

CLT APPLICATION

ABOUT ENTERPRISE

Enterprise Community Partners, Inc. (Enterprise) is a national community development intermediary that supports the development and preservation of affordable housing through public-private partnerships with financial institutions, governments, community organizations and other partners. Since 1982, Enterprise has raised and invested nearly \$14 billion in equity, grants, and loans to help build or preserve 300,000 affordable rental and for-sale homes to create vital communities and more than half a million jobs nationwide.

PROGRAM INFORMATION

There are over 25 Community Land Trusts (CLTs) across New York in operation or at various stages of development. CLTs play a significant role in preserving affordable housing, resisting displacement and gentrification, and building community wealth. While CLTs can originate through government sponsorship or as subsidiaries of community development corporations, the majority emerge from a community organizing background, rather than a development background, and establish themselves as independent 501(c)(3) nonprofit organizations.

Few CLTs have staff with deep expertise in navigating affordable housing development and operations. Many operate with limited or no full-time staff. In response to these system gaps, Enterprise is developing a comprehensive 12-month course to provide an overview of housing development and finance topics to 15 CLT volunteers, board members, and staff across New York State with the goal of equipping them to meaningfully participate in housing development and operations. When equipped with the tools to understand development processes, analysis of joint venture opportunities, and housing operations, CLTs will be better positioned to steward permanently affordable, resident-controlled housing.

Volunteers are unpaid individuals that contribute significantly to day-to-day programmatic work and are not board members

CLT TRAINING STRUCTURE

The duration of the training is 12 months. Training will take place once a month (12 content-specific sessions total).

1. **Fundamentals of Affordable Housing – Overview, Process, and Introduction to Financing**
Concepts: In this session, participants will learn about the types of affordable housing, obtain an overview of the intersection between affordability levels and operating costs as well as understand the stages and process towards the rehabilitation/development of projects. This session will provide a high-level overview of the process, time and investments needed for multifamily projects, including site identification, pre-development financial closing, construction, and marketing.
 - a. *What is affordable housing and what are the different models?*
 - b. *High-level overview of ownership/tenure models*

- c. High-level overview of the different roles of partners involved in development.*
 - d. High level overview of development and operating budgets associated with affordable housing projects.*
 - e. High level overview of the timeline and process involved in affordable housing development. E.g., site identification, development, resident engagement, financing closing, construction, and marketing/lease-up.*
- 2. **Affordable Housing Finance:** During this session, participants will learn about the costs of operating affordable housing, exercises on balancing sources and uses, developing operating expense sheets to maintain a building, setting sales prices or rents, and estimating mortgage loan calculations.
 - a. Overview of sample pro-formas.*
 - b. Description of typical uses for rental and affordable homeownership projects.*
 - c. Review of operating budgets and their relationship to setting rents and sale prices.*
 - d. Explore how changes in cost and revenue assumptions impact the ability to leverage debt (“stress testing”).*
 - e. Discussion of how construction costs, subsidies, and maintenance cost considerations relate to setting acquisition price for homeownership projects.*
- 3. **Stakeholders Involved in an Affordable Housing Project:** In this session, participants will learn about stakeholders in the space, what comprises a typical development team and what expertise should be built in. This session will include a panel of professionals. **No consultant will be needed for this session – content will be developed by Enterprise staff.**
 - a. Who should make up your development team? Partner obligations and expectations.*
 - b. Collaboration with different actors that touch affordable housing development and what to consider in selecting your team (e.g., architects, engineers, lenders, public sector staff, brokers, legal, residents).*
 - c. What is the timeline for identifying these parties and at what point in the development process should you involve them?*
- 4. **Understanding Joint Ventures:** This session will cover how CLTs can best position themselves for joint ventures with traditional affordable housing providers and community-based organizations.
 - a. What is a joint venture (JV)?*
 - b. What are the different kinds of JV structures?*
 - c. What characteristics should be sought after in a JV partner?*
 - d. What are the different levers to consider in a JV negotiation?*

