

CCCLT

Crescent City Community Land Trust



Crescent City Community Land Trust

Annual Report 2020



A Letter From our Executive Director

3

Increasing Permanent Affordability in New Orleans

5

Communications and Marketing Outreach

8

Developing Organizational and Internal Capacity

11

Current Financials

12

A Letter From our Board President

14



A Letter From our Executive Director



Dear Community Land Trust Members, and Supporters,

Crescent City Community Land Trust's (CCCLT) focus in 2020 has been three-fold:

- 1 Increasing the availability of permanently affordable residential and commercial spaces in New Orleans
- 2 Effectively communicating our mission of permanent affordability coupled with stewardship to the people of New Orleans and to other stakeholder groups: existing CLT residents, future CLT residents, landowners in the Livable Claiborne Communities, government officials, funders, small business owners, development partners, etc.
- 3 Changing the local residential and commercial permanent affordability policy discussion.

Increasing Permanent Affordability in New Orleans

We started building momentum in 2019 and 2020 showed the results of those efforts with a look to the future. In many ways – five CLT home sales, increased outreach growth, the initiation of stewardship with our CLT homeowners, fundraising gains, increased investment in neighborhoods of opportunity, additional permanent affordability policy advocacy, closing construction financing on the 1800 St. Bernard Ave/Vauresson project, etc. – 2020 has easily been the best year in CCCLT's existence. Our highlights, lessons learned and opportunities for growth are summarized below.

As you are reading the balance of this annual report, please know that COVID-19 has dramatically affected how CCCLT works internally, externally and on behalf of the community we serve. Where appropriate we have noted some of those instances. However, despite COVID-19 and the terrible consequences it has wrought, it has been a year of progress for CCCLT.

2020 has been a critical, productive year in terms of growing the viability and sustainability of permanent affordability and the CLT movement in New Orleans. We expect more and better in 2021!

Sincerely,

Julius E. Kimbrough, Jr.
Executive Director



Increasing Permanent Affordability in New Orleans



Single Family CLT Home Production and Sales

CCCLT has successfully closed four more single family CLT home sales in the Lower 9th Ward in 2020. Our successful Lower 9th Ward sales have also been an unexpected source of income and organizational support to CCCLT in 2020.

CCCLT also progressed toward the development of three additional CLT homes in the Broadmoor community – a designated neighborhood of opportunity - that will sell for approximately \$150,000 to families at 80% of area median income in 2021. And we furthered negotiations that could result in the production of 10 additional CLT single-family homes over the next 2-3 years in the Leondias area in Uptown New Orleans, another neighborhood of opportunity. Additionally, CCCLT owns four vacant lots in Central City and we anticipate initiating at least two CLT home developments on these lots in 2021.

Increasing Permanent Affordability in New Orleans

6



Commercial and Multi-Family CLT Activity

In late November, we closed on construction financing for the 1800 St. Bernard Ave/Vauresson family project, which will result in the production of two permanently affordable apartments and through commercial stewardship we will help a 120-year African-American family business re-establish its retail presence in the neighborhood of opportunity – the 7th Ward – that they call home. This project allows CCCLT to fulfill its mission in a variety of ways:

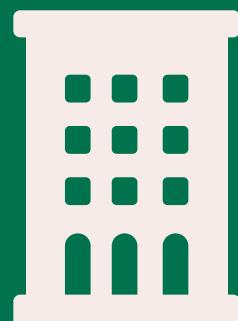
- Focus on development in the rapidly gentrifying heart of the Livable Claiborne Communities (our service area)
- Creation of more residential and commercial permanent affordability
- Provision of stewardship services to local (food) culture bearers
- The creation of direct relationships with multiple government partners (e.g. the State of Louisiana – Office of Community Development, who supported 1800 St. Bernard Ave with a low-cost mortgage) while aligning with other non-profits like Propeller Incubator, who supported the Vauresson family with small business consulting.

Commercial and Multi-Family CLT Activity cont.

Finally and perhaps most importantly, the 1800 St. Bernard/Vaucresson project allows us to deploy the CLT model as an engine of intergenerational wealth creation through African-American small business development. It is CCCLT's organizational goal to turn the experiences, processes and tools utilized in the 1800 St. Bernard Ave/Vaucresson development into a new business line or program through which we can serve our community more effectively.

In late 2017, CCCLT acquired a property at 3300 LaSalle in Central City from Harmony Neighborhood Development and we began pre-development activities to build a mixed-use facility to house a Federally Qualified Health Clinic (FQHC) in conjunction with DePaul Community Health Centers (DCSHC). Over 2020, we have realized that we will be unable to motivate DCSHC to move forward on the project we have jointly envisioned over the last three years. In the first quarter of 2021 CCCLT will reconsider our intentions for 3300 LaSalle.

