



COHIF
COALITION FOR OCCUPIED HOMES IN FORECLOSURE

**Exploring Best Practices Regarding Long-Term
Affordability, Resident Input and Control
for the
Coalition for Occupied Homes in Foreclosure**

Sahar Lawrence & Becca Schofield
February, 2014

Foreword

COHIF undertook this paper to research and identify best practices for long-term ownership of affordable housing in the greater Boston community and from around the country. We needed more than a theoretical exercise; we wanted the research to concentrate on identifying forms of ownership and management currently being used or implemented that maximizes affordability to residents and resident control so that we could apply them to our Greater Four Corners Pilot Project.

We are grateful to the authors, Sahar Lawrence and Becca Schofield, for their work on this paper, and to Ann Silverman, who helped guide Sahar and Becca's research path. Ann's knowledge of affordable housing programs and history were invaluable. We would also like to thank all of those who agreed to be interviewed, both locally and across the country. We are excited to bring their ideas to Boston.

Lastly, we could not have undertaken this project without the support of Citigroup and our other major funders: The Herman and Frieda L. Miller Foundation, the Boston Foundation, and the Hyams Foundation. Their support of this paper will allow the Greater Four Corners Pilot Project the benefit of so many wonderful affordable housing professionals' wisdom and experience.

Table of Contents

Background	4
Pilot Project Challenges.....	5
Methodology	5
Best Practices	6
1. Preserving long-term affordability	6
2. Resident involvement.....	10
3. Resident control.....	12
Next Steps & Recommendations	13
APPENDIX	15
Challenges	15
Housing Models	15
Acknowledgements.....	20
Summary of Interview Notes	29

Background

The Coalition for Occupied Homes in Foreclosure (COHIF) has two overall goals: to develop methods that allow residents in foreclosed properties to stay in their homes long-term while also promoting community control of housing, expanding affordable housing, and increasing community stabilization.

COHIF selected a single neighborhood for the Greater Four Corners Community Stabilization Pilot Project to help achieve its goals. By focusing in a single neighborhood, COHIF is hoping to address a critical mass of properties that will make a visible social and physical impact on a neighborhood. This Pilot will also hopefully produce a replicable model for other communities to use.

In addition to the Pilot Project, COHIF has undertaken this study of best practices related to maximizing long-term affordability and resident control of affordable housing projects. COHIF is also pursuing regulatory reform by drafting an ordinance and in undertaking a community code enforcement project that would increase accountability of real estate owned (REO) and vacant property owners. The acquisition and rehabilitation portion of the Pilot Project involves purchasing 30 mostly occupied units of foreclosed housing within the Pilot Project boundaries, roughly a 30 block area around the Greater Four Corners neighborhood of Boston. COHIF's Project is unique in many ways, including the fact that COHIF is purchasing occupied, rather than vacant, scattered site units and trying to keep current residents of those units in their homes. Residents may include the former owners and tenants of the property.

Most of the units purchased under the Pilot Project will likely be kept as long-term rental housing and financed through available through foundation, state, city and funding. The residents living in rental Pilot Project units will most likely not have a direct ownership role for potentially a minimum of 15 years because of potential tax credit or other financing, but COHIF supports resident participation in the management of their units (*i.e.*, some form of shared decision-making between the owner/general partner and the residents).

Our research goal was to summarize lessons in both keeping housing affordable long term and maximizing resident input and control, which have been gleaned from both the greater Boston community's experience in affordable housing over the past three decades as well as from other communities across the country. While each housing situation and each city's housing market is different, our research attempts to synthesize relevant lessons for COHIF. Through exploring a range of housing models and interviewing experts in the affordable housing field, we gained a better understanding of options for preserving affordability and empowering residents within the Pilot Project neighborhood. This paper presents the results of our research.

Pilot Project Challenges

COHIF has currently purchased 11 units to participate in the Pilot Project and is expecting to purchase or assist with the purchase of 19 more units (30 units total) within the year. Our investigation of best practices related to long-term affordability, resident control and resident involvement will guide the implementation of ownership structures as part of the acquisition and purchase portion of this Pilot. We specifically focused on examples of resident control and/or ownership of affordable housing that addressed Pilot Project challenges.¹

Challenges related to preserving affordability include:

- potentially high rehabilitation costs for the older properties in the Pilot area;
- maintenance/operations expenses and logistical challenges of a scattered site project;
- recruiting investor support for tax credits;
- risk of resident turnover or ineligibility; and
- risk of conversion to market rate.

Challenges related to resident control, empowerment, and overall resident involvement include:

- developing cohesion in a scattered site layout (30 units over a 30-block area);
- lack of a centrally-located community space;
- no short-term ownership opportunity for current residents;
- need for long-term financial and organizational support; and
- need for resident training.

Methodology

We researched ownership and management models from around the country that would support COHIF's goals for the Pilot. Models included community land trusts (CLTs), mutual housing associations (MHAs), limited equity cooperatives (LECs) and other ownership models or combinations of models.²

We also conducted 23 interviews with housing experts to learn about best practices for implementing CLTs, MHAs, LECs and other models that may support

¹ Please see the Appendix for a more complete description of Pilot Project challenges.

² Please see the Appendix for definitions of models and details on their strengths and weaknesses.

COHIF's Pilot project goals. We spoke with property owners, managers, developers, affordable housing consultants, tenant organizers, researchers, lenders, advocates and others. We found significant overlap in the interviewees' perspectives on the importance of resident training and strategies for preserving affordability, but there were a range of opinions surrounding models of resident input and control. Furthermore, the interviewees' knowledge is based on their personal experiences with different types of housing markets. Our analysis acknowledges the importance of market context. While we learned from successful ownership models in weaker markets, the reality is that these areas (where construction and acquisition are less expensive) provide housing opportunities that are simply not available for low-income residents in Boston's stronger and much more expensive housing market.

Following is a summary of best practices, information and advice gathered from researching various models and from interviewees:

Best Practices

1. Preserving long-term affordability

Resale restrictions

Resale restrictions were highlighted as an essential way to preserve affordability after significant rehab. If rehabilitation (structural repairs, new appliances, repainting, unit expansion, etc.) significantly increases market value, residents who own their own units or own through a co-op with an unrestricted opportunity to sell may choose to sell at market rate (and make a profit). Sufficient rehab for affordable housing projects is critical; therefore, resale restrictions and/or deed restrictions are also critical (C. Regan).

Restrictions may affect the initial developer or the owner (who leases units and receives rent). These restrictions primarily limit the income of eligible tenants and the rent that can be charged to tenant households. Restrictions also affect individual homeowners when they are looking to purchase or sell their property. Specific types of resale restrictions include: restrictions that burn off over time (highly variable time period, from short-term to permanent affordability restrictions); restrictions on resale value only; restrictions on the income of eligible purchasers only; and either deed restrictions or subordinate mortgages. An important example of deed restrictions in the Frankie O'Day co-op in Boston's South End, which was initially deed-restricted (the original O'Day building was a blighted homesteading project) but then became a valuable asset for the resident owners (Violi). Because the property became valuable, there was a risk that co-op members would sell when the 30-year restriction ended. Deciding to keep Frankie O'Day affordable through buy-out restrictions limits equity but preserves affordability within a gentrified neighborhood. Based on the input received from the interviews, resale restrictions might be an important key to the Pilot.

Capital improvements

Inadequate rehab often leads to costly operations and capital needs down the road. Without high-quality renovations, a building's systems, equipment and appliances may become more expensive to maintain and operate, creating a need for additional financing or refinancing of affordable projects. Operating older equipment (*e.g.*, boiler, HVAC, etc.) is more costly and time intensive than replacing it. It is also more costly and time intensive to replace equipment, mechanical systems, etc. as a discrete project rather than as part of a comprehensive rehabilitation. More costly operations or maintenance projects lead to smaller reserves, which may threaten the long-term success and affordability of housing.

