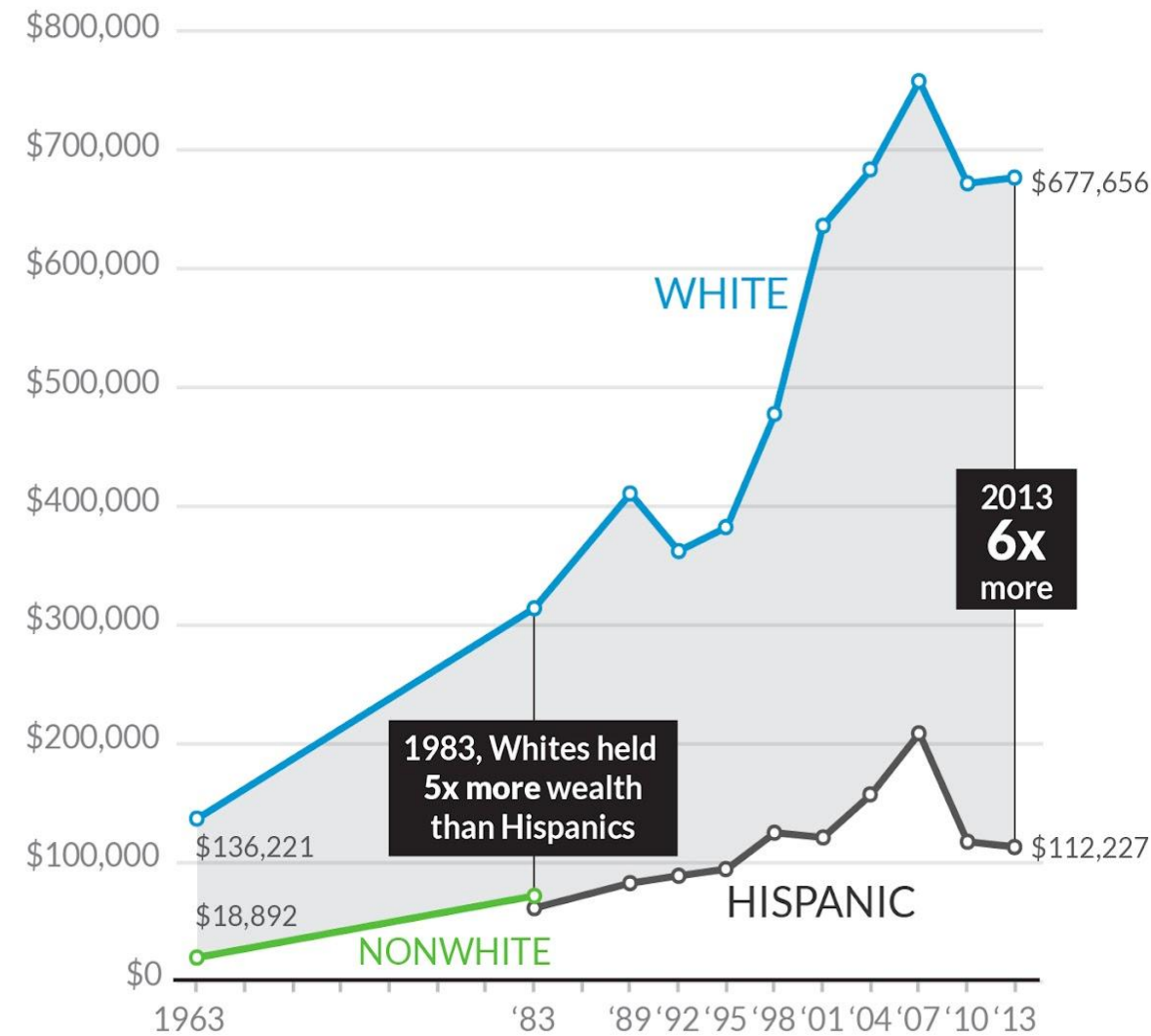
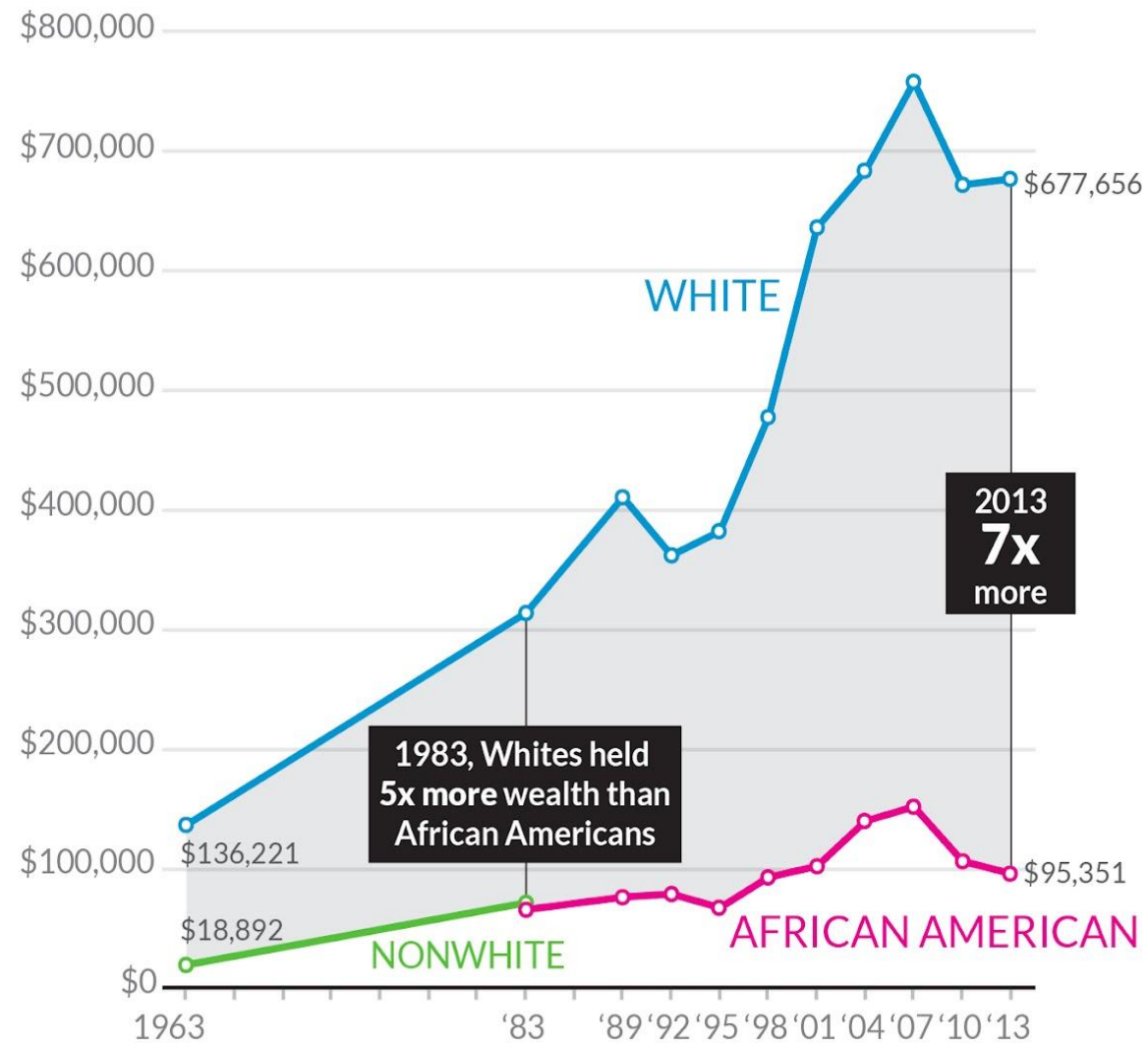
Source: US Census Bureau, Income Limits for  
Each Fifth and Top 5 Percent of Households