**69 apartments total
with 25 permanently
affordable units**



9%

The Pythian

CCCLT owns approximately 9% of The Pythian Building in downtown New Orleans and the 25 permanently affordable apartments that we steward in the building are our most significant development and investment to date. COVID-19 has negatively impacted the financial performance of The Pythian Building. Nonetheless, we have resumed our active housing affordability monitoring and compliance activities at The Pythian in 2020; we also assisted Green Coast Enterprises (the investment manager and our co-owner) in identifying a new onsite manager: Summit Apartment Management. Given COVID-19, it was unsafe to hold in-person stewardship activities, but CCCLT was able to coordinate with the building manager to support residents who had fallen behind in their rental payments in coordination with the building manager. Additionally, we are developing a COVID compliant stewardship program for The Pythian and our Lower 9th Ward community of homeowners for 2021. In the interim, the ongoing Pythian management dispute between our co-owners has distracted from all of CCCLT's engagement efforts at The Pythian and also caused CCCLT financial difficulties.

We continue to take steps to mitigate our financial and legal exposure to the management dispute between our partners while simultaneously attempting to promote a resolution. Although the challenges we now face with our Pythian partners have been difficult, CCCLT's continued progress and successes are testimony to the hard work that staff, board of directors, volunteers and supporters provide.



Communications and Marketing Outreach

With the help of DMS Communications, our engaged Board of Directors and with specific funding from the Ford Foundation, CCCLT continued implementing our communications and public policy change agenda. Highlights include:

55
people filled out
applications to
purchase a L9
CLT home.

American Planning Association Journal

**"Expanding Equity,
Affordability, One Lot
at a Time."**

9/20, Dan Vock

New Orleans City Business

**"New Orleans Nonprofit
Eyes Expansion of
Community Land Trusts."**

9/28/20, Andrew Valenti

WWLTV

**"Rebirth for Historic
New Orleans
Business."**

12/7/20

New Orleans City Business

**"Vaucresson Sausage
Co. Returning to its
7th Ward Roots."**

12/11/20, Andrew Valenti

The Times Picayune

**"Vaucresson Sausage building
new market, restaurant in
New Orleans' 7th Ward."**

12/11/20, Ian McNulty

Social Media



Continued partnership conversations with many potential for-profit (such as a potential CLT/condominium development in the Lower Garden District) and non-profit partners like Sustaining Our Urban Landscape (SOUL), which facilitated a Lower 9th Ward tree planting in February 2021.

Participation in multiple webinars and panels, including conversations sponsored by Massachusetts Institute of Technology, Washington University (St. Louis), Harvard University, Community Science, Southern Poverty Law Center, etc.

Policy Discussions

In 2020, CCCLT continued to work with the Greater New Orleans Housing Alliance/HousingNOLA and others to foster more funding for affordable housing and to encourage the City of New Orleans to adopt more humane housing policy measures.

CCCLT has been working directly with the City of New Orleans's Office of Community Development in order to gain their support for allowing funds from the City's down payment assistance program be used in the purchase of single family community land trust home sales. Through these ongoing discussions with City staff, their comfort with and understanding of the CLT model continues to grow and we are now gathering example models and program details from other cities around the country that we can share with them as they consider expanding their municipal soft second mortgage program to include CLT homes.

While the Housing Authority of New Orleans (HANO) has verbally agreed that Section 8 voucher holders should be able to use their vouchers to purchase community land trust single family homes, that verbal agreement has not resulted in a change to written policy or memorialization through a memorandum of understanding with HANO. CCCLT staff will focus on building a coalition of likeminded partners to help us pursue policy change as we engage with the City of New Orleans and the Housing Authority of New Orleans in 2021. We will also engage the New Orleans Redevelopment Authority in the new year to discuss modifications to their existing residential development programs.

We can confidently say that due to community outreach, policy impact and word-on-the-street, CCCLT and our mission of permanent affordability and stewardship are growing quantities in the mental landscape of the people we serve and want to serve, potential partners and throughout New Orleans.

Developing Organizational and Internal Capacity

In 2020, we increased our work with home sales partner Home by Hand, financial management + operations consultancy Innovative Strategic Partners and messaging firm DMS Communications. These additions to our capacity have resulted in increased productivity from CCCLT in total. CCCLT staff operated with diminished capacity in 2020 because we lost one staff person in December 2019. Nonetheless, we plan to again grow our capacity again in early 2021 by hiring a manager of our stewardship + education endeavors.

Our aforementioned, successful work with Home by Hand highlights our ongoing exploration of more collaborations, joint ventures and potential mergers as a potential means through which CCCLT will increase our sustainability and grow our capacity to create more permanent affordability coupled with stewardship. We will continue these explorations in 2021.

