

LOPEZ COMMUNITY LAND TRUST LIMITED EQUITY CO-OPERATIVES



Center for CLT Innovation
2021



In 1989, Lopez Community Land Trust (LCLT) was formed and successfully combined the concept of Limited Equity Housing Cooperatives with Community Land Trusts.

COMMUNITY LAND TRUST MODEL

New Communities Inc. Leesburg, Georgia (1969)



- Origins in Gandian Land Reform & Civil Rights Movements



CLT'S: DIVERSE, FLEXIBLE TOOL FOR COMMUNITY CONTROL

- Locations in the United States:
 - 38% small cities/towns
 - 26% rural
 - 36% urban/metropolitan
- 515 CLTs worldwide, from Australia, to Belgium, to Kenya
- 291 in U.S
- Nearly 30 in the Pacific North West, providing over 2,400 homes



Common Ground, Lopez Island, WA



Co-op City, Bronx NYC

CLTS ACROSS THE GLOBE



Map courtesy of Center for Community Land Trust Innovation

DEFINITIONS

CLT - a non-profit that holds land in trust, leasing it long-term for affordable housing, farming, cottage industries, etc.

Co-op - association or corporation owns and stewards the housing and improvements as well as common areas.

Limited Equity Co-op's (LEC's) - is a homeownership model in which residents purchase a share in a development (rather than an individual unit) and commit to resell their share at a price determined by the resale formula—an arrangement that maintains affordability at purchase and over the long term.

COMPARISONS IN OWNERSHIP

- **Fee simple:** The owner has rights to the land and building with minor exceptions for easements, etc.
- **Condo:** The owner has rights to the specific unit and a non-exclusive interest in the common property.
- **Co-op:** A coop-owner *does not own a real estate interest*. They own a share in a corporation which owns the housing and by virtue of the share in the corporation, they have security of tenancy through a proprietary lease.



STRUCTURE – LIMITED EQUITY CO-OP (LEC)

- A LEC is a corporation made up of people who own the Improvements and have rights to occupy a specific home
- Each unit is tied to a share and resale is kept affordable through a Limited-Equity formula
- LEC's are focused on local democratic control and permanent affordability. They exist outside market forces

CLTS & LECS

- Land is owned by the Community Land Trust (CLT) and leased via a 99 year ground lease to the Limited Equity Housing Cooperative
- LEC members are the sole share holders of the cooperative

CLT ROLE

- Holds land in trust
- Provide training, resources, legal templates
- Provide the added structure to assure permanent affordability
- Facilitate blanket loan for coop and revolving loan fund for share loans
- Offer empowerment and community building tools



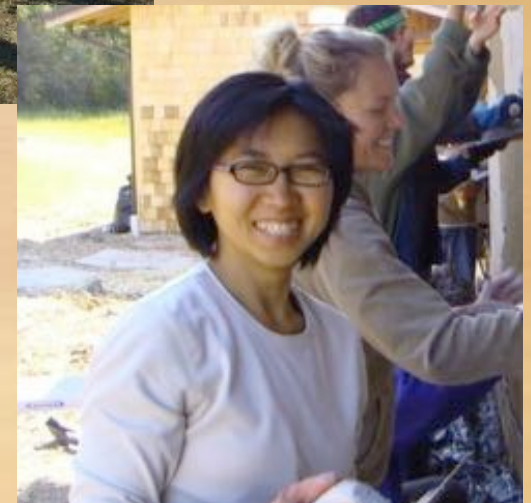
LIMITED EQUITY COOPERATIVES:



- Lease land from the CLT
- Form a legal entity
- Democratically govern the cooperative
- Steward the land and homes according to agreements
- Maintain reserve and maintenance funds
- Select new members after CLT financial approval of applicants

ADVANTAGES

- Direct control over one's housing including management
- No landlord
- Uniquely accessible form of ownership-- due in part to the affordable share purchase price.
- CLT acts as a resource & guide for Co-ops
- Strong partnership between co-op and CLT
- Loans – Blanket & share
- Peer Accountability & Skill-building
- Transferable skills from Cooperative living, larger community & civic impacts
- Strengthens democratic decision making skills
- Long term affordability



CHALLENGES

- Lack of Experience (Importance of Training)
- Finding construction and long-term take out financing
- It takes renewal of commitment to the co-op principles especially as new members arrive
- Stewardship and maintenance of the buildings and built environment



LOPEZ COMMUNITY LAND TRUST BEGAN IN 1989 –
COST OF HOUSING INCREASED 190% IN ONE YEAR

- Highest per capita income, highest cost of living
- Lowest wages, not enough homes used for permanent housing
- How do we support working residential islanders?
 - Limited Equity Co-ops
 - Rentals
 - Agricultural Initiatives