**(Current Dollars)**





# Average Family Wealth by Race/Ethnicity, 1963–2013

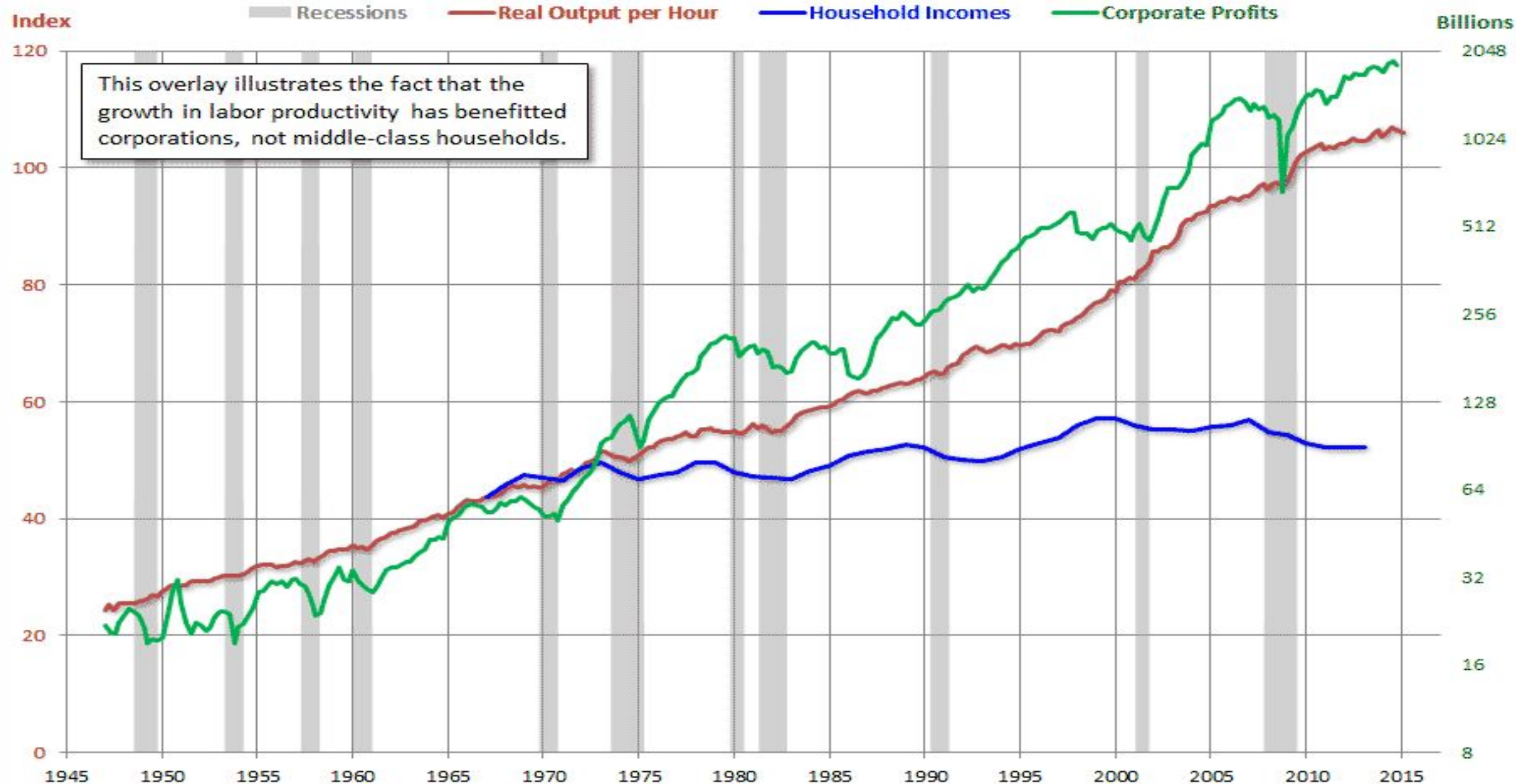


**Sources:** Urban Institute calculations from Survey of Financial Characteristics of Consumers 1962 (December 31), Survey of Changes in Family Finances 1963, and Survey of Consumer Finances 1983–2013.

**Notes:** 2013 dollars. No comparable data are available between 1963 and 1983. African American/Hispanic distinction within nonwhite population available only in 1983 and later.