On the financial management front, we increased our flexibility and resources:

- Term Loan with Foundation for Louisiana
- Construction Line of Credit with NewCorp, Inc.
- Reserve Line of Credit with AMCREF Community Fund, Inc.

The strength of CCCLT's balance sheet improved significantly when the Ford Foundation forgave the L9 CLT home construction financing debt that we accepted when we took ownership of the L9 CLT homes. Unanticipated fundraising success with JPM Chase Bank and Capital One also bolstered our 2020 financial performance.

Statement of Financial Position

As of December 31, 2020

Assets

Cash	\$287,072
Investments	\$564,915
Real estate development	\$637,222
Investment projects	\$1,480,175
Other assets	\$62,273
Total Assets	\$3,031,657

Liabilities

Accounts Payable	\$16,410
Loans payable	\$124,863
Other liabilities	\$3,553
Total liabilities	\$144,826

Net Assets

Restricted net assets	850,000
Unrestricted net assets	1,383,619
Equity	653,212
Total net assets	2,886,831

Total liabilities and net assets:

\$3,031,657

Statement of Activities

For the Year Ended December 31, 2020

Revenue

Foundation grants	\$314,891
Home sales, net	\$219,476
Other revenue	\$22,863
Extraordinary income	\$736,887
Total revenue	\$1,294,117

- Total Assets
- Total Net Assets/Equity

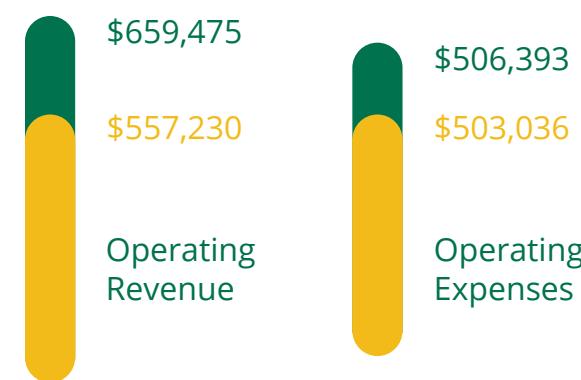
Expenses

Salaries and benefits	\$159,947
Consulting & contract services	\$101,157
Property maintenance	\$190,306
Other program expenses	\$ 51,627
Extraordinary expenses	\$641,066
Total expenses	\$1,144,103

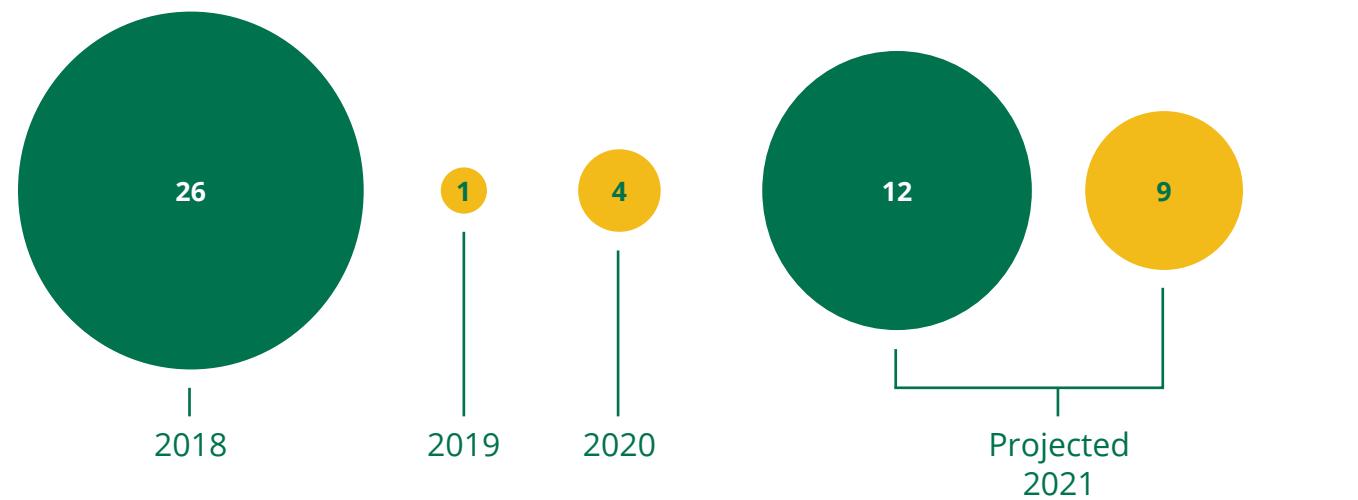
Change in net assets	\$150,014
Beginning net assets	\$2,736,817
Ending net assets	\$2,886,831