Capital improvements are inherent in maintaining any housing, but the difference between 1) budgeting for some capital improvements and 2) re-financing for capital improvement is defined by how much capital is needed upfront and over time. Insufficient investment in capital improvements up front and lack of willingness to spend on needed improvements when fixtures are at the end of their useful life also creates poor living conditions and a disincentive to own (Davis). Residents don't want additional personal expenses or ownership of an unattractive home. Unpleasant housing will increase turnover, which will decrease rent paid, as well as the owner's profit and the capital reserves and operating/maintenance budget for a property (and may even lead to additional public financing and debt on a project). However, wise project management and expert advice can help owners preserve both affordability and property control. Interviewees said the most efficient strategy for financing capital improvements and supporting long-term affordability (*i.e.*, maintaining capital reserves, minimizing resident turnover, etc.) at the Pilot site is to invest in comprehensive renovation during the initial redevelopment.

The Pilot Project presents major rehabilitation challenges, but there are opportunities for reducing costs related to both the initial construction and long-term operations of the Pilot housing, which will maximize rehab benefits for neighborhood residents. Quality rehab will reduce operating costs for the long-term – investing in high-quality work was a commonly cited best practice. Interviewees also recommended a standard for rehab among Pilot project units. Quality rehab can also support resident cohesion through 1) consistent standards for repair work and design and 2) rehab decision-making and design. Interviewees noted that the rehab process is a good opportunity to engage residents. Sharing skills and labor between Pilot project residents and units may contribute to stronger relationships and neighborhood cohesion.

Investor support

Many interviewees (C. Regan, Thall, Lockett and Torpy) noted that recruiting investor support for affordable housing projects with high levels of resident involvement is often challenging because investors do not necessarily see the value in it.

Furthermore, investors might perceive a high level of resident control/involvement as unpredictable or risky, due to resident turnover and other life events that could pull the resident away from his or her management responsibilities. Investors will get involved with a respected CDC that they believe has the capacity to meet project goals and will have control over the project (Mautner). Investors often ask for CDC balance sheets to confirm that they are capable. If CDCs lack a strong balance sheet, a successful development track record or experienced property management (or a relationship with an established private property manager), investors and funders will be quite directive and further restrict community control and involvement or require specific development or management partners.

While it is challenging to recruit investors for projects with a high level of resident involvement, investors also seem to value a relationship with a CDC for future investment opportunities. Therefore, they are more likely to support some resident involvement/control if a strong CDC is also involved. A CDC with a broad community base may have an additional advantage if particular investors are interested in doing more projects within a CDC's target area (Mautner). Finally, despite common investor opinion, resident involvement can be an effective way to align the interests of residents, owners and managers to develop more stable housing.³

Resident stability

CLTs, legislation defining the residents' right-to-purchase and open communication with residents were commonly cited strategies for supporting neighborhood/resident stability within a project. A CLT framework may substantially reduce turnover for both resident-owners and tenants (Thaden) because the CLT requires CLT approval from a foreclosing lender to foreclose, thereby protecting residents from foreclosure (Chavez). The Tenant Opportunity to Purchase Act (TOPA) gives Washington D.C. residents the first opportunity to purchase housing, or the authority to select a developer to purchase housing, so residents can stay in place (Davis) – instead of being relocated at the sale of their housing, residents can continue to live in their units and build stable communities. The City of New York also provides financial support to LECs and other affordable housing projects (Reicher). UHAB's contract with the city provides important support for their resident training programs and sustaining co-ops for the long-term. A majority of the interviewees also relayed the importance of clear communication related to affordability restrictions, ownership and equity-building restrictions, relocation laws and other resident responsibilities.

³ Kelly, L. "Creating value from resident involvement." *The Guardian*, Housing Management Hub, February 22, 2013. Accessed on October 12, 2013, at <http://www.theguardian.com/housing-network/2013/feb/22/live-discussion-resident-involvement-creating-value>

Financing Options

Interviewees recommended that COHIF, the property owner and residents have a robust discussion about the community's needs for stable, quality housing and financing options that will best suit the residents' goals. Financing affordable housing is complex, and financing options pursued in Washington, D.C. (facilitated by TOPA) and New York City (co-op development facilitated by the City, UHAB and other partners) provide exciting options for financing resident purchase and/or control of rental housing after tax credit restrictions end.

Forms of Ownership

- *Support for the Community Land Trust Option*

Many of our interviewees see CLTs as the best way to preserve affordability, but they also note that this model is not for everyone. Property owners (usually non-profits) must have the capacity and experience necessary for developing an effective CLT. When a CLT is implemented in a clear, comprehensive way, affordability will be protected and stakeholders will be well-represented. As COHIF, City Life/Vida Urbana, and additional community leaders work to create stability for the residents and the broader community, the CLT would also allow for flexibility in long-term ownership. Should the residents want a co-op or another ownership model over time, resident representation on a CLT board will support resident decision-making related to both management and ownership options (Sparks, Chavez, Davis and several others). The CLT may give residents an incentive to remain in place if they know there is less risk of being forced out of their home (Thaden, Torpy). According to Connie Chavez (Sawmill Land Trust), CLTs are "the most socially responsible way to deliver affordable housing and develop communities that have been disinvested."

- *Apprehension about Limited Equity Co-ops*

While CLTs were looked at favorably, co-ops were not recommended as a top choice for the Pilot Project for several commonly cited reasons. First, the scattered site structure limits resident connections and interdependence. Second, the residents do not yet have the training or the motivation to form a co-op. Third, some investors see co-ops as risky; they are more likely to invest in housing with more CDC control. Some interviewees also believed that the co-op model might put an unfair burden on low-income residents (although this was a point of contention). Fourth, a tax credit cannot be used with a co-op form of ownership, as tax credits are only available to rental units. Many interviewees would advocate for a co-op model if residents choose to form one down the line and received deep, sustained management training and technical support.

2. Resident involvement

Community building (shared spaces and resident activism)

Interviewees provided useful insight about the challenges involved with bringing residents together around a common cause particularly when they do not live in the same building or even on the same block. Within the boundaries of the Pilot Project, there should be centrally located space for residents and community members to hold meetings, programs, or events. While this shared space would be a benefit to residents and other stakeholders now and for the long-term, some interviewees brainstormed other community projects or strategies for creating shared spaces that may help everyone become familiar with one another.

Some interviewees suggested, as another means of keeping residents united, organizing campaigns to push legislators to preserve affordable housing and implement policies that protect low-income tenants, owners and neighborhoods from displacement and disinvestment. Using key legislation as a rallying point for residents threatened by foreclosure, organizers can catalyze both community building in the Pilot neighborhood and meaningful policy change that will impact similar neighborhoods statewide.

Low-income rental option and rent-to-own program

In a rent-to-own program, residents would be in a position to learn or relearn homeownership tools and earn credit towards the purchase of their home. Becky Regan and Sarah Burke of the Housing Partnership Network (HPN) discussed an example of this program, which is run by the Cleveland Housing Network (CHN), the country's largest developer of tax credit financed, single family homes. CHN owns scattered site rentals, and resident-tenants can earn credit towards the purchase price of their home over a 15-year rental period. This brings the cost of housing down by financing a large amount up front. This model supports resident involvement within the management company where residents learn about operations and decision-making. In their rent-to-own programs, residents also learn how to sell and market their homes should they want to leave. Selina Mack, the Executive Director of Durham CLT, also discussed the advantages of their lease-to-purchase program. While this program was fairly successful, Ms. Mack said that the unpredictability of the program (some took too long to purchase or could not purchase at all and ended up walking away) made it unsustainable for Durham CLT.

