

## Wealth Building Initiatives: Direct and Indirect

There are a plethora of US, and international, groups that are leading efforts to build community wealth and/or maintain affordability using a variety of frameworks of cooperatives, REITs, community land trusts, local food systems, shared equity models and much more. The following are a handful of examples ranging from groups that are just starting their work to those that have been running for a few years<sup>1</sup>. **For a summary of this information, see the [Governance Matrix Google Spreadsheet](#).**

### Direct Wealthbuilding (Organizations in the Matrix)

#### CIT

- Overview: The CIT allows SE Portland citizens to invest in a local strip mall for \$10-100 per month. This investment is loss protected, and can be removed at any time. Before investing, one must take the “From Owing to Owning” course, a six hour financial literacy course educating potential investors on budgeting, financial goal setting, the importance of good credit, and the risk & rewards of investing. This model helps Portland residents build wealth while supporting their community.
- Investment: Graduates of the course can choose to invest \$10, \$25, \$50, or \$100 monthly into the CIT. As the building appreciates in value, the investor’s share prices go up, and they receive an annual dividend. One can take out their investment at any time, as well as pause their monthly investments, and lower the monthly rate (one can only raise it at the beginning of every calendar year). The annual dividend for 2019 was 12%.
- Governance Structure: the main team is comprised of an Executive Director, Operations Manager, and Outreach Coordinator, as well as nine class facilitators (for the from Owing to Owning class). They give out annual surveys to the tenants and investors to measure their impact

#### NICO (Neighborhood REIT)

- Overview: NICO, or the Neighborhood Investment Company, is a residential REIT that owns 3 residential properties in and around Echo Park, California. It is a for-profit public benefit and a B cooperation, meaning a public report detailing how they are moving forward with their objectives is required.

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<sup>1</sup> This document is solely for educational purposes. It is a combination of writing from the CIT, and passages from the organization’s websites. This is to represent their mission as accurately as possible; all sources are linked.



- Investment: Investing opened in early 2020, with a minimum initial investment of \$100. They can make monthly investments (which have no minimum after the initial investment) , or only invest once. As the properties increase in value, the investor owns a share of the income produced by the real estate, and a share of its underlying value. Investors can choose to reinvest their earnings, or be paid quarterly dividends. Anyone 18+ with a US bank account and a social security/ tax identification number can invest, however people living in area codes 90012, 90026, 90027, 90090, 90017, 90071, 90029, 90031, 90039, and 90057 can become local shareholders, and are eligible to invest in a separate class of shares that have preferential terms for the Redemption Plans
- Goals: Similar to Market Creek Plaza, they interviewed the community for its needs before setting the goals of the company. From this, they created five impact areas: increased financial inclusion and wealth creation, distributed power and stakeholder alignment, improved environment and quality of life, neighborhood diversity and stability, and a strong local economy.
- Leadership: NICO is expert led, with a management team of 10 as well as a board of advisors. While the stakeholders cannot gain a leadership role within the REIT, NICO highly values both their stakeholders and partners' feedback, and is designing a stakeholder engagement framework (currently, they interact with their stakeholders through one on one meetings, surveys, polls, and feedback forms). [Nico Impact Assessment](#) [Nico Offering Circular](#)

## UMH Properties

- Overview: UMH buys land, builds [manufactured homes](#), and sells them to the community. They keep housing prices low by being a land-lease community. The resident owns or rents the house, and leases it from UMH. Not having to buy the land itself significantly decreases the price of the home. Also, UMH promises lower closing and maintenance costs. In addition to low prices, UMH offers a sense of community, with amenities such as pools, fitness centers, playgrounds, and community gathering events. [Forward Looking Statements 2017](#) [2019 Annual Report](#)
- Investing: UMH is a publicly traded company, with a current stock price of [\\$12.91](#) (as of June 1st). Although other REITs such as Nico allow one to more directly invest in their community, UMH homeowners can invest in their community through buying UMH stock
- UMH shares many similarities with [Equity LifeSyle Properties](#) and [Sun Communities](#), being publicly traded organizations using manufactured housing to build communities of affordable homes

## Housing Partnership Equity Trust

- Overview: a social purpose real estate investment trust that focuses on affordable housing. They currently own 13 properties, ranging from 100-400 units. They partner with 14 nonprofits nationwide.
- Investing: The website lists 6 institutional investors. The [2019 Annual Report](#) documents investment by individuals, but the minimum investment and gains on the investment are not available.
- Governance Structure: The leadership team consists of a President/CEO, Chief Investment Officer, Executive Vice President/Finance and Investor Relations, and Treasurer/Controller. Additionally, there is a board of directors comprised of 17 members.

## NYC Real Estate Investment Corporation

- Overview: NYC Real Estate Investment Cooperative is an organization of over 500 community members who are *looking to secure a space* for small business and cultural use in NYC. Though this organization has not yet secured a building/property to start this project, it has the approval to collect money from members to put towards acquiring a space to secure and has raised \$4,000 and elected a board of directors from those that started the organization. Additionally, NYC REIC has established a \$10 member fee and looks to follow the seven principles of co-ops that have been established internationally.
- Governance Structure: Currently the co-op is being run by the [founding board](#). The power of board members is very carefully laid out in the [bylaws](#) of NYC REID. The board has the power to “evaluate investment opportunities”, decide on the need for advisors or other employees, enforce the bylaws, and act ethically. To become a board member one must be a member of NYC REIC and be nominated. In total, there must be 10-25 directors at a time, each director can have one, two, or three year long terms, and the directors will receive no compensation for their duties. The board of directors are elected at the annual members meetings. There is no maximum number of total terms that can be held. The board has the authority to create committees, in addition to the executive committee. The executive committee will consist of five directors and have the authority to act in consensus; however, this committee is not allowed to make decisions which have previously been detailed as needing member authorization as well as the amendment of resolutions passed by the board as a whole. There will also be a finance committee and audit committee, both appointed by the executive committee. Other committees are detailed in the bylaws.

- Membership: Membership is open to any individual for a fee of \$10, while organizations and corporations are eligible for membership if a relationship based on the exchange of goods and services is established. The board is able to amend the terms of membership, adding participation or additional financial requirements, as they see fit. There are quarterly meetings (with notice) for members that allow for the consideration of the finances of the co-op. To hold a vote of any kind 10%, or 100 members, (whichever is less) must be present. Each member is entitled to one vote. Members have the ability to change bylaws and are the only ones whose consent allows for the election of directors, dissolution of the corporation, amendment of the “Certificate of Incorporation”, disposal of assets, approval of a merger, and any decisions regarding dissolution.