- e. *What are some common pitfalls?*
5. **Deeper Dive -Property Acquisition and Pre-Development Process & Costs:** In this session, participants will obtain an in-depth understanding of key documents that are needed to move forward with an acquisition, such as purchase contracts and lease agreements. Participants will also explore the difference between acquisitions of public versus private sites as well as what it means to work with land banks and other entities disposing smaller scale homes. In addition, this session will provide an overview of financing considerations to consider.
- a. *Introduction to appraisal reports; key information in the report; basics of appraisal methodology*
 - b. *Discuss the different routes towards identifying and acquiring a site. (e.g., RFPs, community-identified, on the private market, land bank or tax foreclosure, expiring use/preservation opportunity).*
 - c. *Public vs. private land – intro to zoning and concepts; what you need to know; looking at a zoning analysis.*
 - d. *What are some pre-emptive steps that should be taken to assess the feasibility of acquisition?*
 - e. *Considerations around occupied versus vacant properties.*
 - f. *What are some key items that should be built or written into contracts and purchase agreements?*
6. **Deeper Dive - Construction and Rehabilitation Process & Costs:** In this session, participants will obtain knowledge in understanding (1) project design and engineering (2) navigating project approvals (e.g., City and County agency approvals) (3) performing due diligence, capital needs assessments, and translating these into rehab scopes and budgets (4) contractor selection and construction management.
- a. *Discuss the nuances and explore case studies for how design will vary by building type and might affect building costs (i.e., single family vs. multi-family).*
 - b. *What are some of the best practices and common pitfalls during this process?*
 - c. *What is the timeline of activities and how are they affected by different internal and external factors (e.g., permitting hold-up, change orders, supply chain issues, etc.).*
 - d. *Who are the stakeholders involved in this process?*
7. **Financing Options and Sources for Acquisition, Pre-development, Construction, and Permanent:** This session will provide participants with an overview of potential private and public sources, and we will invite housing agency staff to present on state and city resources that are available to CLTs. In addition to highlighting local funding sources, this session will include examples from other parts of the country. ***No consultant will be needed for this session – content will be developed by Enterprise staff.***

8. **Resident Ownership Deep Dive Pt.1: Single family, Co-Ops:** This session will provide an overview of the main types of resident ownership models used by CLTs in New York, with a focus on the real estate. This will include:
 - a. *Legal considerations (e.g., ground lease model, creation of separate ownership entities).*
 - b. *Planning/entitlements – how do they differ for these models (e.g., condo mapping, etc.).*
 - c. *Financing and proforma approaches Transitioning to resident ownership at stabilization/completion of construction.*
 - d. *Single family mortgages.*
 - e. *Blanket mortgages for co-ops.*
 - f. *Share loans for co-op units.*
9. **Resident Ownership Deep Dive Pt.2: Governance and Democratic Decision-making in the Context of Housing:** This session will continue to focus on resident ownership, with an emphasis on the elements of resident engagement, education, and participation that are involved in these models, including:
 - a. *Roles and responsibilities between homeowners and CLT (single family emphasis, but also could talk about co-ops)*
 - b. *Financial preparedness and training for residents to become homeowners.*
 - c. *Conflict resolution strategies.*
 - d. *Resident participation in the CLT tri-partite board.*
 - e. *CLT, co-op, and condo boards, and how they might interact in a “hybrid” model.*
10. **Building Operations:** This session will help participants understand the components of building operations from marketing and lease-up to ongoing property and asset management. This session will explore property stewardship functions and responsibilities across the range of models that could fall within a CLT, including single-family homeownership, multifamily rentals, multifamily cooperatives, or condos. Models for resident participation in managing rental projects (tenant councils, residents on CLT boards, special committees, etc.) will also be discussed.
 - a. *Asset management fundamentals for CLTs – monitoring capital needs, refinancing considerations, coordination with property management staff, etc.*
 - b. *Collaboration between CLT staff and resident-owned properties.*
 - c. *Compliance with regulatory agreements and other restrictions.*
11. **Sustainable and Resilient Housing Operations:** Implementing green building measures in affordable housing is an important strategy to reduce costs and improve building performance, as well as to safeguard buildings from a range of climate impacts. This session will focus on best practices to ensure environmentally sustainable housing operations as well as highlight available

resources from agencies for emergency preparedness and resilience that can reduce daily operating costs both in the short term and long-term.

- a. *Sustainable green building*
 - b. *Climate risk reduction*
 - c. *Disaster preparedness*
12. **(Tentative Bonus Session) CLT Case Study:** This is a bonus session in which a CLT or multiple CLTs will discuss and reflect on their best practices and lessons learned regarding building and managing an affordable housing portfolio.

CLT TRAINING SCHEDULE

The training will begin with an in-person orientation session at the Enterprise NYC office on October 3, 2023, and conclude with a (Zoom) closing ceremony in September 2024. Reimbursements for travel expenses incurred for the in-person orientation may be provided for up to 3 participants per CLT on an as-needed basis. **Content-specific sessions will occur every second Wednesday of the month from 10 AM – 12 PM, although times may be adjusted if desired by a critical mass of participants.**

- *Kick-Off – October 3, 2023**
- Session 1 – October 2023
- Session 2 – November 2023
- Session 3 – December 2023
- Session 4 – January 2024
- Session 5 – February 2024
- Session 6 – March 2024
- Session 7 – April 2024
- Session 8 – May 2024
- Session 9 – June 2024
- Session 10 – July 2024
- Session 11 – August 2024
- Session 12 – September 2024
- *Closing Ceremony – September 2024**

CLT TRAINING BENEFITS

1. Strengthened volunteer/staff knowledge on affordable housing finance and development.
2. Understand the basics of real estate acquisition processes, including financial modeling, negotiation, physical assessment, and cost estimating.
3. Strengthened knowledge of how to evaluate joint venture opportunities.
4. Relationship building with other CLTs across NYS to foster community/resident empowerment.
5. Access to 12+ sessions of office hours with affordable housing finance experts.