Long-term technical assistance and training support

Interviewees discussed the need for management stability. Jim Lockett emphasized that procedural knowledge and important project information can be lost when CDC management turns over. If COHIF implements a model where a high level of resident involvement is required, applying techniques similar to the Urban Homesteading Assistance Board (UHAB) model may prove beneficial. As a large

developer of shared equity co-op housing, UHAB has built technical assistance and skill development training for residents into their model. During the redevelopment process and after housing is complete, the UHAB team provides support in skills development (e.g., financing and construction) and people development (e.g., negotiation and conflict resolution). UHAB also works with residents to educate them about insurance bookkeeping and other strategies for sustaining a co-op. These trainings create a culture of knowledge and responsibility within a co-op or similar housing development, providing both new and long-standing residents with strong decision-making and management skills.

Shared ownership and long-term management

Leroy Stoddard of Urban Edge provided a best practice example of a shared ownership and long-term management model. Since 1999, Urban Edge and its Academy Homes I residents have had a 50/50 ownership model. The model supports ongoing resident involvement through a strong resident council, community engagement and regular meetings to discuss issues related to the Academy Homes I community. This model serves as a best practice because residents hold monthly meetings with management and share in net revenue of the development (that can be used for programs or recreational activities) while Urban Edge handles asset management. The presence of a resident council with clear responsibilities and expectations of members further supports resident involvement by separating their tasks from the CDC. The residents are able to have a voice in certain decisions and outcomes without the added stress of being primarily responsible for property management.

Training programs and board development

As residents begin to understand and shape their new housing dynamic, they are more likely to become active participants of the selected housing models. The quality of their training on budgeting, rent collection, operations, third party relationships, conflict resolution and other management priorities is important to their success. The interviewees suggested that COHIF and its community partners should organize and host trainings that are relevant to residents, inspiring them to participate in the development and management of their housing. Residents may participate through a CDC board, a residents' association or simply by speaking at a community meeting. For all Greater Four Corners residents, it will be important to learn how to build relationships with the permanent owner and resident board, how to form associations and how to communicate with owners, managers/investors and other residents. Residents should also be trained on some aspects of the maintenance and operations so they are aware of how their individual units are working and how their unit fits into the larger community.

Throughout our interviews, the presence of residents on a tripartite board or resident association/council was a highly touted way to maintain active resident

involvement. Many of the interviewees supported resident training in this area. Many organizations (UHAB, Champlain Housing Trust) and Boston-based consultants have materials for resident and resident board organization that will be useful for COHIF as it moves forward building relationships between residents, the permanent owner and other stakeholders.

3. Resident control

Balance of power (CDC/managers/owners/tenants)

It can be challenging to coordinate with all of the players involved in acquiring, rehabilitating and operating affordable housing. The long-term stakeholders in the Greater Four Corners Pilot include the residents, permanent owner, property manager, COHIF and other community partners. In order for residents (especially tenants) to exercise some control over their homes, they must have a mechanism for participating in the decision-making process with property owners and managers. However, resident control is not usually a priority for investors or the GP in a tax credit project. Balancing power through mechanisms that residents, the permanent owner and investors are all comfortable with will likely involve a combination of several different ownership models (e.g., deed restricted property and a residents' association, a CLT under cooperatively-owned properties or leasehold condos, etc.).

Once an ownership model is chosen for the Pilot, COHIF and the permanent owner will be able to dedicate more efforts towards cultivating a strong owner-tenant relationship. In order to increase resident involvement and control, a residents' association or MHA should be formed. The association will have more bargaining power than individual residents and (through collaboration with the permanent owner, property manager and other residents) can help shape bylaws, covenants or other agreements about their housing.

The best practice for COHIF will be to balance resident involvement, control and the management of the selected model with the owner's responsibilities. A common theme of our interviews was that residents might not want to be owners. They might prefer to have reliably affordable and well-managed housing. Resident control has major challenges, and balancing power and group decision-making, especially across a widely scattered site of housing, were often cited. If residents decide that they want some form of control, most interviewees believed that their presence on the CDC or CLT board would allow them to have an invested interest in the maintenance and character of this ever-evolving community – shared equity through a cooperative model may not be necessary. Creating a CLT supports COHIF's effort to preserve long-term affordability, and establishing a joint board between residents, COHIF and the CDC keeps residents engaged and invested in the housing. Before making decisions about which path to follow, it is important to discover what is most meaningful to residents: ownership, security, control or another priority?

Renters vs. owners

In the Pilot, there will probably be a mix of owners and renters for a minimum of 15 years (because a tax credit period lasts a minimum of 15 years). Many interviewees, especially those involved in mixed tenure housing (Torpy), noted that balancing renter/owner representation on resident boards is essential to minimize resident turnover and improve resident cohesion.

Resident empowerment

Understanding complicated budgets, bylaws, amendments and other legal and financial restrictions for Pilot properties is essential to resident empowerment and equitable decision-making. Being able to read contracts, deeds and other documents will help residents understand and exercise their property rights. These documents also describe their relationship to other stakeholders, such as the CDC owner and property manager. Experts (lawyers, consultants, policy-makers, etc.) can run workshops for residents, helping them “decode” important legal and financial terms and processes, but it is difficult to maintain workshops over time. Furthermore, resident turnover may cause a loss of important knowledge. Maintaining resident empowerment requires a long-term investment in workshops and expert relationships.

Next Steps & Recommendations

Creating a Mix of Models

In our exploration of several different types of models and combinations of models, it became evident that some models that have not been implemented in Boston may be useful for COHIF. Boston has a history of LECs, but models based on residents’ associations or an MHA seemed to be more flexible and better suited to the Pilot Project’s scattered site and tax credit restrictions. It may be worthwhile for COHIF to pursue the idea of creating a CLT entity or program that can work in concert with an MHA to maximize long-term affordability, resident participation and resident control.

Although deed-restricted affordable condominiums were not mentioned often as a best practice and Boston has very limited experience with them, linking affordable condos with a CLT may be another useful mix for COHIF to consider. Erica Buckley (the Assistant Attorney General for Real Estate for New York State) made several points on the benefits of affordable condos that may resonate with other interviewees and Pilot Project residents. She noted that condos have become more popular than co-ops in New York City (partially due to tax exemptions). While some deed-restricted affordable housing condos exist in western Massachusetts and Rhode Island, leasehold condos may also work well with a CLT at the Pilot site.

Leasehold condominiums are developed on land owned by a third party,⁴ and each resident owns his or her individual unit. The owners of the units or the resident association would pay ground rent to the landowner. In some ground leases, the unit owners are given the option to purchase the land at a future date. In a situation where the unit owners do not have the right to purchase the land, the condo units would revert back to the ownership of the landowner when the lease expires. According to an article by Diane Tuman, the lease term with this type of condominium is at least 55 years, while other ground leases extend to 99 years.⁵ For COHIF, a long-term lease of land may help to preserve affordability at the Pilot site.

As COHIF moves forward in purchasing more foreclosed properties and coming to agreements with residents, we offer some recommendations. These steps may be followed sequentially, but many will be ongoing or overlapping. They are:

1. Hold an expert focus group to develop new strategies for funding, property management and resident engagement.
2. Hold a resident focus group to ask about their needs and wants related to housing, community, management, etc.
3. Continue to connect with DSNi and similar organizations with CLT expertise to discuss the possibility of establishing a land trust at Greater Four Corners.
4. Work with residents to set real expectations about what possible resident control would look like.
5. Hold additional interviews to gain more insight on financing and legal structures (supporting best practices for the COHIF Pilot).
6. Use a network of experts and research on successful projects to develop resident training programs and materials.
7. Build a connection with the broader community; find ways to incorporate off-site residents into future activities and community development.
8. Build in funding for a staff member focused on resident engagement for the long-term.
9. Support resident training in financial literacy, conflict resolution and leadership development over time.
10. Allow residents' input on the design of their respective units and consider other ways to engage residents in the development process.
11. Build a "third place" for residents and other community members to gather.