### NorthEast Investment Cooperative

- Overview: Established in Northeast Minneapolis, the NorthEast Investment Cooperative (NEIC) is set up to buy and rehabilitate commercial and residential buildings by fundraising through community members. The NEIC was motivated to take on this project because the area where the co-op has been established, generally does not offer high enough returns to attract private investment and has not deteriorated enough for public investment.
- Investing: Investors get a return of 2-4 percent for their shares in the building that NEIC has converted (the organization also has a securities exemption).
- Governance Structure: The organization has a board as well as investors which help decide on new locations for replication. The organization is structured into members, which all have one vote, and a board of directors who volunteer for the position. Additionally, these voluntary directors oversee the Property & Tenant, Finance & Governance, and Membership & Marketing committees. The members can be anyone living in the state of Minnesota
  - This group has their board full of volunteers, which relies on a fair amount of confidence in sustained participation, as do the committees, yet there is no clear path for ensuring engagement. Also, NEIC investors are not limited to a certain geographic area, but rather anyone in the state is eligible, which does not prioritize reaching low income families with this investment opportunity.
- Board of Directors: The board of directors can have between five and nine elected members, each member being elected for three year terms at annual meetings. As of now there are eight volunteer directors. Generally, the positions on the board include, president, vice president, treasurer, and secretary. The board is allowed to choose two additional directors that have valuable expertise, or help make the board more representative of the community, for one year terms. Board members must be members of the NEIC, and no more than one individual from a corporation can serve on the board

at a time. The power of the board is only confined by the work reserved for the NEIC members, which includes the election of board members, anything brought to the attention of members through a petition, vote of removal of a director, any decisions regarding the compensation of board members, amendment of the bylaws, and dissolution of co-op with  $\frac{2}{3}$  vote. The directors oversee the Property & Tenant, Finance & Governance, and Membership & Marketing committees. The board is also in charge of all financial decisions including how to allocate the financial returns, and any surplus, to members. The board has monthly meetings (with notice) and members of NEIC are welcome to attend. Members (individuals or businesses) have a \$1,000 joining fee. Members have one vote for all decisions that are in their direct control and are eligible to run for a seat on the board. [Bylaws of NorthEastern Investment Cooperative](#)  
[NEIC.COOP FAQ](#)

### [The East Bay Permanent Real Estate Cooperative](#)

- Overview: The East Bay Permanent Real Estate Cooperative is a co-op that buys properties to keep rent low for the community. The organization has acquired two properties (one housing residents and one under renovation), and is in the process of buying one more. It is also collaborating with several other organizations to make a new cultural hub at the West Oakland Bart Station. The EBPREC hopes that eventually tenants will seek out more properties and replicate the process on their own.
- Governance Structure: The co-op plans on having many categories of owners, such as community, investor, resident, and staff owners. All members/owners will have a vote on matters that are democratically decided upon. Though right now the board of this organization is comprised of 5 individuals, the goal is to have a board of directors with 8 people with each director serving two year terms. The board of directors will lead initiatives associated with the acquired property, but EBPREC will continue to take charge of accounting. The minutiae of governance are laid out in a handbook created by the EBPREC.
  - Inclusivity: EBPREC has really thought about the roles that community members will need to fill to sustain the organization and has deeply thought about inclusivity as they plan on electing a board of directors of 8 people where one director will be elected by all owners, 4 directors will be representative of each owner group, and these 5 directors will choose the POC Housing Justice Director, Indigenous Director, and Black East Bay Director based on recommendation.
  - Governance Structure: EB PREC broadly envisions that owners will work closely with staff on projects, while staff is overseen by a board that is elected by the owners. Though it is possible to be more than one type of owner, each owner gets one vote. The board of EBPREC will be comprised of 8 directors, that each have 2 year terms. The board's responsibilities include keeping an eye on finances,

ensuring compliance with the law, and monitoring staff and internal policies. The five elected directors are those in charge of governance, finances, staff, residents, and community, while the three appointed directors are the POC Housing Justice, Indigenous Director, and Black East Bay directors. Board meetings occur quarterly (with notice) and decisions are only made when there is a majority among directors, unless a higher threshold is required by the bylaws. Additionally, board committees can be made, consisting of at least two members, but they are precluded from deciding on issues relating to issues that require the approval of owners, choosing new/compensating board members, establishing committees, amending resolutions from the board, expenditures. The board must also organize at least one owner meeting annually. The staff is responsible for proposing new activities and policies, managing schedules, and maintaining the work environment. [EB PREC Bylaws](#)



## United Dwelling

- Overview: United Dwelling is trying to fix California’s housing problem through building studio apartments in people’s backyards. Qualified homeowners can either have their garages transformed (completely rebuilt from the ground up) into an Accessory Dwelling Unit (very similar to a studio apartment) , or have one built in their backyard. United Dwelling takes care of getting the project approved by the city, building the home, and renting it out.
- Investing: the studio costs \$78,900 to build. The homeowners can either pay that money upfront, or pay it off monthly using a portion of the rent. The homeowners benefit in two ways: the rent from the apartment increases their monthly income, and the addition of an accessory dwelling unit increases their property value. This will increase property taxes, however not by more than a couple hundred dollars per year, which the company claims is “ a small price to pay compared to the rental income you will receive.” Also, the

annual premium on your insurance may increase, but by no more than \$20-35. All utilities for the accessory dwelling unit will be separately metered and paid by the tenant.

- Renting: United Dwelling finds up to five different candidates for your accessory dwelling unit, and you get to choose which to rent to (they usually include a paragraph about themselves, along with basic information). It is not necessary for the tenant to have a parking space (they can park on the street/use public transit), and no pets are allowed.
- Other: Construction takes six weeks, and United Dwelling will not start construction until at least three other houses in your neighborhood have committed to installing an accessory dwelling unit as well.

## National Housing Strategy

- Overview: Canada Mortgage and Housing Corporation's overarching goal is to make housing affordable for all. This entails ensuring that everyone has the dignity of having a home.
- The Strategy: CMHC has created Canada's first National Housing Strategy, a 10 year and over \$55 billion dollar plan that seeks to reduce homelessness by 50%, strengthen the middle class, build new homes, and strengthen the economy. The National Housing Strategy prioritizes vulnerable populations, which they have defined, and have set "national housing targets". CMHC is collaborating with researchers and the NHS, as well as across the private, public, and nonprofit sectors. Additionally, a first-time home buyer incentive is also extended by CMHC. This incentive reduces monthly mortgage payments by 5% or 10%. This incentive is contingent on the payment of 5% or 10% of the selling price back when the house is sold again and that homeowners meet the requirements outlined by CMHC.
- Governance Structure: The framework governing CMHC is a combination of the *Canada Mortgage and Housing Act*, the *National Housing Act*, and the *Financial Administration Act*. There is also a [board of directors](#) in compliance with the CMHC act. The board consists of a chairperson, president/CEO, the deputy minister of the minister for CMHC, the deputy minister of finance, and eight additional directors. The chair, president/CEO are all appointed by the Governor in Council. "The eight other directors are appointed by the minister designated for the purposes of the *Canada Mortgage and Housing Act* and the *National Housing Act*..." All members, except the president/CEO, are independent of CMHC. The board meets five times a year and meetings are held in many locations to allow board members to visit sites and talk with local stakeholders. There are many committees that assist the board in leading the CMHC. The board is in charge of ensuring CMHC is run in accordance with legislation. CMHC is also accountable to parliament. The board must ensure that policies are adequate and must track finances. Additionally, the board leads strategic planning, risk management, financial oversight and control,



corporate governance, ethics, planning, communication, and oversight of the pension fund. [Board of Directors Charter](#)

