



CA Community Land Trust Network 2024 Lobby Day Talking Points

Who are you?

The most important thing to communicate to legislators is who we are and what CLTs are. It will be helpful if you've prepared a short statement (no more than 20 seconds or so) that will share:

- Your name
- Your pronouns
- The name and location of your organization
- A one sentence synopsis of what your organization does; eg *"DeepSea CLT, is a 10 year-old organization that creates permanently affordable, community owned housing at the bottom of the ocean."*

What's a CLT?

Next we want to explain what a Community Land Trust is. You might draw from these descriptions:

- A Community Land Trust (CLT) is a non-profit organization whose primary mission is to steward permanently affordable land and housing for the benefit of its lower-income community members.
- CLTs center resident and community governance and fight the displacement of low-income and Black and Brown community members.
- While most CLTs focus on housing, it is a flexible model, allowing for community controlled businesses, urban agriculture, and service hubs that meet community needs.
- Today there are 40 CLTs in California, stewarding over 1,600 homes with another dozen CLTs forming.

Our Advocacy Priorities

We'll also be speaking to legislators and their staff about the following issues:

AB 2897 - [Asm. Connolly](#); Sponsor: **CACLTN**; [Fact Sheet](#);

* Currently in Assembly Appropriations

*No opposition

AB 2897 clarifies the definition of community land trusts in the CA Revenue and Tax Code to make it conform with current CLT practices.

- CLTs are responsive to the needs of disadvantaged community members
- CLTs typically focus on housing but often steward other other properties that benefit the community, such as community gardens, nonprofit office spaces, and small business spaces.
- While CLTs generally use a ground lease to lock in the permanent affordability of their properties, there are circumstances where properties are owned fee-simple by the CLT. For example, when CLTs acquire at-risk apartment buildings and work to convert them to ownership opportunities for the tenants, there will be a period in which the build is owned by the CLT without a ground lease
- AB 2897 adjusts the state definition of a CLT to accommodate the instances above
- AB 2897 does not confer tax or other benefits on any organizations that don't currently receive them; rather it just corrects the definition of CLT to reflect the reality on the ground.

Foreclosure Intervention Housing Preservation Program (FIHPP)

Overview:

- FIHPP provides funding for nonprofits to acquire and stabilize market-rate residential buildings (between 1 and 25 units) at risk of foreclosure or in the foreclosure process, in order to prevent the displacement of tenants and create new homeownership opportunities.
- CLTs, funders, and cities have been preparing for the release of FIHPP funds by building capacity and identifying eligible projects.

Why FIHPP is important:

- It will help address the homelessness and displacement crises by intervening before vulnerable families are on the street.
- FIHPP funds the preservation of existing buildings which is vastly more cost efficient than heavily subsidized new construction of affordable housing.
- The expiration of pandemic-era tenant safeguards have resulted in eviction filings returning to pre-pandemic levels, especially in areas like Los Angeles and Santa Clara counties.
- 31,136 California properties received foreclosure notices in 2023, affecting approximately 100,500 Californians, including tens of thousands of renters.

The challenge:

- After two years of development by the State, the program was ready to launch this winter when the governor froze implementation and proposed cutting the program’s budget from \$485 mil to \$237.5 mil.

Our Ask:

- In tough budget years, cuts are inevitable, but we need to maintain enough funding in this program to launch it and prove its impact so we can come back for funding in a better budget year. We are asking the legislature support FIHPP by maintaining the \$237.5mil in already appropriated funds so that the program can demonstrate launch.

AB 1657 ([Wicks](#)): Affordable Housing Bond Measure — our focus is on the **Community Anti-Displacement & Preservation Program (CAPP)**.

CAPP would fund the acquisition of currently unsubsidized affordable rental housing, enabling mission-driven organizations, including CLTs, to purchase these buildings and preserve them as affordable. A \$500 million investment in the program could create 4,000 to 4,500 deed-restricted units.

[SB 225: CAPP Fact Sheet](#).

- CAPP is included in AB 1657 among the preservation programs
- Most state housing resources support new construction but we need support in preserving our existing housing stock and fighting displacement.

- The CAPP program would support work at the heart of CLTs around the state: preventing the displacement of low-income renters by acquiring their buildings and removing them from the speculative market.
- CAPP would be a critical tool for CLTs because its financing is flexible enough to allow for buildings to transition from rental to homeownership (e.g. co-ops) over time; something that many funding sources don't allow.
- The housing bond will also support new production, homeownership, farmworker and tribal housing.

SB 1201, the Limited Liability Corporation (LLC) Owner Transparency

Act ([Durazo](#)): The bill requires the owners of businesses held in LLCs and similar corporate entities to disclose their names. This information is key to enforcing a wide range of existing laws designed to protect Californians, ranging from worker safety laws to habitability requirements in rental housing. [Fact Sheet](#).

- Most first-time homebuyers are outbid by LLCs paying in cash and renters continue to be displaced by a faceless web of LLCs.
- The more we know about who the property owners are, the easier it is to protect against eviction and displacement and to promote homeownership for families, not corporations.
- CLTs across the state have been competing with faceless LLCs, some of whom pose as nonprofits, to acquire buildings and support their tenants. More transparency on LLC ownership will help us compete with flippers and cash buyers to create affordable housing for lower-income folks.

AB 2353 ([Ward](#)): Freeze property tax collections — and interest on those collections — on buildings that have applied for the welfare exemption until a determination has been made. [Bill Text](#).

- The slow processing of property tax welfare exemption applications is a major issue for CLTs, forcing them to pay taxes while they wait months or years to hear from Assessors about their application.

- This bill would eliminate penalty fines and interest that accumulates on unpaid property taxes for affordable housing nonprofits that have submitted a claim form for the welfare exemption and are waiting for a response from the Assessor.
- This will help CLTs and affordable housing organizations have more cash available for repairs and operations of their properties while their exemption claim is processed.

AB 1879 ([Gipson](#)): This bill would authorize the use of electronic signatures on welfare exemption applications. [Bill Text.](#)

- Currently, many county assessors require taxpayers to submit property tax forms with original wet signatures in paper form. This includes applications for low-income housing organizations like CLTs who file welfare exemption applications with the county Assessor.
- Paper forms and wet signatures take more time to prepare and submit, then once they arrive at the Assessor's office, paper forms need to be opened, processed, and filed.
- Allowing electronic filings with electronic signatures of tax forms will help streamline the property tax welfare exemption process, helping affordable housing organizations and other nonprofits that are eligible for tax exemption.

ACA1 (2024 Ballot Measure) - [Asm. Aguiar Curry](#)

ACA 1 will lower the necessary voter threshold from a two-thirds supermajority to 55 percent to approve local general obligation (GO) bonds and special taxes for affordable housing and public infrastructure projects. [Fact Sheet.](#)

- Several local and regional bond measure to support affordable housing have failed because of the high threshold (67%)
- ACA1 would pave the way for upcoming bond measures that could provide key funding to CLT projects; for example the planned [2024 Bay Area Housing Finance Authority bond measure.](#)

ACA10 (2024 Ballot Measure) - Human Right to Housing: ACA 10 will recognize that every Californian has the fundamental human right to adequate housing on an equitable and non-discriminatory basis. Should the measure pass the legislature, California voters will have the opportunity to vote to add this right to the state's constitution, creating an obligation on the part of state and local governments to take meaningful action to fully realize the right. [Fact Sheet](#).