# Nonfarm Business Labor Productivity, Median Household Incomes and Corporate Profits

dshort.com  
May 2015  
As of Q1 2015



# Traditional Economic Development for Disenfranchised/Disempowered

- Job Search Assistance
- Interview & Related Skills
- Job Training
- Subsidized rental housing

TRANSFORMATIVE???



# What is a Co-op?

A **cooperative** is a **business** that provides a **service** to its **members at cost**



**The business is owned  
and democratically  
controlled by its members  
for their common social  
and economic benefit**

# WHY THIS MODEL?

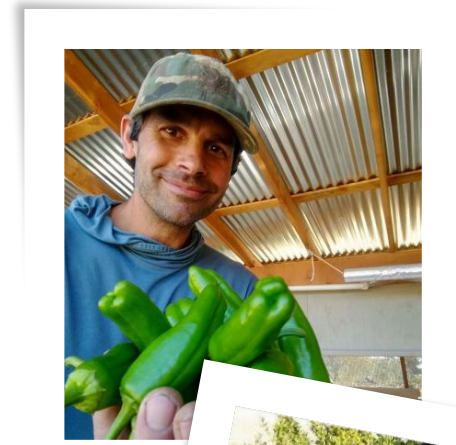
- Well Established; time tested
- **EMPOWERMENT:** Members own & control
- Democratic Governance
- Equitable Sharing: Profit, Housing, Benefits
- Continuing member-focused purpose throughout
- Model is designed to incorporate membership transitions and growth
- Builds Local Economy
- **ALTERNATIVE** to Business as Usual



# Cooperative 'Sectors'

- 30k co-ops in the U.S. today across numerous industries





**Agriculture Co-ops**

# Agricultural Cooperatives

By design only producers/farmers can be members  
(cap on non-member business)