## Options For Homes

- Governance Structure: Each community is a co-op which buys the land and builds the building. The condos are sold before they are built (selling price does not create a profit for Options), so members and directors are prospective homeowners in the communities developed. Options is a consultant for the co-op. There are monthly meetings where owners can give feedback to Options. [Client Profile: Humber Co-Operative Development Corporation](#)

## Trillium Housing

- Trillium Housing is a nonprofit that helps develop and finance affordable housing for families that earn incomes under the local median. Trillium assists with down payments so that families can get a reasonable mortgage on a home, specifically one selling at less than the local median home prices. There is no interest on the mortgage provided by Trillium, instead, the amount loaned by Trillium must be repaid, or at the time of re-selling the home the percentage Trillium assisted with must be repaid with respect to the new market price of the home. To benefit from the Trillium's Mortgage families must also qualify for a bank loan. Trillium offers the services of a broker to assist in determining appropriate mortgage sizes. In addition to providing affordable housing Trillium also provides the opportunity to pair with local developers. The stated incentives for developers include an expanded market, social impact, faster absorption, and much more, thanks to Trillium's purchasing assistance. Finally, social impact investors can invest in Trillium and earn interest over the course of four years.

## Jumpstart

- Overview: Jumpstart is an organization in Philadelphia that incentivises development in neighborhoods where real estate investment is currently lukewarm. They create opportunities for local residents to invest in and develop their neighborhoods, building wealth locally. They support scattered site rehabilitation, and encourage a healthy mix of both affordable and market rate housing. This improves neighborhood safety, helps first time investors become more attractive to traditional lenders, and increases diversity, changing the face of real estate development.
- Investing: first, one must attend a jumpstart training program. This is a nine hour financial literacy course, with a focus on real estate business models, property sourcing, design and construction, financing and cost estimation, and leasing and selling property. After completing the course, one is assigned an industry professional as a mentor to guide



them through their next (or first!) development project. They can then apply to the Jumpstart loan program to get a loan on acquiring a residential property in targeted Philedelphia neighborhoods (currently Hunting Park, North Philly West, Southwest, Tioga and West Philly). Since 2015, they have provided more than \$16 million in loans to entrepreneurial real estate developers. There are currently 7 different neighborhoods participating, each with their own jumpstart training program. Their website has information on how to start a jumpstart program in one's own neighborhood.

### Local Stake

- Overview: Local Stake is an investment crowdfunding site, specifically tailored to small/new businesses. The companies upload themselves to Local State, and customize the investor they are looking for (can choose what state they live in, whether or not they have to be accredited, minimum investment, etc). The investors then look through the company profiles, and when they find one they would like to invest in, the investment is done through Local Stake
- Investment: Local Stake supports four types of investment: revenue shared loans, preferred equity, convertible debt, and traditional loans. Some loans are open to all investors, and some only to accredited investors. The company presentation is very detailed, and there are no investor fees. Along with a minimum investment of \$250, they also have a maximum investment (annually), which is 5% of your annual income if it is less than \$100,000, and 10% of your annual income if it is greater than \$100,000 (capped at \$100,000). You are not allowed to transfer/sell your investment for a year after you purchase it.

### Small Change.co

- Small Change is a real estate crowdfunding website, specifically focused on projects that change neighborhoods for the better. Small Change created a "Change Index" that grades potential projects on mobility (walkable, bike friendly, near public transit, etc), community (street life, affordable housing, fresh food access, etc.) and economic vitality (green features, jobs created, underserved community, etc.). Projects posted on Small Change have to score 60% or higher on this index.
- Investing: Small Change advertises investments for both accredited and non accredited investors. You can also search for projects for opportunity fund investors, creative economy projects, and completed projects. A posting will advertise the minimum investment and the projected possible gain of that investment. The site also details the investment type (most are preferred equity), length of term, annual return, as well as financial details more specific to the project such as the additional return on sale and the profit share after investment returned

## SMALL CHANGE INDEX™



### MOBILITY

Urban location	✓
Walkable	✓
Bike friendly	✓
Business Corridor	✓
Public or other transit	✓
Fix your own transport	
Transit oriented development	



### COMMUNITY

Street life	✓
Third Place	✓
Park or Plaza	✓
Building reuse or infill	✓
Affordable housing	✓
Fresh food access	✓
Minimized site disturbance	✓



### ECONOMIC VITALITY

Underserved community	✓
Jobs Created	✓
Incubator	✓
Diverse workforce	
Green features	✓
Even more green	✓
Reduced parking	✓

### Wefunder

- Overview: an investment crowdfunding site for startups looking for investors. Has a wide variety of investment opportunities, anything from hardware to alcohol to entertainment. Investors can screen companies by whether they are equity or debt financed, the genre of the product, if the company is a B or PCB company, and if it is a Y combinator. You can then sort through the results in order of trending, newest, closing soon, most funded, % of investors, % funded, and distance.
- Investing: Wefunder supports four types of investment: debt, convertibles, stock (no dividends), and stock (dividends). Once can also invest in SAFEs and convertible notes. While debt investments are less risky than capital, Wefunder stresses the riskiness of investing in startups multiple times, and advises only investing money you are prepared to lose. The minimum investment is \$100.

### FundRise

- Overview: FundRise is an online real estate investment platform. Their portfolio encompasses over 200 properties, with a value of over \$4.9 billion.
- Investment: FundRise focuses on long term investments. With a \$500 minimum investment, one chooses their initial account level, and then their investment strategy: income, balanced, or growth. The FundRise staff then creates your portfolio, investing your money in various properties. You can choose to reinvest your earnings, or have them transferred into your bank account. FundRise's fees amount to 1% annually, with 0.15% annual investment advisory fee, and a 0.85% annual asset management fee.