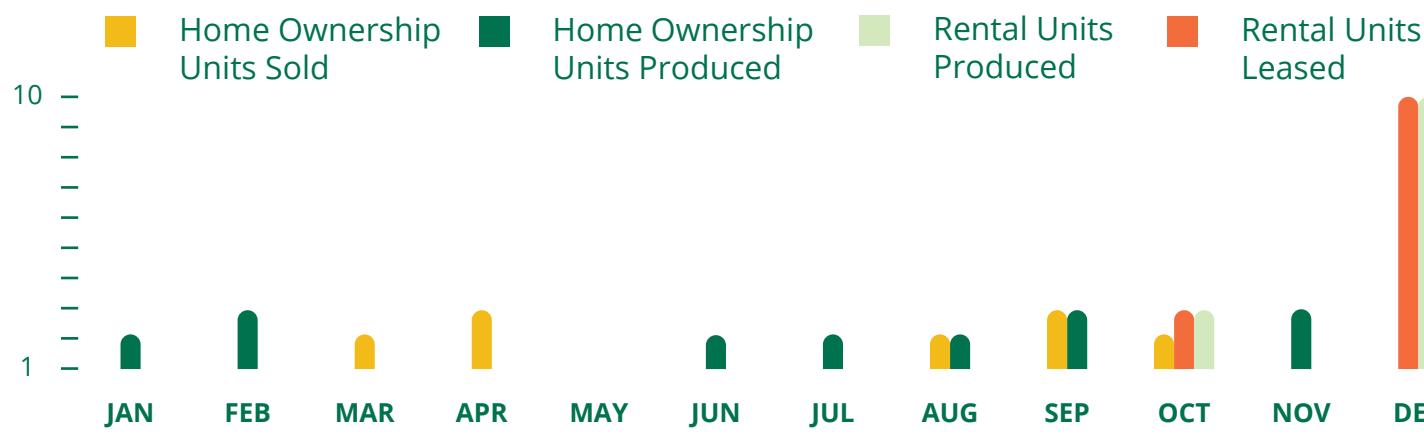
FY2020 Budget vs Actual



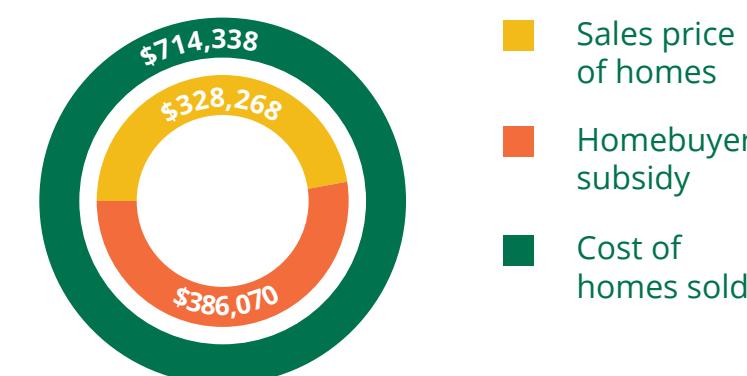
Units Produced and Projected 2018 - 2021



2021 Projected Developments, Sales, and Leases



Sales Price vs Cost of Homes Sold 2018 - 2020 (5 Homes)



A Letter From our Board President



Dear Community Land Trust Members, and Supporters,

Reflecting on the past year can be a painful experience. The pandemic brought a great deal of tragedy to New Orleans families with lives lost, job insecurity, isolation, food scarcity, evictions and other dire consequences. And it also reinforced for my fellow board members and myself how important high quality, stable, and permanently affordable housing is for our community.

Since Hurricane Katrina and the levee failures, New Orleans has faced an affordable housing crisis, and there is no single remedy for solving it. However, there are a number of tools that can expand the availability of affordable housing and increase equity in New Orleans and Crescent City Community Land Trust (CCCLT) efforts are part of the overall solution.

In spite of COVID-19's many challenges, CCCLT had its most successful year to date. Under Executive Director Julius Kimbrough Jr.,

- CCCLT was able to produce new community land trust homeowners in the Lower Ninth Ward,
- Assist families in staying in their affordable rental units,
- Collaborate with other organizations on affordable housing programs, policy measures and projects,
- And bring more awareness to the viability of the community land trust model.

CCCLT's year concluded with the "Rebirth of 1800 St. Bernard Ave," which will restore an historic building in the Seventh Ward; return a Black-owned family business, Vaucresson Sausage Company to their home; produce two permanently affordable rental units and reinvigorate a commercial corridor.

We at CCCLT are happy to put 2020 behind us. We are proud of the work accomplished by the organization over the past year and look forward to continuing to expand on our mission of permanent affordability for generations through equitable residential and commercial development, community stewardship, and housing advocacy.

Sincerely,

Lindsey Navarro
CCCLT Board President



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