- Co-ops governed by many state & national regs, including IRS

## Century Co-ops:







Wine  
Service  
Coop



## Types of Ag Co-ops

- Supply
- Service
- Marketing & Processing
- Worker Co-op Farms





SDGG

# Hi Desert Jujube Cooperative

Lucerne Valley, California





## CLT's in Agriculture

# New Communities Land Trust







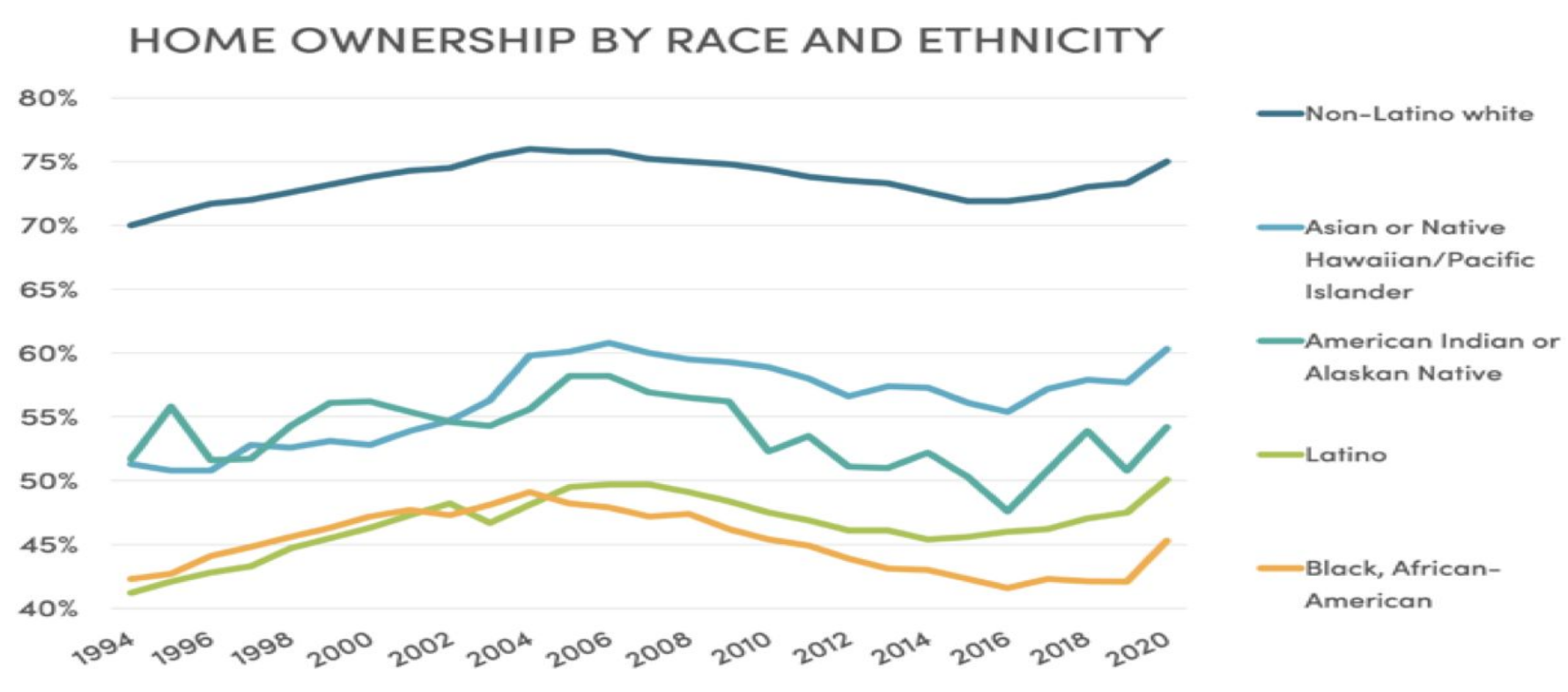
# Berkeley Student Cooperative

Providing Low Cost Cooperative Student Housing Since 1933





# Housing Crisis: Declining Opportunities for Home Ownership vs. Vulnerability of Rent



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## Limited Equity Housing Cooperative (LEHC)

- Construction type can vary
- Ownership facilitated through a cooperative corporation & each household owns an equal share
- Each household is owner-occupied & has an occupancy right to a particular home/unit
- Democratically governed: Each household has 1 vote
- Continued affordability by capping equity at 10%



# LEHC Advantages





# BCLT: Señoras for Housing Cooperative

- BVCLT Worked with Residents Struggling with Problematic Owner
- BVCLT used LA City \$ to purchased building & Land w/plans to transfer building to residents
- Residents purchase building for cost of renovations (funding secured by BVCLT)
- CCCD is assisting residents in forming LEHC





# Farmworker Cooperatives

La Buena Esperanza: 40 homes

San Jerardo Cooperative: 60 homes



La Coopertiva Santa Elena: 100 homes





# Manufactured Home Communities

ROC Whiteboard Videos - ROC USA®[®](#)



# MHCs = Divided Ownership



Individual Homes are owned by the Residents

Land and Improvements are owned by a Landlord:

- Investors or
- Benevolent Owner:
  - Co-op of Residents
  - Nonprofit Corporation or
  - Local Government