The following two initiatives are **Community Land Trusts (CLTs)**. While it is possible to invest in a CLT, they are built to maintain affordability, not for the tenants/community to monetarily gain from investing in

### ROC USA

- Overview: ROC USA is a resident owned community in which home owners band together to form a cooperative. Along with owning their house, each member owns a share of the land beneath the cooperative. A few benefits to living in a resident owned community include control of monthly lot rent, community repairs and improvements, lifetime security against unfair eviction, liability protection and a strong sense of community.
- Governance Structure: Members elect a board of directors, who then appoint committees to carry out smaller tasks/day to day operations. Major decisions are carried out democratically, and every member gets a say.
- The Process: There is a network of nine regional affiliates called technical service providers called Certified Technical Assistance providers who look into the feasibility of turning a neighborhood into a ROC. If it looks promising, they will talk to members of the neighborhood about purchasing the community, and assist you in the process of creating a ROC (however they do require you also hire other impartial experts
- Financing: ROC USA® established Resident Ownership Capital, LLC (or “ROC USA® Capital”), whose sole mission is lending to Resident-Owned Communities. Each member contributes a \$1000 joining fee. The common trend is rent increasing for the first few years of purchase, then staying relatively stable thereafter. Their average loan is \$2.67 mil, and they make loans up to 110 percent of the community’s appraised value, as well as pre-development loans for upfront due diligence.

### London CLT

- Overview: the London CLT is the first CLT in London to sell homes. They currently have 5 apartment complexes to their name. To keep housing affordable, they calculate the city’s “local earnings”- the average of median incomes using data published by the Office for National Statistics in November each year. They then make the price of housing affordable for someone making that income. When a resident decides to sell their property, they are contractually obligated to sell it for the current local earnings price, ensuring that housing remains affordable. Some locations are built using a development partner, and some are built as direct development. Every development must include a resident-led management plan. This usually means a Resident Management Company oversees the site’s management.

- [Housing Allocation Policy](#): the London CLT has five guiding principles: fairness, transparency, simplicity, legality, and scalability. There are five steps to owning a home with the CLT. First, one must become a member. Secondly, they must take an eligibility test, to find out if they are the right fit for the CIT. This is a precursor to the formal application. Then, a formal application is completed. Then, if they score high on their application and there is housing availability, they will be invited to an interview with an independent panel (including board members and third party reps). Then, if the panel decides they are a good fit, they will receive an offer and proceed with the sale. The local authority and members of each site get input on the criteria on the eligibility test.. For example, the Saint Clemmons site decided on the following categories to qualify:
  1. Finance – priced out of the housing market and able to afford a London CLT home.
  2. Housing Need – require a property more suitable than their current accommodation.
  3. Connection – have a minimum of five years’ connection to the borough.
  4. Involvement – belong to and participate in the local community
  5. Be supportive of the London CLT.
- Governance Structure: [The team](#) is comprised of seven people, including a Chief Executive, Communities Manager, Campaign Manager, Human Resources/Office Coordinator, Program Coordinator, and a Projects Manager. Additionally there is an [elected board](#) composed of the members of the CLT. One third of the board is current/prospective residents, one third is community representatives, and one third is stakeholders with relevant professional experience. The elections are annual, and one third of the board retires every year. Currently, there are 14 board members, with a chair, secretary, and treasurer, and 11 other members.

## [Jane Place](#)

- Overview: Jane Place is a community land trust that has acquired and renovated an apartment building in mid-city New Orleans to create housing for low and moderate income families, especially those that were “displaced by rent hikes and real estate speculation”. Jane Place specifically used the land trust for affordable housing because the city has a history of “discriminatory practices in mortgage lending and recovery spending, rising housing costs due to real estate speculation and expensive insurance”, and more, which has created a housing crisis.

## Guerilla Development- Jolene

- Overview: A real estate company focused on “creating inventive and experimental projects using both hemispheres of the brain<sup>2</sup>” They have built 15 properties, and have seven under construction/coming soon
- Investment: has a minimum equity investment of \$425.
- Governance Structure: Their seven person [team](#) is comprised of an owner, director of development, financial manager, project manager, asset management accountant, and two asset managers. They pride themselves on the fact that “all employees from top to bottom enjoy similar benefits and compensation”.

## BrickX

- Overview: BrickX is a website that allows Australian residents to invest in shares (or “bricks”) of homes.
- Investing: There is a minimum investment of \$50. Investors can choose which properties to invest in, or they can simply share how much they would like to invest and BrickX will choose and manage their bricks. Shares change in value with the value of the property and net rental income is also earned proportionally to the number of shares one owns. When bricks are bought and sold there is a fee of 0.5%. On average, it takes a little over a day to sell bricks as this is done between BrickX investors.
- Governance Structure: The investment team is commercially experienced in property, diversified investments, and financial technology that now work to create a diverse selection of investment opportunities for BrickX. The adviser panel provides experts that assist with acquisition. The buying team is research and data driven.  
[Meet the Property Team](#)
- Expert Led: BrickX has most of the powers, while members simply invest and allow the system to do its job. BrickX’s responsibilities encompass “sourcing, acquiring and managing the assets, selecting and supervising service providers and marketing the BrickX Platform. BrickX is also responsible for providing the technology and platform... and maintaining the BrickX Website” (55).[Product Disclosure Statement](#)

## Boston Ujima Project

- Overview: the Boston Ujima Project has created a community controlled, capital fund led by Boston’s working class residents of color. The members vote on which businesses to invest in, and what ideals they want these businesses to uphold.
- Investing: The project has four different types of investing, which are detailed below. They are all debt investments that pay somewhere between 1.5-3% annually. The most

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<sup>2</sup> They built “[The Tree Farm](#)” in downtown PDX, a building that has more than 50 trees in steel containers outside all six floors

relevant investments are the Kujichagulia and Umoja Notes. The Kujichagulia Note, open

## FUND STRUCTURE

INVESTMENT TYPE	INVESTOR TYPE	INVESTMENT RANGE	RETURN TARGET	TERM	RIGHTS	FUNDRAISING GOAL
Kujichagulia Note (Self-Determination)	Non-Accredited Investors (Massachusetts only)	\$50 - \$10,000	3.0 % Annually	3 yrs.	Partial Security	\$500,000
Umoja Note (Unity)	Non-Accredited Investors (MA, CT, ME, RI only) and Accredited Investors (Anywhere in US, UK, CAN)	\$1,000 - \$250,000	2.0 % 3.0 % At Maturity	3 yrs. 7 yrs.	Partial Security	\$3,250,000
Nia Note (Purpose)	Philanthropic Investors, (Accredited Investors only) (Anywhere in US, UK, CAN)	\$5,000+	1.5 % Annually	7 yrs.	Partial Security, Subordinated Debt	\$750,000
Imani Gift (Faith)	Donors and Foundations	\$5+	None	None	Gifted, Not Repayable	\$500,000

only to MA citizens, has a minimum investment of \$50, annual return of 3%, and a three year term. The Umoja Note, open to everyone in MA, CT, ME, and RI and accredited investors in the US, UK, and Canada, has a minimum investment of \$1000, a return of 2-3% at maturity, and a three to seven year term. While not mandatory, the website has a [personal finance worksheet](#) that helps potential investors decide the size of their investment. This worksheet helps calculate your net income and net worth; it also defines a glossary of terms and has the contact information of eight financial advisors.