Lopez Island, Washington

- Population: 2,600 year round, 6,000+ in Summer
- 2,080 housing units
- 55% of all homes occupied year round
- 45% seasonally occupied (summer homes)
- 4-8% are vacation rentals
- 3% CLT Homes
- 2nd lowest wages in Washington State at \$38,163
- Currently, average home costs \$658,583
- 1.2 residents for every housing unit
- **THERE isn't a shortage of homes, but access to affordable homes**



Steve Horn Photography from <http://www.annewnelson.com/lopez-island-living>

WHO WE SERVE

- Lower income households
- 12% of Lopez school children
- People with wide range of life experiences, ages, and identities. We support artists, retirees, and people working local jobs

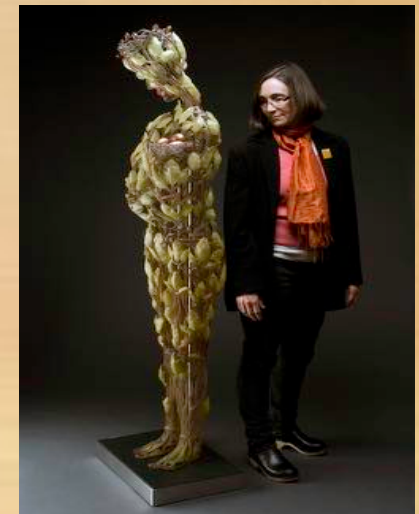
Photo: <https://www.eltacaboutit.com>

STABLE HOUSING FOSTERS ECONOMIC RESILIENCY

Many local business owners live in LCLT housing



Island Shine Windows and Exterior Detail - Proudly Serving Friday Harbor, San Juan Island, Orcas Island, Lopez Island, Anacortes, and Burlington.