⁴ McClellan, K. "Condos 101." *Condo Living Today*, 2009. Accessed October 12, 2013, at <http://www.condolivingtoday.com/condos101p1.html>

⁵ Tuman, D. "Fee Simple vs. Leasehold Ownership," October 12, 2012. Accessed October 12, 2013, at <http://www.zillow.com/wikipages/Fee-Simple-vs-Leasehold-Ownership/>

APPENDIX

Challenges

1. *To preserving long-term affordability at the Pilot site:*
 - a. Rehabilitation costs (capital investment)
 - b. Maintenance/operations (increasing rent, meeting day-to-day operational needs)
 - c. Recruiting investor support (incentives for investors to get involved, types of risks associated with investment in the project)
 - d. Risk of resident turnover over time
 - e. Risk of resident ineligibility/displacement of initial residents
 - f. Risk of conversion to market rate after 15 year tax credit financing ends
2. *To achieving high levels of resident involvement:*
 - a. Scattered site properties
 - b. Lack of community space
 - c. No short-term ownership opportunity
 - d. Long-term organizational/financial support needed
 - e. Resident training needed (strategies for organizing)
 - f. Lack of public policy support
3. *To effective resident control:*
 - a. Potential tensions and miscommunication among owners, managers, residents, community members and other stakeholders
 - b. Potential tension between renters and owners
 - c. Resident training needed (understanding of documents and options for control)

Housing Models

- a. Community Land Trust (CLT) entity
- b. Deed restriction or ground lease
- c. Limited Equity Co-op (LEC)
- d. Mutual Housing Association (MHA)
- e. Explore innovative financing options

Each of the best practices listed below involves 1) a legal tool for preserving affordability and 2) an entity that enforces this tool. Clear understanding and equitable enforcement of deed restrictions, covenants, residents' association agreements, etc. are integral to long-term affordability of quality housing.

a. Community Land Trust (CLT)

A CLT entity is a nonprofit corporation, created and controlled by neighborhood residents and both local government and community representatives. Land acquired by a CLT is retained by the CLT for a 99-year lease term. Other nonprofits, limited partnerships, small businesses or individual homeowners can gain exclusive use of building through a restricted deed agreement with the CLT owner, and the CLT retains a long-term ground lease of the underlying land. The lease restricts the use and resale of the buildings, granting the CLT a right to regulate how they are occupied, operated and conveyed over time. In practice, CLTs acquire and retain land in trust, which allows them to better preserve affordability, prevent foreclosure (Thaden) and add new affordable units (Buckley). As a landowner, the CLT organization can also work with residents to support community-oriented land use (redevelopment of blighted buildings, preservation of open space and parks, etc.).

All interviewees asked about the role of a CLT in preserving affordability responded that it was an effective strategy. However, a couple of interviewees (Andy Reicher, Executive Director of UHAB in New York City; Jim Lockett) noted that a CLT (or any managing entity) could become inactive, complacent or dysfunctional over the length of the ground lease implemented by the CLT. If an entity can stay active in community organizing, asset management/stewardship, board meetings, resident campaigns and events, etc. then it will do a better job preserving housing affordability and residents' rights over the long term.

Selina Mack, the Executive Director of the Durham CLT in North Carolina, discussed the success her organization has had providing stable, affordable rental housing for residents. While the Durham CLT lease-to-purchase program no longer exists, rental housing has preserved affordability in a gentrifying neighborhood. Affordable homeownership has also been possible in Durham, and Ms. Mack believes that the CLT model is especially useful for scattered, small multi-family housing.

A CLT "program" may also preserve affordability without a separate entity – CDCs may run CLT programs by expanding their capacity but retaining their basic structure. CLT experts (Dawn Stockmo, Community Development Director at National Community Stabilization Trust; Brenda Torpy) identified this option as particularly useful when 1) there are already plenty of stakeholders in the ownership/management game without bringing in an additional entity; 2) the CDC has the capacity for running a CLT program with existing staff (or resources to bring on additional staff); and/or 3) experts in the CLT field can support staff and residents through trainings and long-term guidance for a CLT program.

Champlain Housing Trust (CHT) was cited by several interviewees (Becky Regan, Sarah Burke, Connie Chavez) as a good, flexible business model for CLTs in growing housing markets. Brenda Torpy, the CEO of Champlain Housing Trust, described the range of housing options provided through the CLT program, plus successful strategies for resident involvement and control among both owners and renters. Holly Jo Sparks provided additional examples of CLT programs, mentioning a mixed-use LEC in San Francisco that used a land trust program to preserve affordability for resident-tenants. She also cited the approach of North American Students of Cooperation (NASCO), which functions like a CLT program (owning property and leasing units to residents).

CLT experts (Brenda Torpy; Connie Chavez, Sawmill CLT) and other property managers (Kathy Luce, Leroy Stoddard) emphasized that each household is different – a CLT entity, CDC owner or collaborative/cooperative ownership structure must allow for variability between renters and owners, long-term and new residents, and both engaged and less-involved residents.

b. Deed restriction or ground lease

A deed restriction, tenants' association agreement (or "covenant," Eisen), or co-op bylaw may limit the resale value of units. Without a CLT, outside restrictions, and restriction enforcement, and resale limitations are needed for preserving both affordability and resident control. There is a range of options for the type of entity enforcing restrictions (CDC, government agency, etc.), the length of the restrictions and the extent of the limitations.

Ground Lease

Generally, a nonprofit owner may hold a 50 year or 99 year ground lease under housing, keeping housing affordable until the lease expires or they decide to renew the lease. The 99 year ground lease works well because it provides a clear enforcement model and enforcement entity. A CDC owner usually enforces restrictions and collects lease payments, acting as a self-monitoring landlord. The restrictions on ground lease land also make selling or foreclosing properties on the land more difficult.

Deed Restriction

Tenants' or residents' associations have the power to renegotiate a deed restriction or a government restriction on affordability when the term ends, preserving existing affordable housing (and options for adding new affordable housing to deed-restricted land). Restrictions on subsidies, use, length of tenancy, etc. are enforced by the restricting entity (CDC, government other owner entity).

In competitive housing markets, like Boston, signed contracts are often very important in maintaining affordability for the contract term. As home values rise, nonprofit and resident owners may be interested in selling property at the market rate. Organizing to preserve affordability through associations of tenants, residents and/or neighbors may pressure owners to renew affordability agreements. A shared ownership

structure (that puts the CDC, tenants, owners and community members on the board) is another useful strategy for creating and renewing these agreements.

c. Limited Equity Co-op (LEC)

In an LEC, residents pay a share price to their co-op, much as they would pay rent to a landlord. The share price is set independently of the market in order to keep the co-op-owned housing affordable, and if a co-op member moves, the co-op entity can purchase that member's share at the set price. While this model limits the equity of co-op owned housing (*i.e.*, residents would move without making a profit off of their housing investment), it is an effective strategy for ensuring resident control over housing through cooperative ownership.

The majority of our Boston-area interviewees have worked closely with LECs, and they have a range of opinions about the strength and feasibility of the model. Our main takeaway from those interviews was that LECs are an effective model for maintaining both affordability and resident control of housing if the residents are motivated to own and manage their own housing. LECs are also successful when the board has low turnover and a properly structured financial plan. For example, the Alexander Magnolia Co-op in Dorchester has been successful by having the tenant co-op as a managing general partner, reducing turnover in its board presidency and directing rent payments towards operations and reserves. By building up the reserves in a co-op in the early years while the property is in its best shape, there will be money available fifteen years down the line when it is needed. Otherwise, it can devolve into affordable rental housing with limited or no resident control, or affordability may be lost (especially in a competitive housing market). An unsuccessful LEC will likely have very high resident turnover, high capital needs and a very tight budget.

d. Mutual Housing Association (MHA)

An MHA is a type of non-profit ownership in which residents, community members, public officials and other local stakeholders govern their housing (similar to CLT representation). It can be established as an independent organization or by an existing CDC or other housing provider, and may develop and/or own housing. Unlike a co-op, residents do not typically build equity through an MHA, and low-income residents do not have to make financial contributions to the MHA entity. Unlike a CLT, MHAs do not own land or lease property to residents. An MHA functions much like a powerful residents' association, relying on resident control and community interests to preserve affordability.