- **Governance Structure:** The governing body is a multi stakeholder group comprised of community members, small business owners, workers, grassroots activists, impact investors, and members of union, faith, and civic organizations. Each member has one vote, regardless of amount invested, and they vote on issues such as which organizations to invest in, and what standards they want those organizations to uphold. Neighborhood and city-wide assemblies are held
- **Other:** the Ujima Project gives benefits to the companies it invests in, such as an internal staffing agency, and workplace mediation services. The project also has a directory where they advertise the companies' business to members of the project. There is an internal electronic currency called Ujima dollars, of which only members have access to. These dollars can be used to buy goods and services from the Ujima- invested companies. There is also a time-bank, where Umija members can trade their skills and labor on an hour to hour exchange.

## Market Creek Plaza

- Overview: “Market Creek Plaza: Toward Resident Ownership of Neighborhood Change”  
The plaza incorporates culture and art with necessary products and services, such as a bank and a major chain grocery store.
- Leadership: The community has been included since the conceptualization stage, and could see their input being implemented when creating the plaza. Along with being financially invested, this interest in their input made the local investors personally invested in the plaza. Additionally, the team reflected the community, showing diversity was seriously considered. Minorities that were harder to engage were followed up with and services were provided that would make them feel more welcome. Training occurs through mentorships, they also have a class on financial literacy. To get direction for a project large community meetings are held, while smaller meetings are enough for implementation (what might have been called committees in other groups researched). Racial tensions were addressed with meetings that featured discussions of experiences, privilege, and exclusion.
- Investment: 20% of the plaza is owned by local residents, who invested a total of \$50,000. JCNI stays involved with the plaza until the 20 year clause detailing their involvement sunsets, the goal being to make institutions that can govern after the foundation sunsets. A third of profits go to individuals, third to communities, and a third goes to continued development (this is based off of the Native American “theory of thirds”) . There is an option for investors to buy out at both the seven and eleven year marks. Fun fact: children as young as eight years old invested in the Plaza, bringing their piggy banks to the bank.
- Case Study: “Economic Development with Equity: Case Study of Market Creek Plaza Community Development IPO in San Diego, CA”. There were cross cultural teams working on various tasks, ranging from art and construction to childcare. Those that contributed a large amount of time were compensated by Jacobs Network. Some of these teams were absorbed by the foundation keepin the residents as the primary employees of their various tasks. The plaza wants to be thought of as a diversification tool

## LEX Markets

- Overview: Lex is a crowdfunding website for low income investments in real estate. What sets Lex apart is it is backed by NASDAQ.
- Investing: investors will be able to buy shares for as little as \$100 in various properties. Investors make money off of the rent of a building, and if the building appreciates in value, so do their shares. Normally there is no secondary market for real estate, however



investors can buy and sell shares on LEX Marketplace very similarly to how they can buy and sell shares on the stock market.

- In progress: I don't have exact data on whether or not LEX is currently in operation, but when I made an account I could only "indicate interest" in all projects, and I am 2861st on the list to create an investment account

## MINT

- Overview: Plans to create and manage a mixed income rental portfolio (both residential and commercial) for a specific neighborhood. They want to identify renters at risk of being evicted, create a balance of incomes necessary to stabilize and create scope, and get investments and hire workers
- They plan on running on a 35% equity, 65% debt model. The equity will be split into four categories: a community equity portion, place based patient capital, national values aligned capital, and institutional capital.
- Governing Entity: The organization's governing entity is a Perpetual Purpose Trust, this means its beneficiary is an explicit "purpose" rather than an individual or group of people. The members of each community will decide what their specific "purpose" is, but it will generally involve one of the following topics:
  - 1) Establish income diversity within the resident population
  - 2) Stabilize rents for a minimum number of rental units
  - 3) Discount rents for rent-burdened residents
  - 4) Invest in community-enhancing projects and programs (e.g., parks and resident support services)
  - 5) Support other neighborhoods in their inclusive revitalization
- MINT wants to incorporate current 501 (c) (3)'s
- More in depth: MINT wants to focus on 10-15 blocks of a city, with 20-30% vacancies, at least 30% renter residents. With mixed income housing, market rate units help pay for affordable units. Market rate units are solely new units either created in vacant lots or renovated vacant buildings. Stabilized units, on the other hand, will be created through buying at-risk rental properties, leasing to tax credit and other builders for new affordable units, and providing land and coordinating greenlining qualified renters into home ownership with partners. A neighborhood scale provides better debt options, increasing access to larger scale debt providers and it is better for the community reinvestment act requirements. They want to collaborate with the existing institutions to make this happen, in a neighborhood [steward ownership model](#). They have a clear 10 year plan outlined, from evaluating possible locations to the full incorporation of the trust into the city.



- Investment: MINT predicts a 6-7% annual return on equity average over ten years, and waterfall benefits if trust returns exceed the cost of capital. MINT also outlines the clear financial benefits for neighborhood residents and trust neighborhoods.
- Impact: MINT has 6 main areas of impact, including affordable housing, climate change, health, community wealth, accountability, and social justice

## Neighborhood Equity Financial Vehicle

The following is a paragraph from the paper “Neighborhood Real Estate Investment Trusts for Inclusive Economic Growth in Cities” by Elwood Hopkins. They do not currently have a website.

- In Kansas City, Neighborhoods of Hope, We Grow KC, and the Kauffman Foundation have a plan to build a housing development financed by both market rate and social investors, with ownership stakes gradually transferred to residents. Through a rent-to-own structure, renters divert rent to capital accounts, which over time buy back the ownership stake of the social investors. Over several years, renters can transition to full ownership of their home or at least benefit from an equity position if the building is sold to another investor. By lengthening the holding period, this model still provides a competitive return for traditional investors. It also provides for naturally occurring affordable rents for families and entrepreneurs and uses patient capital to demonstrate immediate impact.