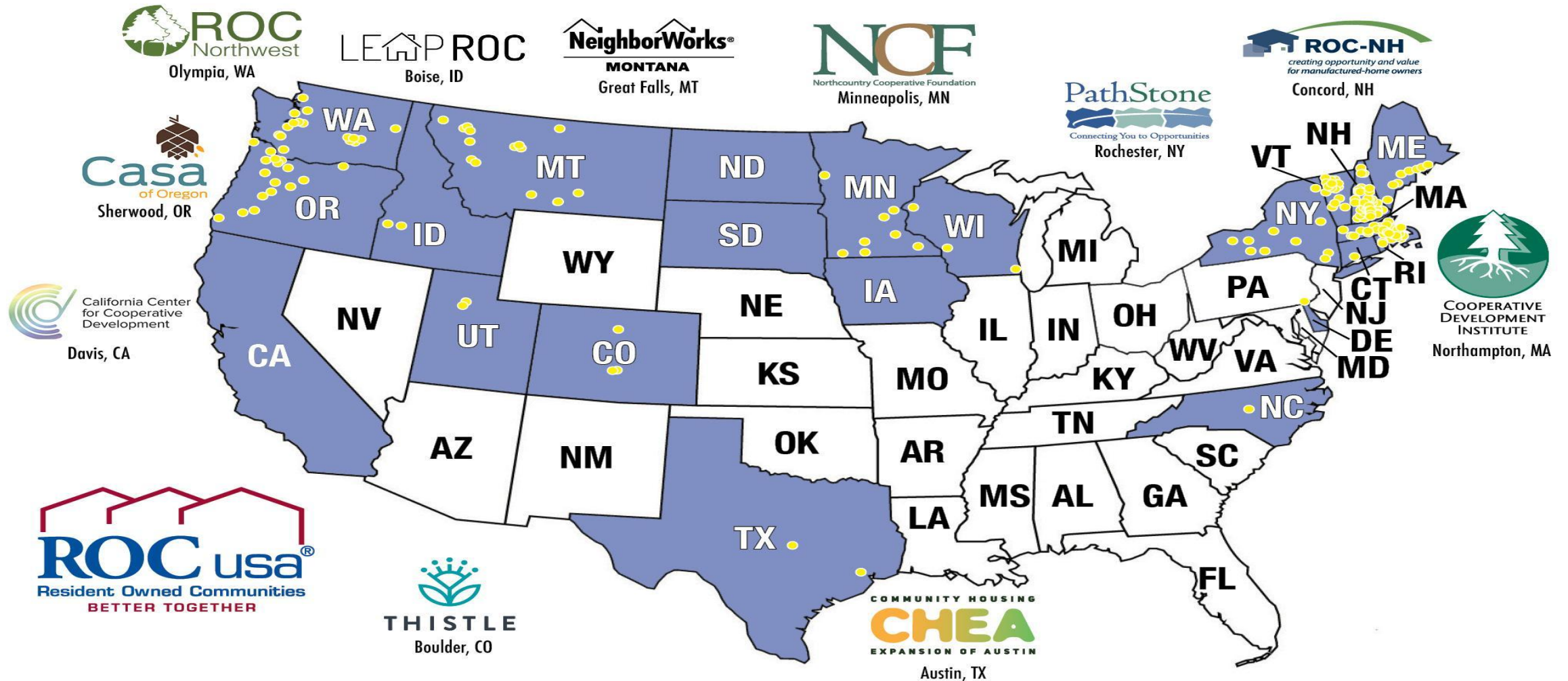


## **Why Are Investors Buying MHPs?**

“One of the big drivers to making money is the ability to increase the rent... If we didn't have them hostage, if they weren't stuck in those homes in the mobile home lots, it would be a whole different picture.”

- Frank Rolfe, MHP investor & co-owner Mobile Home University  
(Oliver, 2019)

CCCD's CaliROC program belongs to a network serving 22 states, with 270 resident owned communities representing more than 19,000 home sites





# Funding Sources for Park Purchase



**MPPROP/MORE**

MORE (Prev: Mobilehome Park Rehabilitation and Resident Ownership Program)



**ROC USA Capitol: CDFI Lender**



## LEHC: HOW IT WORKS

- Residents form a Co-op Corporation to purchase & operate the park
- Finance: Co-op secures a “blanket mortgage” on entire development
- Each Resident/Member purchases a membership “share” in LEHC corporation
- Members pay monthly *site fee/lot rent* to cover mortgage & operating expenses



# Shady Lakes: Fresno, CA

- 60 Units
- Mostly Farmworker Families
- Rents increased over 60% in 2 yrs since investor purchase



# The Cooperative Difference

Cooperatives are a reminder... that it is possible to pursue both economic viability and social responsibility.”