While this ownership model was not mentioned often, a few interviewees discussed MHAs as a good strategy for joint decision-making among stakeholders (residents, CDC owners, managers, etc.). Harold Simon and Miriam Axel-Lute (both of the National Housing Institute) mentioned the MHA approach, where renters elect a management board, as a model for supporting a feeling of ownership because there is a measure of control. Although MHAs are typically associated with single-family homes, the benefits of this model could be applied to COHIF's small, multi-family units. This

structure provides more decision-making authority to residents than an association or council. The nonprofit owner would be the general partner (same as an LEC), and the residents could exercise control through the MHA.

One ideal model, recommended by Michael Stone, is a land trust with an MHA because 1) small-scale co-ops can be too challenging for residents; 2) an MHA provides a strong network of resident support (like a land trust) and 3) everyone on the tripartite board (CDC, property residents, community members) needs to be involved. Emily Thaden suggested against using an MHA because of the scattered site of the project and the lack of state support available for such a model. However, according to “Taking the Initiative: A Guidebook on Creating Local Affordable Housing Strategies,” a report prepared by the Citizens Housing and Planning Association (November 2002), “mutual housing associations are designed specifically for scattered sites.” An MHA may function well for the Pilot if the decision-making responsibilities and relationships with the nonprofit owner and broader community are clearly defined.

Acknowledgements

We are especially grateful to Maureen Flynn and Ann Silverman for their guidance and support throughout this research process. Maureen introduced us to the Pilot Project, helped us develop our timeframe and deliverables and gave us direction and useful feedback every step of the way. Her invaluable feedback on the format and content of the memo has allowed us to create a final product that will be useful for COHIF, their partners and the communities they serve.

Ann's incredible knowledge of Boston's history with affordable housing and co-ops, as well as her feedback on our interview questions and analysis, helped shape our approach to this research. Furthermore, Ann's strong network of housing contacts allowed us to interview an experienced and diverse group of housing experts.

A brief biography of each interviewee is included below. We are grateful for the time they took to give us the benefit of their wisdom, deep thinking and real-world experience as we explored best practices in the areas of long-term affordability, resident input and control.

Miriam Axel-Lute

National Housing Institute (NHI) / Shelterforce

Miriam Axel-Lute is editor of *Shelterforce* and associate director of the National Housing Institute (NHI). An experienced journalist, editor, and community development consultant, Ms. Axel-Lute is a frequent contributor to *Shelterforce*, *Rooflines* (the *Shelterforce* blog), and NHI's research efforts. She is also a board member of the Community Loan Fund of the Capital Region and the Community Development Alliance of the Capital District (based in Albany, NY).

Sarah Berke

Housing Partnership Network (HPN)

Sarah Berke joined HPN as the Director of Research & Development in 2010, where she focuses on social enterprise development in HPN's Innovation Lab. She has also worked as a Senior Associate for Neighborhood Stabilization at HPN, facilitating peer exchange related to foreclosure redevelopment. Ms. Berke's experience coordinating the Innovations in Neighborhood Stabilization and Foreclosure Prevention Initiative and other HPN projects related to community development, housing, financial services and collaboration provides a valuable perspective for long-term affordability and resident control of foreclosed properties.

Paul Bradley

Resident Owned Communities (ROC) USA

Paul Bradley is the president and founder of ROC USA, which aims to help homeowners gain economic security through resident ownership of their "mobile home park" or manufactured home community. Before forming ROC USA in 2008, Mr. Bradley

served as vice president of the New Hampshire Community Loan Fund. He expanded the Manufactured Housing Park Program through its cooperative development program and initiated single-family lending and new housing production. His experience lending to resident-owned communities and developing resident ownership programs has helped shape best practices in the field.

Connie Chavez

Sawmill CLT

Connie Chavez has over 15 years of experience in nonprofit administration and leadership and was the Executive Director of Sawmill CLT (Albuquerque, New Mexico) for 8 years. She has additional experience as the Portfolio Manager and Information Systems Manager for the New Mexico Community Development Loan Fund. Ms. Chavez is a member of the National Community Land Trust Network.

Martha Davis

Consultant

Martha Davis is a Principal at Community Development Solutions (based in Washington, D.C.). She also worked as a community housing developer for Washington Intercity Self Help and as the Housing Development Director at both Manna CDC and Organizing Neighborhood Equity (ONE) D.C. Ms. Davis has played an important role in protecting the Housing Production Trust Fund and district-wide Tenant First Right to Purchase legislation.

Richard Eisen

Attorney

Rick Eisen has worked on affordable housing cases for over 40 years, focusing on tenant-sponsored co-ops and condo conversions in Washington, D.C. He has represented many tenants' associations and co-ops in the D.C. area, and he has collaborated with non-profits, mayors, and several Departments of Housing in his practice. Mr. Eisen has seen D.C.'s neighborhoods change over time, with low-income residents getting pushed out or fighting for their right to remain in their housing. He has extensive experience implementing tenants' first right of refusal legislation (TOPA), which gives tenants an opportunity to become property owners when a landlord put their rental units on the market. Mr. Eisen and his partner Eric Rome have been involved in over 1,000 transfers of rental property to tenants or to tenant-selected developers. His insight into D.C.'s support for LECs and TOPA legislation highlights the similarities between Boston and D.C. housing markets and opportunities to follow in D.C.'s path for affordable housing preservation.

Jonathan Klein*Attorney*

Jonathan Klein has extensive experience establishing co-ops with a tax credit structure. He has been responsible for a wide variety of affordable housing and community development transactions, including various tax credit projects, the creation and management of tax credit funds, 501(c)(3) and private activity bond transactions, cooperative and other resident controlled developments, expiring use projects, acquisition and redevelopment of distressed HUD projects, etc. His knowledge of federal and state housing programs and financing opportunities and different forms of resident ownership is especially valuable to the Pilot Project.

Kathleen Luce*Maloney Properties*

Kathy Luce has 31 years of experience at Maloney Properties. As a partner and Vice President, she oversees the management of mixed-income family and senior housing in Massachusetts and Vermont that are either owned by the residents (LEC structure) or have strong resident participation in a non-profit ownership structure. She has also worked at the Vermont Housing Manager's Association, is on the Board of Directors at Champlain Housing Trust and Maloney Properties and works as a consultant for Regional Property Managers. Ms. Luce is an expert in incorporating resident involvement and control into a property's ownership structure. She works closely with residents and non-profit managers to improve in-house property management, restructure and redevelop existing properties and develop strategies for simplifying funding and ownership structures.

James Lockett*Retired Consultant*

Jim Lockett worked as a co-op consultant and trainer in many of Boston's affordable co-ops between 1990 and 2009. He is the former director of Boston Housing Partnership (BHP) and was deeply involved in the financing, development, and design of several successful co-op projects. Mr. Lockett's innovative approach to long-term affordable housing and models for resident training has helped projects like Alexander Magnolia (Dorchester) succeed, and his emphasis on transparency and accountability for housing owners, managers and residents is important guidance for the Pilot Project.

Selina Mack*Durham CLT*

Selina Mack has been the Executive Director of Durham Community Land Trustees, Inc. (DCLT) in Durham, North Carolina, since 1996. In her role at DCLT, Ms. Mack works for community stabilization, community organizing and better access to affordable housing in Durham's inner city neighborhoods. She also successfully advocated for

state-level legislative change that reduces CLT property taxes. Ms. Mack is active in the Southeastern CLT network, providing trainings and consultation to start-up CLTs. She is a member of the National Community Land Trust Network and serves on the board of NC Community Development Initiative and Neighborworks America.