## [Kensington Corridor Trust](#)

- The Northeast Philadelphia Kensington Avenue Corridor is seen as the regional center of the opioid crisis. However, with already-gentrified parts of Philly being a short train ride away, people believe Kensington may be next. Investors with a “buy low, sell high” mentality may buy a large amount of property, wait for the city to fix the opioid problem, then start renovations. The Kensington Corridor Trust seeks to combat this, by buying large amounts of commercial property now, then leasing it to local business owners at an affordable rate.
- Governance Structure: the founding board consists of community members, civic leaders, and real estate/ community development professionals. Currently, they are applying for grants to cover three years of initial operating expenses, after which the trust will become self-sufficient. Also, in late 2019 they raised enough money to hire a full time executive director- previously everyone working on the trust was unpaid.



- As of 2019, they have \$600K raised in grants and program-related investments, a board formed with 72% of board Members from an under-represented group, and 45% of Board Members from the neighborhood. They have also acquired their first two properties on Kensington Avenue

## Moovable

- Overview: Movable is assisting first time home buyers in securing a deposit. They will give a deposit to the FTB in return for a share of future income from letting out their spare room on short, mid, or long term basis. This initiative is still being created, and does not yet have a public website.

## Indirect Wealth Building (Organizations excluded from the Matrix)

The following organizations build wealth and/or community, but were excluded from the matrix for one of the following reasons:

- a) Didn't have a large enough community focus
- b) Didn't allow investments from community members
- c) Minimum investment was too high

## East Bay Asian Local Development Corporation

- Overview: A non-profit community development organization that focuses on building community wealth and combating gentrification in the East Oakland area. They develop and manage diverse, mixed-income complexes and communities, and provide vital social and financial services. They own both residential and commercial properties; keeping rent low in the former, and leasing the latter to businesses that will improve the community (uplifting community values, employment opportunities, etc)
- Real Estate: EBALDC is one of the largest not-for-profit owners in CA. Since 1975, EBALDC has invested more than \$240 million in assets that have had substantial physical and social impact in the community, including more than 370,000 square feet of commercial space. Their main properties are Swan's Market, a food court for locally owned restaurants, the Asian Resource Center, located in ChinaTown and housing tenants that serve the Asian Pacific Islander Community, the California Hotel, which provides low income housing, as well as amenities such as a community garden, and health services, and Preservation Park, a community of organizations and small businesses working to address urban challenges such as health care, education and cultural participation. They target businesses that are mission aligned and will spur activity within the neighborhood, and provide short term, market-rate leases.

- Residential Housing: They own 31 properties in the East Bay, all catering to lower income people. To serve communities faster, they have started buying properties on the market that have tenants who fear being displaced, and stop the displacement before it starts. To qualify, you must be making below 60% of the Area Median Income (for some units you have to be making less). They offer Below Market Rate Units (MRU) and Project Based Voucher Units (PBV). BMR units have rent dramatically lower than the market value, and PBV units typically make a tenant pay  $\frac{1}{3}$  of their income towards rent. Demand is quite high, after applying you are put on a waiting list, which is usually very long. Once you reach the top of the list, you are invited for an interview. All members of the household must be in attendance, if employed you must bring three months worth of pay stubs, and information on where to verify income sources, assets, and previous rental history.
- Community Wealth Building: The EBALDC has many programs to build community wealth.
  - Sparkpoint: a financial counseling system. Through this program, people have improved their financial literacy, raised their credit score, and even bought a house.
  - Income Support Services: Since 2003, EBALDC has helped to return more than \$14 million in federal and state refunds to the community. They have an IRS backed Volunteer Income Tax Assistance program, paired with a savings initiative that encourages clients saving a portion of their refund.
  - Youth Programs: Lion's Pride is a youth program at Lions Creek Crossing (one of their biggest residential properties) that works with local schools to create an after school curriculum that further enriches a child's education. They use STEAM practices to bridge the education gap. They are currently expanding this program to other properties in Oakland.
  - Resident Services: Resident Services programs coordinate culturally relevant, on-site services at EBALDC's family and senior residential developments including individual counseling, connection to public benefits, senior services, computer training, ESL, wellness services, and referral services
  - Resident Leadership: EBALDC fosters leadership in their tenants through leadership training, individual guidance, and facilitation of neighborhood councils. There is a resident leadership council that communicates regularly with the Board of Directors.
- Neighborhood Collaborations: they currently are working with two different neighborhoods to address their needs on a micro level. Their two projects are the Healthy Havensport Collaborative, and the San Pablo Area Revitalization Collaborative.



## No Small Potatoes

- Overview: No Small Potatoes is a private investment club strengthening Maine's local food economy by making small loans to farms, fishermen and the food businesses they supply to help them thrive. If someone wants to invest, they become a member of the club, and each member helps fund short term small loans (under 3 years and \$10,000) for local businesses in the farm/fishing/food industries.
- Investing: Each member of the club creates a capital account with an initial investment of \$5000. They can then make additional investments in \$1000 increments. At the end of the fiscal year, each member's capital account will increase/ decrease by the change in cash and the agreed fair market value of property

## LIIF

- Overview: LIIF supports low income people and communities through bridging the gap between private capital markets and low income neighborhoods. They take private investments and give out loans to organizations making an impact on low income neighborhoods. As of December 2018, they have contributed 2.5 billion dollars to communities in need, creating 78,000 homes, 271,000 child care slots, 98,000 spaces at school, and 36 million square feet of community space. [LIIF's impact](#). Investors can track their impact through impact screens of the United States and the bay area, with an ability to request an customized impact screen on a geographic area an investor is interested in.
- Investing: People can choose to invest a minimum of 50,000 anywhere from 6 months to 10 years, with the returns rate increasing the longer the money is invested (starting with 1% for 6 months, and going up to 4% for 10 years). This investment is called an "impact note". LIIF then takes that money and uses it to support community based, non profit, and mission-aligned for-profit real estate developers that build affordable housing, high quality schools and child care centers, health centers, and community facilities for the benefit of low income people and communities. They do this through community capital loans, New Markets Tax Credits, grants and technical assistance. Investors can have their interest reinvested in their account or distributed annually. Once the note matures, investors have the choice of donating, reinvesting, or receiving the money, in part or in full. Early redemption is allowed on a case-by-case basis, with a fee of one year's interest. [Impact Note Rate Sheet](#)
- Governance Structure: LIIF has five different offices, in San Francisco, Los Angeles, New York, Atlanta, and Washington DC. They have 7 different divisions, lending and programs (broken up into national, western, and eastern/southern/central), child care, corporate finance, strategy/development/Public Affairs, and Portfolio/Risk Management. Additionally they have 8 committees (executive, finance, audit, loan, New Markets tax

