Remaking the Economy: Who Owns the Land?

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Join the conversation!
Use our hashtag, #RebuildTheEconomy
Who Owns the Land?
US Home Ownership, 2016

Top 1%
10.7 percent

Next 9%
30.6 percent

Bottom 90%
58.7 percent

Source: Ed Wolff, National Bureau of Economic Research working paper 24085, Nov. 2017
Who Owns the Land?
US Non-Home Real Estate, 2016

Bottom 90%
17.9 percent

Next 9%
42.1 percent

Top 1%
40 percent

Source: Ed Wolff, National Bureau of Economic Research working paper 24085, Nov. 2017
Community Land Strategies

• Land banking
• Resident-owned communities (manufactured housing)
• Limited-equity housing cooperatives
• Land recovery in communities of color
• Community land trusts
• Agrarian trusts
• Permanent real estate cooperatives
Series Overview

- Remaking the Economy
  - 11-8-2018

- Community Land Ownership
  - 12-13-2018

- Worker Ownership
  - 1-10-2019

- Community Capital & Finance
  - 2-14-2019

- Leveraging “Eds & Meds”
  - 3-14-2019

- Building Policy Agendas
  - 4-11-2019

- How to Succeed at Changing the System
  - 5-9-2019
Series Learning Objectives

- Clarify core principles
- Develop a toolkit
- Understand ecosystems
- Identify ways to decolonize wealth and foster racial equity
- Highlight points of leverage
- Foster shifts in practice and thinking
- Balance short-term goals with long-term vision
“For a **colonized people** the most essential value, because the most concrete, is **first** and foremost the land: the land which will bring them bread and, above all, dignity.”

-- Frantz Fanon
1920  16 million acres of farmland Black-owned
Today  3 million acres of farmland Black-owned

1920  14% of all farms Black-owned
Today  1% of all farms Black-owned

**Individual land ownership resulted in increased vulnerability to land loss**

- Systemic discrimination by the US government (*Pigford* lawsuit)
- Heirs property & “partition sales”
- Other real estate predatory speculation
- Predatory financing and foreclosures by banks
- Lack of capital to pay taxes and liens
- Limited access to credit
- Stolen by greedy and/or racist neighbors
New Communities Inc.

• Founded by Charles & Shirley Sherrod
• First community land trust in the United States
• To protect and secure the homes and lands of the southern rural poor
• To establish a means for rural economic development through agricultural, mechanical, educational, and social service opportunities
Key Principles & Values

- Self determination
- Sovereignty
- Collectivism
- Deep democracy
- Intergenerational
- Community Wealth and Power to shift economic control
- Reparations
- Radical ecology
- Radical inclusivity
- Radical Black Feminism
BLACK LAND AND POWER COALITION
• Proud Ground creates permanently affordable homeownership opportunities for first-time homebuyers using the Community Land Trust model.

• Founded in 1999, Proud Ground became the first city-wide entity to provide permanently affordable homeownership opportunities and since has expanded to five counties around the state—to better meet the needs of working families.

• Proud Ground has become one of the largest community land trusts in the country, having served 363 families in a permanently affordable portfolio of 287 homes.
The Homeownership Process

- Grants
- Education & Down-payment
- Proud Ground
- Mortgage
- Buyer qualifies for traditional mortgage
- Homebuyer owns the home
- Land ownership varies on model
- For Sale
The CLT Model Limits the Rate of Increase in Resale Prices, Keeping Homes Affordable Over Time

- One-time subsidy
- Resale price remains affordable without any new subsidy
- Market price
- Affordable price

Source: Rick Jacobus
Demographics

• 52% Proud Ground homeowners of color served in total
• 71% Proud Ground homeowners of color served in 2017
• 75% Proud Ground homeowners of color served by 2020

New Funding Sources

• Inclusionary Housing
• OHCS’ Local Innovation Fast Track (LIFT)
• Metro Bond
Community Ownership of Land

• Uses a land lease to hold the land in the community trust deed restriction
• Focus on permanent affordability and protecting homes/units from the market
• Community engagement includes tripartite Board of Directors and membership benefits
One of many solutions: Agrarian Trust

Support land access for the next generation of farmers.

Inspirations:
- Bhoodan Movement
- New Communities Inc.
- Terre de Liens
Governance and Structure

Polycentricity (many centers of power)
Stakeholder membership & decision-making
Staff trusteeship
Non-speculative land ownership
Racial Equity
## Financing/Capital

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EB PREC Mission Pillars

#LandWithoutLandlords
Housing as a right, not a Commodity

#RestorativeEconomics
Building collective wealth among historically disenfranchised communities

#HealPeoplePower
Democratic governance to short-circuit learned colonial power practices, rebuild our capacity to heal, and reimagine Collective Power
Conventional Real Estate

- We The People: Are the Tenants
- Bank: Fund and Own
- Landlord: Purchase & Manage
- Properties: Equity & Profit
- Interest/Profit
- Pay Rent
How EBPREC is Reimagining Real Estate

We The People
- Fund, Manage and Own
- Are the

East Bay PREC
- Purchase & Manage

Properties
- Equity

Tenants
- Pay Rent, Live in, and Manage

Return on Investments and Profits
Cultivating a new legal landscape that supports community resilience and grassroots economic empowerment.
Thank you for joining us!

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Tell us what you thought! Use our special hashtag, #RebuildTheEconomy