Rebecca Plaut Mautner

Consultant

Rebecca Plaut Mautner is an affordable housing development consultant, assisting non-profit, for-profit and public entities to create new affordable housing, improve asset management of existing affordable housing and develop staff and board capacity. She has worked in affordable housing for the past 15 years, with positions in real estate development at the Women’s Institute for Housing & Economic Development, Allston Brighton CDC and the Boston Housing Authority. Ms. Mautner is experienced with most funding resources and a wide variety of communities providing the full range of affordable housing development services (*e.g.*, feasibility analysis, team coordination, assembling financing, closings and overall project management). In addition, she has particular expertise in service-enriched housing and development by public housing authorities. State and national organizations have engaged her to provide training and technical assistance to a wide variety of organizations.

Vincent O’Donnell

Consultant

Vince O’Donnell is currently an affordable housing preservation consultant. He recently retired from his position as Vice President of Preservation at Local Initiatives Support Corporation (LISC), where he headed a major national initiative to support the preservation of at-risk affordable multifamily housing. Mr. O’Donnell was also the Director of Development at Community Economic Development Assistance Corporation (CEDAC), the Executive Director of Homeowner's Rehab, Inc. and Cambridge Neighborhood Apartment Services, Inc. (two non-profit housing development corporations), and he has been actively involved for thirty-five years in other programs for the management and redevelopment of HUD-assisted housing developments.

Mr. O'Donnell is a past President of the Citizens' Housing and Planning Association (CHAPA) in Massachusetts, a state-wide affordable housing advocacy coalition, and is a director of the Community Development Trust, a real estate investment trust specializing in affordable housing and community development. He is also a founding facilitator of the National Preservation Working Group, an affordable housing preservation coalition supported by the National Housing Trust.

Charleen Regan*Consultant*

Charleen Regan provides strategic planning, organizational assessment, developmental planning, financial analysis, research and policy and program development services to public and quasi-public agencies and intermediaries and non-profit and community-based developers. She has worked closely with Jamaica Plain Neighborhood Development Corporation (JPND) and was a Senior Program Manager at the Community Economic Development Assistance Corporation (CEDAC).

Rebecca Regan*Housing Partnership Network (HPN)*

Becky Regan is the President of the Capital Markets Companies at HPN, developing and managing HPN's capital market relationships and overseeing its neighborhood stabilization and foreclosure prevention enterprises. She also plays a critical role in business collaboration and peer exchange among the network's high-performing affordable housing organizations and CDFIs. Ms. Regan previously served as chief operating officer for Boston Community Capital, as well as president of its Loan Fund, a \$125 million loan fund focused on community development investments, including affordable housing, charter schools and health centers. Prior to joining Boston Community Capital, she held executive, real estate lending and management positions with Bank of America, Fleet Bank, Bank of Boston and BayBank.

Ms. Regan was previously a long-time member of New England Women in Real Estate (NEWIRE), the Mayor of Boston's Food Council, the Massachusetts Grocery Access Task Force and the investment committee of City Mission Society, and she is a member of the board and finance committee for Mother Caroline Academy and Education Center, a school for low-income girls in Dorchester. The Governor of Massachusetts appointed her to MassHousing's Home Ownership Advisory Committee, and she is a former elected member of the Town of Wayland Planning Board. She serves on the board of directors of New Ecology, Inc. and Quest Adventures.

Andy Reicher*Urban Homesteading Assistance Board (UHAB)*

Andy Reicher has been the Executive Director at the Urban Housing Assistance Board (UHAB) for 32 years, sustaining UHAB's long-term commitment to resident control. Under Mr. Reicher's leadership, UHAB's portfolio has expanded to 1,200 buildings with a range of affordability restrictions and resident control options. An industry leader in shared equity co-op development, UHAB emphasizes resident leadership and sustainable programming and services for residents. Through technical assistance and support services, UHAB works with tenant associations, co-ops and other resident boards and housing organizations to keep the ownership structure sustainable and responsive. UHAB runs ongoing trainings on bookkeeping, energy conservation,

acquisition and construction processes, financing options, and other building development and management skills, helping residents operate their housing in equitable and sustainable ways.

Emily Rosenbaum

Coalition for a Better Acre (CBA)

Ms. Rosenbaum served as Executive Director for Coalition for a Better Acre (CBA), a community development corporation serving Lowell, Massachusetts, and surrounding communities in the Merrimack Valley, from 2006 through 2013. Under her leadership, CBA dramatically increased grant and earned income revenues. Through redevelopment of aging buildings, new construction projects, and investment in Lowell's local economy, CBA has had a lasting impact on the neighborhoods it serves. Ms. Rosenbaum also launched several new programs and initiatives during her CBA tenure that support community development principles throughout the Merrimack Valley.

Ms. Rosenbaum is currently the CEO of the Akshaya Patra Foundation USA and has additional experience as a Program Director at the Jewish Organizing Initiative and as the Executive Director of the Twin Cities Community Development Corporation.

Harold Simon

National Housing Institute (NHI)/Shelterforce

Harold Simon has been the Executive Director of the National Housing Institute (NHI)/*Shelterforce*, an independent nonprofit organization committed to community revitalization through supporting low-income residents and community builders, for the past 20 years. NHI/*Shelterforce* unites community development theory, practice and policy through *Shelterforce*, a journal of affordable housing and community development, and additional NHI reports, workshops and conferences. Mr. Simon has authored and co-authored thirteen *Shelterforce* articles over the past several years, and he has built a strong network of contributors to *Shelterforce*, *Shelterforce Weekly*, and the NHI blog, Rooflines.

Terry Simonette

NCB Capital Impact

Terry Simonette has been President and CEO at NCB Capital Impact since 1994, applying his experience in community development and community development financial services to NCB Capital Impact's community investment, capacity building and policy development activities. He is especially focused on escalating NCB Capital Impact's tangible impact on the emerging markets and low-income communities across the country. Before Mr. Simonette joined NCB Capital Impact in 1984, he worked as a nonprofit development and served at the Office of Neighborhood Development at HUD.

Holly Jo Sparks*Consultant*

Holly Jo Sparks has extensive experience working on shared equity housing for students as well as consulting with community groups. As a Principal and founding member of the Collective Seeds Consulting Cooperative, she assists co-ops and community-based enterprises in growing their capacity, services and operations. She is also a research affiliate at MIT Community Innovators Lab and is currently conducting research with NCB Capital Impact that explores the existing environment, opportunities and challenges for cooperative business development in the United States. Ms. Sparks was previously the Executive Director of the North American Students of Cooperation (NASCO). She is currently consulting from Michigan but is knowledgeable about Boston's housing stock and neighborhood demographics through her graduate schoolwork at MIT.

Dawn Stockmo*National Community Stabilization Trust*

Dawn Stockmo is a Community Development Manager (Midwest and North East) at the National Community Stabilization Trust. She has extensive experience with financial institutions, affordable housing development and preservation as well as local community development. Prior to her position at the National Community Stabilization Trust (2008), Ms. Stockmo was a consultant with Chicago's Metropolitan Planning Council, a Senior Director at the Fannie Mae Foundation, and the Executive Director of North End Area Revitalization (CDC in St. Paul, Minnesota).

Leroy Stoddard*Urban Edge*

Leroy Stoddard is the Resource Development Manager at Urban Edge, a CDC serving communities in Jamaica Plain, Roxbury, and surrounding neighborhoods. Urban Edge develops and manages affordable housing for renters and owners, provides technical assistance to small businesses, facilitates homeownership education and helps finance educational facilities for youth and families. In his role at Urban Edge, Mr. Stoddard works on foreclosure prevention, managing multi-family rental housing, fundraising and organizing efforts, as well as other activities that support resident control of affordable housing in the Greater Boston area.