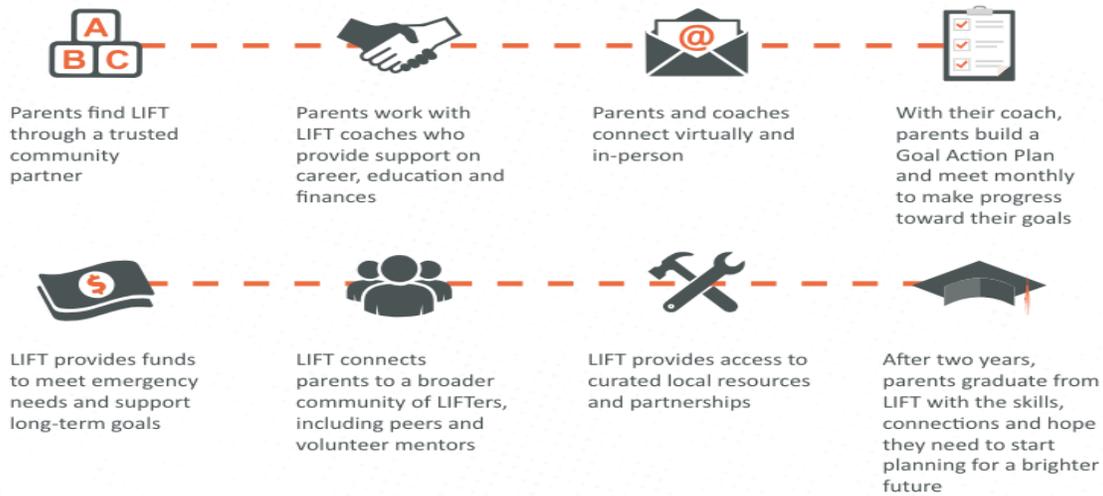


credit advisory board, eastern region advisory, western region advisory, and SF childcare), and a board of directors.

## Lift Communities

### Indirect Wealth Building: Financial Literacy

- Lift Communities is an organization that provides a two year long program of career and financial advising for parents looking to secure “a safe home, living wages and a better education”. This organization reaches parents by promoting its services through childcare institutions and offers its services in English and Spanish. The philosophy of this organization is that through coaching and increasing connections to others in the community, by helping to build larger social networks, to improve parents’ job opportunities/searches. Parents with children under 8 and stable housing for six months are eligible for the program . This organization feels that it is difficult to measure the impact it has on people’s lives, but broadly the greatest categories of impact are well-being, social connections, and financial strength. Lift communities has a board of directors, but it is not necessarily comprised of coaches (trained volunteers that provide services) or representatives of communities in which the organization works.
  - Replicability is made easier as a result of a curriculum that can be tailored for different communities given personal coaching and building a relevant social network are large parts of the program, plus any general financial literacy aspects of the program are widely applicable. Meanwhile, replicability is hindered by an inability to measure the effects of Lift Communities. The CIT may face challenges in measuring the impact of secondary effects, but is able to easily track patterns and growth associated with investments.



## SHIFT

- Shift is an organization focused on building community wealth in Philadelphia. The Shift Neighborhood Fund owns and manages nearly 2 million square feet of real estate, including industrial, commercial, retail, mixed-used, residential, and vacant lots. They re-energize shuttered industrial buildings to foster economic development through various new businesses and entrepreneurs, refurbish vacated residences to provide affordable homes for the community, and recapture the vitality of once thriving main streets through innovative programming and planning.
- Investing: They use a mixture of impact investing capital, concessionary capital, and Philanthropic/Government capital to have the “maximum collective capital impact”. The financial returns on the impact investing capital is 15-20% IRRs (jumpstart impact multiplies the effect). The financial returns of concessionary capital is 0-5% IRR, and the financial returns of the third branch are strictly philanthropic, with less than a 50% return of capital.

## The Guild

Indirect Wealth Benefit: affordable housing and co-living and co-working spaces

- The Guild aims to address the intertwined issues of the racial wealth gap, gentrification, and inequality in Atlanta, Georgia. The Guild enhances community wealth by tackling the large issue of inequality by fostering “collaborative, inclusive, and sustainable” communities. More specifically, this organization provides co-living and working spaces for “entrepreneurs, artists, and community organizers” hoping to make a change. The Guild has two locations. The organization runs The Commons, which provides living space for around 67 people in a townhouse set up, and Awethu House, which is much smaller and located above a black-owned restaurant in a historic neighborhood in Atlanta.

In addition to creating a community through these co-living spaces The Guild also offers trainings and coaching on finance, weekly classes on how to improve business viability, access to accountants and “legal support”, peer coaches, and exposure to a diverse set of economic systems that people may use to model their businesses. The Guild’s programming focuses on making real estate and entrepreneurship more accessible because it believes these are the tools that have historically created American wealth.

- Like the CIT, The Guild offers a wide variety of classes and resources for its members and the outcomes of these resources seem difficult to measure, a key part of reassessing and replicating programs.

### [ChangeLab Solutions](#)

- ChangeLab Solution’s mission is to give everyone a fair chance at a healthy life. They acknowledge health laws passed have not impacted all communities equally, and focus on undoing the harms of structural racism and other forms of institutionalized discrimination. Their work areas are good governance, healthy neighborhoods, food and beverages, child care and schools, tobacco prevention, and healthcare. Their services include research and analysis, policy and strategy development, training and capacity building, individualized coaching, communities of practice, and product development.
- Governance Structure: The board of directors encompass many fields, such as public health, law, academia, and philanthropy. They develop the long term strategy for ChangeLab. There are ten members: one board chair and nine directors. Career opportunities are available in law, policy, public health, planning, finance, and communications.

### [Go! Austin / Vamanos! Austin](#)

Indirect Wealth Benefit: Increasing the health of low income Austin neighborhoods

- Overview: An organization committed to increasing the health of all Austin citizens. While they believe educating individuals on nutrition is important, their focus is in engaging and developing community leaders who lead efforts on reducing barriers to healthy living. Up to 80% of an individual’s health is determined by social factors including income, availability and distribution of local resources, and community culture. Austin is considered one of America’s healthiest cities, but in Austin’s Eastern Crescent, a lower income area, we see large disparities in health outcomes. They also are fighting the displacement of communities of color, as they recognize that is a common effect of improving a community.