*Ban Ki-Moon, on International Year of Co-ops, 2012*



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Josefina Aguilar  
Executive Director  
South Bay Community Land Trust  
**Community Land Trusts**



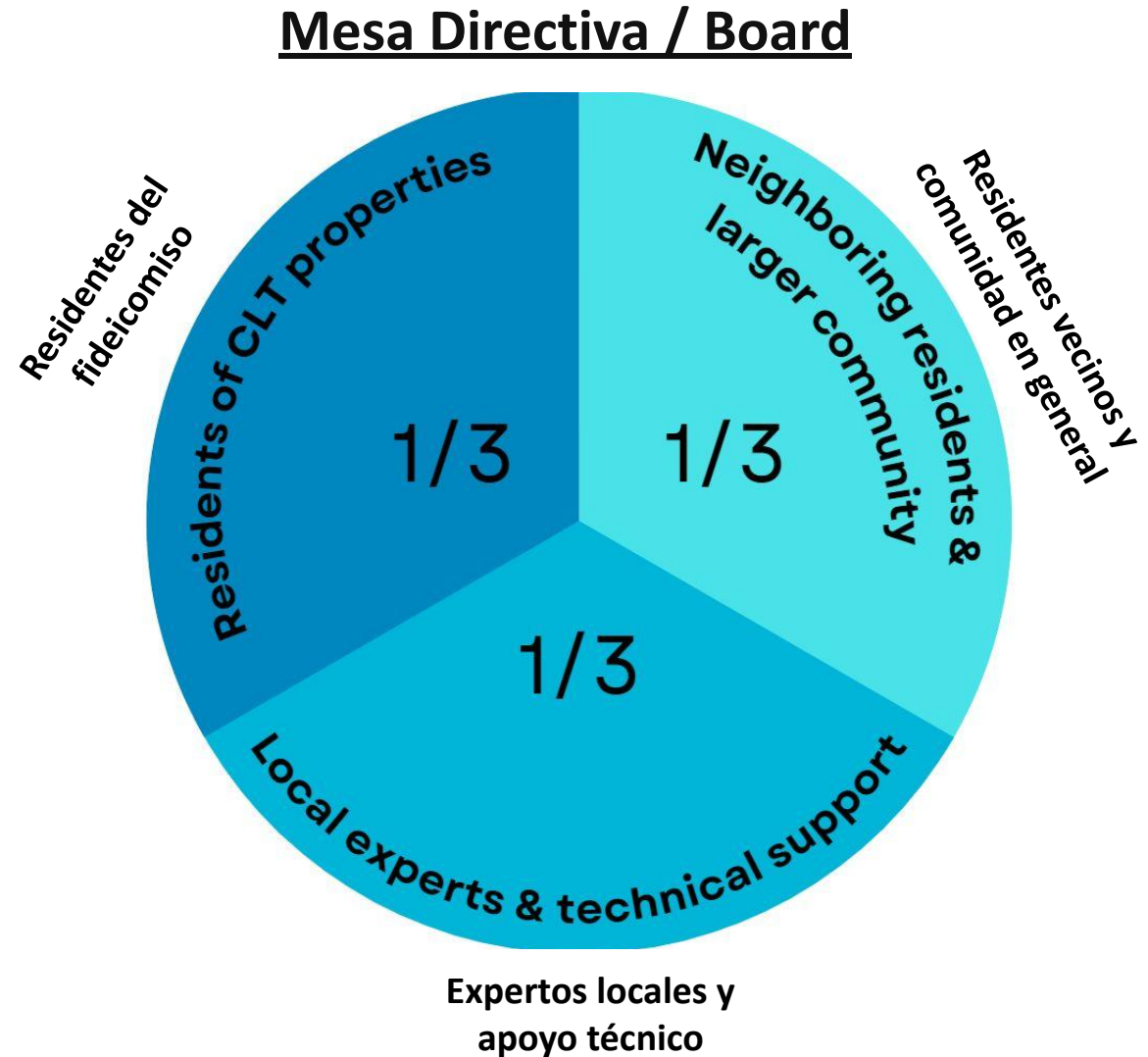
# South Bay Community Land Trust



- Incorporated in 2019. First CLT in SJ/SCC!
- **Mission:** To acquire and manage real property for community benefit, in order to combat displacement, land speculation, and community deterioration, and to expand housing and economic development opportunities for low-income and moderate-income residents in Santa Clara County.
- Our **vision** is inclusive, collectively-led and owned communities where everyone is safe, loved and housed.