Michael Stone, Ph.D.*University of Massachusetts Boston*

Michael Stone is a recently retired professor of Community Planning, Community Studies and Public Policy at the University of Massachusetts Boston's College of Public and Community Service. For over four decades, he has been involved in teaching,

research, policy analysis, program development and technical assistance and advocacy on housing, living standards and participatory planning. He is the author of nearly fifty reports, articles, and chapters as well as four books related to housing and social justice. Mr. Stone's expertise and strong network of community groups, city and state agencies, as well as national advocacy organizations, provides invaluable insight into local issues of resident control and preservation of affordable housing.

Emily Thaden, Ph.D.

National Community Land Trust Network

Emily Thaden has been the Research & Policy Development Manager at the National Community Land Trust (CLT) Network since 2011. Prior to joining the CLT Network, she built and managed a shared equity homeownership program at The Housing Fund (THF), a Community Development Financial Institution (CDFI) in Nashville, TN. She was also an independent research consultant for the CLT Network between 2009 and 2011, conducting surveys related to CLT foreclosures and delinquencies and a comprehensive report on CLTs. Ms. Thaden's research on CLTs has been published by the Lincoln Institute of Land Policy and the National Housing Institute/*Shelterforce*. As a doctoral student in Community Research & Action at Vanderbilt College, her dissertation investigated low-income and minority homeownership and shared equity solutions. Additional experiences include teaching and consulting on community organizing, welfare systems and organizational and community development.

Mat Thall

Consultant

Mat Thall has worked in the affordable housing/community development sector for over forty years. He has held a broad range of leadership positions at Fenway CDC, Local Initiative Support Corporation (LISC) and HUD's Public Housing program. He is also a co-founder of Boston's Co-op Task Force (ARCH) and has been consulting with CDCs and funders for the past seven years. Mr. Thall is knowledgeable about the past several decades of affordable housing development and advocacy in Boston, and he has worked on projects with the Boston Housing Partnership and other housing developers. He is also an active member of COHIF and a resident of Fensgate (a limited equity co-op in Boston).

Brenda Torpy

Champlain Housing Trust

Brenda Torpy has over 30 years of experience in the affordable housing field. With a background in community organizing, rural community development and affordable housing advocacy in Vermont, she became the City of Burlington's first Housing Director for the Office of Community and Economic Development. From this position, she helped develop the Burlington Community Land Trust, which has since become the

Champlain Housing Trust (CHT). Ms. Torpy served as the first board president and became CHT's Executive Director in 1991. She has also worked as a Development Director at the Vermont Housing Finance Agency, and she serves on the board of the National Community Land Trust Network, the National Risk Mitigation Corporation and the Vermont's Governor's Housing Council.

Dan Violi

Consultant

Dan Violi has over twenty-five years of experience in affordable housing development, community development and program development. He worked as a Project Manager and Executive Director at Homeowner's Rehab, Inc. in Cambridge, MA, to organize tenant groups and help develop small-scale affordable co-ops. He also helped develop CEDAC's Housing Innovation Fund, which helped finance tenant co-ops throughout Massachusetts, and provided technical assistance for CEDAC's resident-controlled housing project after HUD's DEMO/DIPO foreclosures throughout the Boston area.

Mr. Violi consults on a range of affordable housing development services, including: feasibility analysis, team assembly, financing applications, closings and project management. He is also a skilled strategic planner with specific expertise in neighborhood revitalization or facility-related planning. Beyond the planning stage, Mr. Violi has also worked with resident organizations on community development program implementation and acquisition and redevelopment processes for distressed housing.

Summary of Interview Notes

Name*	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Miriam Axel-Lute and Harold Simon	National Housing Institute (NHI) and Shelterforce	<ul style="list-style-type: none"> • Various discussed: MHAs, Co-ops, CLTs (example: Cooper Square (NYC); multifamily scattered site) • Low-income resident involvement (Cooper Square started as MHA, converted to LEC) 	Various discussed	Permanent deed restriction or 99 year ground lease; resident engagement	Conscious and sustained organizing effort; legal structure that ensures affordability in perpetuity
Paul Bradley	Resident Owned Communities (ROC USA)	<ul style="list-style-type: none"> • Co-ops • Rural, low-income populations • Community ownership 	New Hampshire Community Loan Fund, federal funding sources	A combination of owner-occupied homes and rental units (NeighborWorks model)	Do not force a co-op; ownership is an important part of healthy and strong neighborhoods, but it has got to produce results (i.e. lower rents, improvements). Build a comprehensive system with economic benefits and engagement at the systems level (local ownership plus partnerships). Document process.
Sarah Berke	Housing Partnership Network (HPN)	<ul style="list-style-type: none"> • Cleveland Housing Network • Cornerstone Housing Partnership 	Federal subsidies (social innovation grant)	Lease-to-purchase for scattered site rental; land trust manages transition from rent to own; well-managed rental co-op	Homeownership education: knowledge of day-to-day maintenance builds ownership culture. Look to the UK – shared equity examples and privatizing public housing. Be aware of 1) compliance issues (subsidies), 2) risk that lenders will burn out, and 3) incorporating incentives into model.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Erica Buckley	Chief of Review, New York State Attorney's Office	<ul style="list-style-type: none"> ● LECs; co-ops (average size: 30 units) ● New York State; UHAB 	NY private housing finance law: owners receive up to 40 years of tax abatement	CLT model for scattered site (facilitates adding more properties); leasehold condo option	Investigate state laws (use deed restrictions; leasehold condos, etc.); effective trainings depend on model; create resident cohesion; reconsider ownership benefits/burdens.
Connie Chavez	Sawmill CLT (New Mexico), National CLT Network	<ul style="list-style-type: none"> ● CLT (Sawmill, 67 units) ● Some resident involvement (CLT board representation); third party manager, resident group 	9% LIHTC	CLT with resident groups/associations and a third party manager	Technical details are important (laws, rules, capacity); consider renter/homeowner balance; every deal is different.
Martha Davis	Consultant (Washington, D.C.)	<ul style="list-style-type: none"> ● Multifamilies and LECs ● Gentrifying neighborhoods; low-to moderate-income, minority residents ● Multiple organizations (public/private) 	City financing in order to prevent condo conversion. LEC shares are only slightly higher at resale value	MHA is a good ownership structure. For MHA/LEC, a nonprofit representative on board brings expertise. For the LEC option, co-op as limited partner and nonprofit as GP	Get residents involved in renovation planning; need a short- and long-term plan, expert support, and conflict resolution training. Third party managers are important, especially if/when resident commitment to management fades.
Rick Eisen	Attorney (Washington D.C.)	<ul style="list-style-type: none"> ● LECs and condos ● Same as M. Davis ● Tenant organizations; tenant (co-op) or private ownership 	Private and/or tax credit financing; facilitated by TOPA	Co-op typically formed by a tenants' association as a legal entity (with government support)	Need a small group of committed tenants to lead. Ongoing organizing is required for long-term planning and long-term affordability (long-term covenant for 50-100 years).