EXPECTATIONS

We ask for participation by the Executive Director/designated director, one staff member, and one board member. If the CLT has three or fewer staff members, we ask that all attend. Although we highly encourage the above staff to attend all sessions, every representative need not attend all sessions. However, there should be one representative at each session at minimum, and we encourage continuity among those participating from each organization.

It is expected that all participants are committed to using the information learned in the course to foster knowledge in-house, advance the CLT's mission and provide affordable housing. We expect participants to attend all sessions. **Participants who miss more than one unexcused session will not be eligible to receive a certificate of completion.** Participant commitments include:

- Attendance – The training will begin with an in-person kick-off on October 3, 2023. The monthly content-specific sessions will begin in October 2023 and conclude in September 2024. Note: **The schedule of the sessions may be adjusted. Timely updates will be sent out if any session is rescheduled.**
- Technical Assistance (TA) – CLTs are expected to engage in periodic one-on-one TA check-ins with Enterprise staff.
- Impact Data - Participants are expected to provide Enterprise with information on the impact of what was learned in training up to six months after the curriculum's completion.

ELIGIBILITY CRITERIA

For the purpose of this application, a CLT is a not-for-profit organization whose primary purpose is the creation and/or maintenance of permanently affordable housing. CLTs own the land under 1-4 family homes, multifamily buildings, or community assets such as community centers, parks, art spaces, etc. to maintain control and oversight over such assets as permanent resources for the community.

1. Geography: All participating CLTs must be located and operate in New York State.
2. Community-based: Participating CLTs must be based in and organizing with a community that may be defined by geography, culture, and/or mission-alignment and which is comprised of and designed to benefit low- and moderate-income people (primarily households earning <80% of AMI).
3. Capacity: Must have a functioning Board of Directors or demonstrated active steps toward the formation of a board.

IMPORTANT APPLICATION DATES

Application Opens: Monday, July 24, 2023, at 8 AM Eastern.

Informational Webinar: Tuesday, August 1, 2023, 10 AM – 11 AM Eastern. [Register Here](#)

Application Closes: Thursday, August 31, 2023, at 11:59 PM Eastern.

Acceptance Notifications: Early September, 2023

HOW TO APPLY

Applicants may apply via SlideRoom. To start an application, please use:

<https://enterprise.slideroom.com/#/permalink/program/73577>

IMPORTANT: SlideRoom will automatically save the Applicant's work. That means that even if the Applicant loses internet connection or has computer problems, the work will still be saved. Applicants can also log in and out as many times as they need to complete their application. However, once an Applicant submits their proposal, they cannot go back to make any edits. Applications received outside of SlideRoom or after the deadline will not be accepted.

Application Deadline: Thursday, August 31, 2023, at 11:59 pm.

For any questions, please contact Brianna McClure at bmclure@enterprisecommunity.org

THE APPLICATION

Please answer the questions listed below.

General Applicant Information:

1. Name of CLT
2. Location of CLT
3. CLT Years of Operation
4. Participant #1 - *Primary Point of Contact*
 - a. Name (First, Last)
 - b. Title
 - c. Email
 - d. Phone Number
5. Participant #2
 - a. Name (First, Last)
 - b. Title
 - c. Email
 - d. Phone Number
6. Participant #3
 - a. Name (First, Last)
 - b. Title
 - c. Email
 - d. Phone Number
7. Please list and describe the roles of all current active staff members/volunteers in 2-3 sentences.
8. Availability – Please indicate your team's preferred time of day (morning/afternoon) and day of week to convene for trainings and office hours.

Application Questions: (Up to **250 words suggested per question, bulleted responses are acceptable.**)

1. Briefly describe the work and mission of your CLT. Please provide brief information about the demographics of the community served and neighborhood context.
2. What are the organization's specific goals to advance racial equity? In what ways will your CLT's participation in this training advance racial equity in your community?
3. Does the CLT currently provide affordable housing (housing designed to benefit low- and moderate-income people - primarily households earning <80% of AMI) or have a project in the pipeline? If so, please describe.
4. What is the familiarity among your staff or board with affordable housing finance?
5. What barriers has the CLT experienced in operating and/or providing affordable housing to the community?
6. What tangible goals or outcomes is the CLT looking to accomplish from participating in this 12-month training series?
7. Do you have additional housing-related topics of interest that are not addressed in the current training curriculum?

EVALUATION CRITERIA

Applications will be evaluated on the following characteristics:

1. Completed application (20 points).
2. Meets eligibility criteria that are listed on page 6 (30 points).
3. Organizational commitment to advance racial equity (10 points).
4. Thoughtful analysis of CLT challenges, goals, and commitment to strengthening affordable housing finance practices into the CLT's operations (20 points).
5. Commitment to implementing program information and lessons learned (20 points).