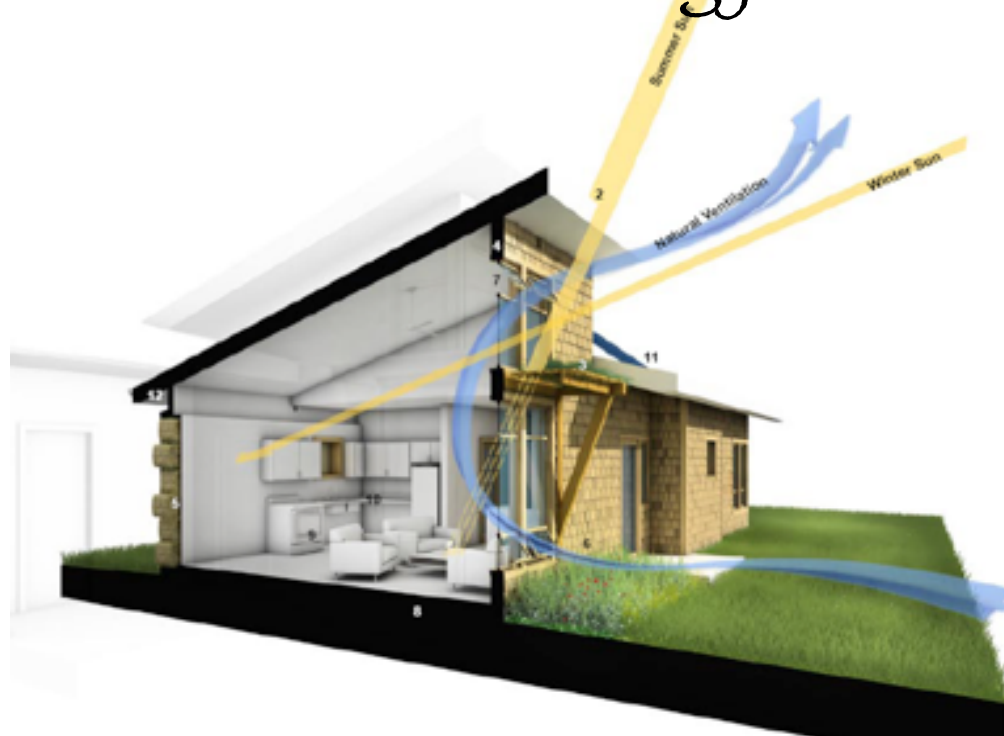


BEAUTIFUL, AFFORDABLE.
SUSTAINABLE HOUSING



NET ZERO DESIGN BEGINNING

Best sustainable technology available





Morgantown - 1992



Coho - 1994



Innisfree - 2003



Common Ground - 2009



Tierra Verde - 2012



Salish Way - 2021

EMPOWERMENT:
TEACH & TRAIN HOMEOWNERS,
VOLUNTEERS, AND INTERNS



WE CONSIDER
LONG TERM
SUSTAINABILITY
IN ALL OUR
PROGRAMS



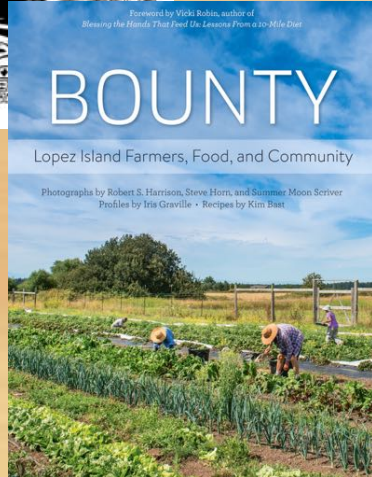
LOPEZ ISLAND AGRICULTURE AND FOOD SECURITY INITIATIVES

LCLT 2021-2022

Lopez Island
Farm
Products
Guide



Publications



Co-founded LIFE farm to school education program



Seed Library

Grain CSA



Established 1st mobile slaughter unit in the country

IN ADDITION TO HOUSING
OVER 90 ACRES OF FARM LAND HELD IN
TRUST & LEASED TO FARMERS



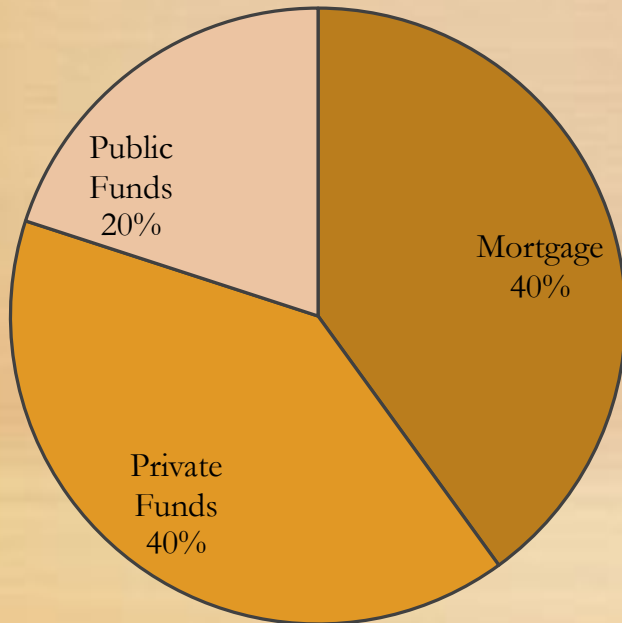
Stonecrest Farm



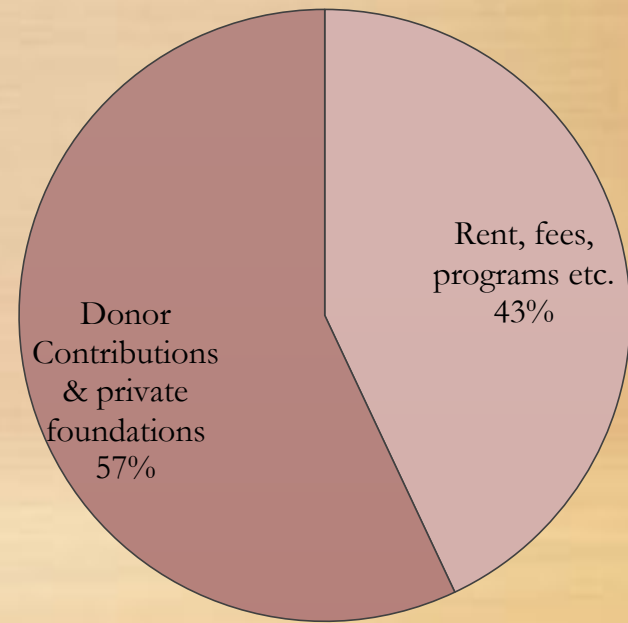
Lopez Sound Road Farm & Forest Preserve

FINANCE AT A GLANCE

Capital Projects



Operations



HOW DO WE DO IT?

- Three FTE employees
- Dedicated Board –made up of leaseholders, general & public representatives
- Membership –
 - 100 Leaseholder members
 - 160 General members
 - 10% of the population
- ...And by fostering community



COMMON GROUND VISIONING



Fun
Life
Play
Comfort
Diversity
Abundance
Sacred grounds
Helping one another
Wealth in friendship
Secure and warm
Lots of kids
Closeness and genuineness
Self-contained - cocooned
Spacious open feeling
Exceeding expectations
Water flowing, energy from sun
Learning from one another
Knowing each other Deeply
Respectfulness in communication
Children living amongst a larger family
Giving faith to the process of this community
Paths are a feast of food and companionship
Sharing our space with the greater community and world
Going through the ups and downs of life together
Feels like the community is much larger than it is
Career and professional life supported and showcased
Trees, dappled sun, places to be together and be alone
Our house feels like it is shared as part of the community
Houses facing one another; openness to each other
Our community is a model for others to look at
Feeling like family to one another
Thankful to be here.

**“There is no power
for change greater
than the
community
discovering what it
cares about.”**

– Meg Wheatley



LCLT

LOPEZ COMMUNITY
LAND TRUST

Building a Sustainable Island Community