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Jonathan Klein	Attorney, Klein Hornig LLP (Boston)	<ul style="list-style-type: none"> ● Resident controlled nonprofit general partner (GP), zero equity (Allen Park, 250 units, Springfield MA) ● Supportive housing co-op (Tory Lane, 25 units, Amherst MA) ● Mixed income LEC, resident ownership and CDC sponsorship (Fensgate, 55 units, Boston) ● Affordable rental (North Canal, 267 units, Lowell MA) ● Nonprofit GP, resident representation on board (Northgate, Burlington MA) 	Limited partnerships (LPs) with tax credit investors; HAP sponsorship; nonprofit and resident partnerships	N/A	Some key project characteristics to consider: size, resident training (up front and over time), rehab needed, and resident engagement (up front and over time). Work to mitigate scattered site challenges through organizing, trainings, etc.
Kathy Luce	Maloney Properties (New England)	<ul style="list-style-type: none"> ● Affordable rentals (example: Lakeview property) ● Eligible for public housing ● Various owners (public, private, non-profit) 	DHCD (now receivership)	Combination of elements of different models (sometimes financing works): co-op, condo, CLT	Models that end up being implemented have to be financially feasible; residents should be involved in management and decision-making.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Jim Lockett	Consultant, BHP (Boston area)	<ul style="list-style-type: none"> • Co-ops: Stafford Heights, Geneva Ave, Alexander Magnolia, Stony Brook • Several Boston-area neighborhoods • Resident training, resident involvement; public and/or nonprofit ownership 	LIHTC, HOME Fund; DHCD energy grants; sponsor/investor loans; tax credit equity; Mass. Housing Investment Corp. (MHIC); Boston Federal Home Loan Bank (FHLB); Mass. Housing Partnership (MHP); Mass. Development Fund	Par-value co-op (separate asset management, nominal share, price, security deposit); clear expectations for residents	Training is important (do not take advantage of professional influence); recruit long-term financing; teach residents how to read financial statements - generally, focus on technical skills. Slowly scale up to very thorough rehab.
Selina Mack	Executive Director, Durham Community Land Trustees, Inc. (North Carolina)	<ul style="list-style-type: none"> • CLT (250+ units, Durham NC), ownership and rental units 	Development partnership (DCLT, Habitat for Humanity, CDC). Also supported by NeighborWorks, the City of Durham, and the NC Community Development Initiative	CLT is a good approach for preserving affordability of scattered site projects	CLTs work best for detached housing (i.e. small multifamilies) – easier to sell. Highly marketable in order to 1) keep people in this housing in the neighborhood and 2) attract other low- to moderate-income people. For resident involvement, identify people with leadership skills but prepare for turnover. Use social media and hands-on training.
Rebecca Plaut Mautner	Consultant (Boston area)	<ul style="list-style-type: none"> • Co-op (scattered, thousands of units; BHP projects) • Organizations: JPND, Dorchester Bay EDC 	Experience with tax credit deals and public financing	Need a long-term nonprofit (CDC)	Covering operating costs: tax credit deals have high operating costs. LECs often give people the burdens of ownership without the benefits, and investors want CDC control.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Vincent O'Donnell	Consultant (Boston area)	<ul style="list-style-type: none"> Affordable co-ops (examples: Methunion Manor, Fogarty) 	HUD (Fogarty was pre-tax credit)	Co-op as a general partnership: investors get tax credits, co-op makes business decisions	Structure a deal that's well informed by residents (tap into existing knowledge and training); tenant selection is important; work to preserve institutional memory (need long-term deal).
Charleen Regan	Consultant (Boston area)	<ul style="list-style-type: none"> Co-op (scattered, thousands of units; BHP projects) Organizations: JPND, Dorchester Bay EDC 	BHP 1, 2, 3: HUD program (1980s)	Umbrella organization; management services; technical assistance; potential for two years of funding then self-sustaining; need mechanism for resident voice on board	Have project oversight at scale.
Andy Reicher	Urban Homesteading Assistance Board (UHAB, New York City)	<ul style="list-style-type: none"> Co-ops (example: Brooklyn scattered site) Varied; low- and mixed-income Resident involvement; church groups, municipal partnership 	HUD, NYC Department of Housing Preservation and Development, philanthropic grants, charitable donations	CLT combined with ongoing resident trainings	Land trusts can be good option because they help preserve affordability: it is hard to have permanent restrictions unless they are linked to an owner/manager/resident covenant.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Emily Rosenbaum	Coalition for a Better Acre (Lowell, MA)	<ul style="list-style-type: none"> • Affordable rental (example: North Canal; 267 rental units) • Low-income • Coalition for a Better Acre (CBA, non-profit) 	Project-based Section 8; HUD; 4% tax credit deal (refinanced)	CDC and tenant collaboration; build in funding for community organizing/engagement staff person; accountability to CDC; protect interests of 99% owner (limited partner)	Hold open meetings and maximize tenant representation; hold regular board elections; maintain tenant-council relations.
Terry Simonette	President and CEO, NCB Capital Impact	<ul style="list-style-type: none"> • Lease-hold co-ops • MHA (consolidation of 10 tax credit projects, Pennsylvania) 	Tax credits, fill gaps with third-party equity	Resident association: strong value of resident participation (in both process and facilitation). Have an investor-owner	ID areas of management to focus on: maintenance and events (ongoing organizing project). Long-term affordability is the goal.
Holly Jo Sparks	Consultant (Michigan)	<ul style="list-style-type: none"> • LECs and CLTs (common equity housing, Australian model; mixed-use building, San Francisco, immigrant pop.) • Resident-controlled land trust and co-op had a ground lease. • Student group co-ops (sweat equity, skill sharing) 	Rehabilitation funding from municipalities	Limited equity ownership for maximizing resident control; CLT allows flexibility over time to incorporate co-op, rental, hybrid model option on land trust	Form follows function: resident control for long-term affordability; financing is challenging for resident-controlled projects.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Dawn Stockmo	National Community Stabilization Trust (Midwest, Northeast)	<ul style="list-style-type: none"> • CLTs (Rondo CLT, Twin Cities CLT in MN) 	NSP grants and LIHTC	Long-term organization as steward for properties; support a variety of ownership structures in neighborhood	Need a complete neighborhood: this includes housing choice, transportation, jobs, etc. Data and basic community organizing are critical.
Leroy Stoddard	Urban Edge (Boston)	<ul style="list-style-type: none"> • Affordable rental (examples: Academy Homes I (AHI); Stony Brook; Theroch) • Hispanic/Black/White • Non-profit, some resident involvement 	MassHousing; BRA (AHI 1963; Urban Edge, tenant council 1999)	N/A	N/A
Emily Thaden	National CLT Network	<ul style="list-style-type: none"> • CLTs using LIHTC (One Roof, Duluth; Proud Ground, Seattle) • CLTs with lease-to-purchase (City of Lakes, Minneapolis; Delray Beach CLT, FL) 	Public subsidy options, tax credits (rare)	CLT and CDC (maybe with lease-to-purchase program). Tripartite board. Effective for taking back properties	MHAs and co-ops aren't successful for scattered site housing. Focus on rehab, get homes energy efficient!
Mat Thall	Consultant (Boston)	<ul style="list-style-type: none"> • LECs (example: Fensgate) • Mixed income • Resident control, municipal support (homesteading) 	Tax credits, other investor partnerships	N/A	Important to have a strong resident association (build a cohesive resident group); also need ongoing training (consulting) to build knowledge.

Name	Organization and/or Location	Models/Demographic/Organization Involved	Financing	Preferred Model for COHIF	Lessons Learned
Brenda Torpy	Champlain Housing Trust (Vermont) and the National CLT Network	<ul style="list-style-type: none"> ● Affordable rental (mixed income), large scale (VT) ● Majority white, low- and moderate-income (changing rapidly) ● Resident involvement (resident association); CHT, third-party managers, NROC, single purpose non-profit) 	FHA	CLT for most flexibility; could get to condos, co-op ownership; fair amount of real power if residents want it	Residents need in-house capacity for professional management.
Dan Violi	Consultant (Boston area)	<ul style="list-style-type: none"> ● Co-op, affordable/market rate (Frankie O'Day) ● 30-40% minority; gentrifying area (South End Boston) ● Homeowner's Rehab; Community Economic Development Assistance Corp. (CEDAC) 	HUD, restricted mortgage	Umbrella entity; third-party property manager; good resident services	Responsibility of ownership falls on 3-4 people (regardless of training or tenant organizing); an asset manager is also important.

*Interviewees not included here - Rebecca (Becky) Regan and Michael Stone - did not provide information that fit within this matrix. Instead, they provided valuable theoretical and experiential information that contributed to other components of our report.