# What is a Community Land Trust?

- A **CLT** is a nonprofit organization led by community that acquires **LAND** & stewards it in perpetual **TRUST** for the benefit of low-income **COMMUNITIES** for generations to come.
- Vehicles for low-income residents to obtain permanently affordable housing, including the only viable opportunity for home ownership and asset building.
- CLT national and global history



# Why Housing Decommmodification?

## RESIDENT CONTROL OF BUILDINGS

**SINGLE-FAMILY  
HOME**



**LIMITED EQUITY  
HOUSING COOPERATIVE  
[LEHC]**



**CONDOMINIUM**



**MULTIFAMILY  
RENTAL**



**99 YEAR GROUND LEASE OR DEED RESTRICTION**

## COMMUNITY OWNERSHIP OF LAND



# South Bay CLT Values



**1. Community Control**



**2. Accessibility & Inclusivity**



**3. Long-term stability & protection from displacement**



**4. Health & Sustainability**



**5. Permanently affordable**





# Who we are

- 9 active board members
- 4 full-time staff (30hrs)
  - Executive Director
  - Operational Co-Director
  - Organizing Co-Directors (Eng/Viet & Eng/Span)
- 2 Technical consultants
- 15+ committee volunteers
- 130+ individuals on mailing list
- **Budget:**
  - 2019 - 2021: \$250 - \$125,000
  - FY 22-23: \$587,000







# Areas of focus:

- Tenant organizing
- Community engagement & education on community ownership models
- Land/Property acquisition
- Policy advocacy

## Community Partners:

- SV De-Bug, SOMOS Mayfair, Silicon Valley Law Foundation, LUNA (Latinos United for a New America)

# Preservation Landscape

- Preservation is **more economical & sustainable** than new construction (HUD Office of Policy and Research Development, 2013)
- Preservation is **underfunded at every level**- federal, state and local
- Increasing land prices, makes affordable housing **development more expensive** for all models (Harvard Joint Center for Housing Studies, 2019)
- Unlike inclusionary housing, CLTs can provide **affordable housing into perpetuity** (Lincoln Institute, 2012)
- Preservation is also **one of the best homelessness prevention strategies** - importance of upstream strategies



# First Property Acquisition: Reed Street

- 4-plex, majority veterans on supportive housing vouchers
- Relationship with landlord
  - \$1.6 million to purchase property
- Will be **FIRST** community-owned property under CLT model in San José
- On Thursday, April 28, 2022  
SBCLT MET FUNDRAISING GOAL!





HOMELESSNESS

REAL ESTATE

# South Bay land trust saves residents from displacement



by Eric He

MAY 12, 2022



Tafhari Siyani Benjamin Franklin stands outside his home on Reed Street in San Jose. Photo courtesy of South Bay Community Land Trust.

## Longterm: Neighborhood stability & engagement

<https://southbayclt.org>

# Making it possible: funding

## Government

- ❖ Local
- ❖ State
- ❖ National

## Philanthropy

- ❖ Grants
- ❖ Foundations
- ❖ Donations



## Financial institutions

- ❖ Banks
- ❖ CDFIs
- ❖ Loans

## Community

- ❖ Donations
- ❖ Member dues
- ❖ Volunteers
- ❖ Rents

## How are the funds used?

- Operational funding (i.e. personnel, contracts)
  - community programs, stipends
- Acquisition, rehabilitation, maintenance (construction) of properties



# Funding would go towards...

- Acquisition capital
- In-house capacity building/staffing
- Technical assistance consultants

# Stay Connected!

Reach out to us through the platforms below or attend our **Monthly General Meetings on 4th Thursdays at 5pm.**



southbayclt@gmail.com



southbayclt.org



@southbayclt



fb.com/southbayclt



Sign up for mailing list &/or Volunteer!

[tinyurl.com/SBCLTjoinus](https://tinyurl.com/SBCLTjoinus)

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# Next Steps: Workshops 2 & 3

[Tentatively via Zoom]

**Feb 13:** Strengthening Org Structures

**March 20:** Collaborations with Local  
Governments

# Closing

Jan 24: **CLT 101 workshop**, look out a follow-up email with registration info

**Other announcements...**