### [One Acre Fund](#)

Indirect Wealth Building: Lending Resources to increase yields and financing

- Overview: One Acre Fund aims to improve yields and financing for small farm holders in Sub-Saharan Africa. The organization began its work in Kenya in 2006 and as of 2018 functions in 6 countries. One Acre Fund provides seeds and fertilizer on credit, in what seems to be a group lending model, and provides training on understanding market fluctuations and agricultural techniques. The fund measures impact by considering the increase in yield and its sustainability. Additionally, One Acre Fund conducts randomized control tests (RCT's) to evaluate the fund's work. Almost all of the fund's staff lives in the rural communities they serve, with some of the staff living in the capital cities of the countries in which the fund is located. Global directors lead teams that coordinate the different operations on the ground and help the organization grow. Meanwhile, country directors of the fund oversee strategy and growth for the organization in their regions and work closely with department leaders. Finally, field leaders are those leading training for the farmers. As a result of the organization being created in the US the majority of the staff is American; however, a young professionals program has been created that specifically recruits African graduates to ensure leadership reflects the communities the fund works with.
- Governance Structure: One acre fund provides “technologies, training, and finance” to small farm holders across Africa. The organization attributes its ability to scale to the “board’s strategic insight, resource mobilization support, and good governance.” One Acre Fund has both a governance board and a board of advisors. The board decides on the long-term vision for the organization, finances, and governance. The organization has found that a “high-functioning” board is best for their goals. Though at first there was a working board, as staff was hired the board was able to shrink as double digit participants makes decision making and discussion difficult. If additional voices and expertise is desired, it may be better to create separate boards for finance and advisors. One Acre Fund’s research has also helped them conclude that a small executive board, with a larger governing board, leads to less participation as some members are valued more and the criteria for this value becomes increasingly selective. Additionally, term limits are not helpful as they limit the depth of conversations and growth. Instead, at the end of terms, the viability of the member should be reassessed by executives and board members. Also, understand the value of board members and allow them to use their skills without forcing roles upon them that may be best set aside for another member (for example the role of fundraising). One Acre Fund emphasizes that this is simply what has worked best for them and that there are many formats that may work better for other organizations.  
[Challenging Conventional Wisdom on Nonprofit Boards](#)
- Impact: Here impact is measured very clearly, which is important for replication and assessing how well the main goal of the organization is being met. Though this organization is not yet representative in its leadership, it is aware of the fact that this



needs to be actively pursued and not just acknowledged by encouraging good candidates for the young professionals program to work with the organization.

### [Hasta Muerte Coffee](#)

The building Hasta Muerte Coffee was renting was being sold by its landlord. The coffee shop had done many renovations to the place on their own dime, increasing its value, and the landlord wanted to capitalize on it. There was an offer for \$960,000, and due to their first refusal clause, Hasta Muerte Coffee had 48 days to match the offer. They partnered with the Oakland Community Land Trust to do this. They raised \$50,000 in donations, \$250,000 came from the land trust, and the last \$66,000 came from 22 investments from local shareholders. Each investor could choose an annual interest rate from 0-4% for the five year investment. Interestingly enough, many chose a 0% rate, making the overall interest on the loans around 1%. Currently, the Oakland Community Land Trust owns the title of the property, and leases it to the coffee shop.

[Next City Article on Hasta Muerte](#)

### [CrowdStreet](#)

- Overview: CrowdStreet is an online real estate investment platform.
- Investment: investors have the choice of investing in a real estate fund managed by CrowdStreet, investing directly into commercial real estate, and getting investment advice from their in-house-advisory team. Crowdstreet has a minimum investment of \$25,000.

### [The Alberta Community and Cooperative Association](#)

Indirect Wealth Building: encouraging the creation of more co-operatives

- Overview: In Alberta, Canada the Alberta Community and Cooperative Association offers a program called Unleashing Local Capital that provides assistance for people starting ODCs. The program frames itself as a way for retirement investments to be taken out of the Toronto stock exchange and put into local communities. A similar program in Nova Scotia called the Community Economic Development Investment Funds offers a tax credit of 35% for investment in local businesses. This investment can be put towards retirement savings. This loosely follows the model we see in the US where large corporations, rather than individuals, get tax deductions for investing in certain geographic locations. CEDIF is run through the Ministry of Economic and Rural Development and Tourism and has raised over 57-million Canadian dollars. Once investments through the CEDIF are registered, investors are also eligible for an income tax credit

[Unleashing Local Capital](#)

### Case Study: Community Economic Development Investment Funds

- Canada's work in community wealth building indicates that policies, though difficult to educate the public about, are an asset to reaching more people and can potentially magnify the benefits that one can provide through the private or non-profit sector.

### The Los Angeles Neighborhood Land Trust

Indirect Wealth Building: increasing access to green spaces

- Overview: The LANLT builds community wealth by developing parks and gardens. They have added over 13 acres of green space to Los Angeles and plan to add 8.5 more by the end of 2020, specifically focusing on communities of color who previously had little to no access to green spaces. They believe that inequity can be reversed by consistently practicing the values of sustainability, environmental justice, equity, inclusivity, and collaboration.

### The Community Development Trust

- Overview: Provides both debt and equity capital to create and preserve affordable rental housing throughout the US. They also have a charter school lending program: providing long-term, fixed-rate first mortgage financing to schools with permanent financing needs of \$7 million or less
- Equity Program: provides equity for the long term acquisition and preservation of affordable housing (specifically for families)
  - Their Acquisition targets are LIHTC developments, properties with existing/expiring Project Based Section 8 contracts, properties with expiring state or local affordability restrictions, and market-rate properties where we can place new regulatory agreements creating affordability
  - Property size: 100+ units, but will consider smaller properties in high-cost markets
  - They mainly focus on long term holding but will consider shorter term on a case-by-case basis
  - The average equity capital is \$1 million to \$20 million, but larger transactions or portfolios will be considered
- Debt Program: the CDT is a national direct lender and secondary market purchaser of permanent mortgages that support the development of affordable multifamily communities. They provide long range, fixed rate financing for both new and existing developments. Examples of fixed rate forward commitments, immediate fixed rate funding, and secondary market purchases are available on their website

## The Seattle Foundation

- Overview: the Seattle Foundation acknowledges the widening disparities between the rich and the poor, and matches philanthropists with social programs to increase the vibrancy of their community and develops targeted strategies to quicken the pace of progress toward a stronger community for all. They fund various forms of wealth building, but the one most relevant to this study is impact investing.
- Impact Investing: the Seattle Foundation's [impact investing](#) program is structured to generate both a financial return and a measurable social or environmental return. Philanthropists with a Community Philanthropy Fund can invest in one of Seattle Foundation's current offerings, and those with a family foundation can invest in the current offerings as well as propose an impact investment in a company or nonprofit organization that they identify. With most investments, the principal is returned, and the income generated is returned to the philanthropist's fund, continuing the cycle of social investment. While these investments build overall community wealth, members of the community cannot directly financially benefit, as the minimum investment is too high for almost all community members. For most impact investments, the minimum per philanthropists' fund is \$25,000. The overall investment must meet a minimum of \$100,000 and a term of three years or longer.

## Connect Capital

- Cross sector teams made up of people with backgrounds in foundations, local government, neighborhood organizations and public utilities, can apply to be a part of the Center for Community Investment's Connect Capital Program. The teams that are chosen are provided with customized coaching, facilitated peer learning, and a two-year, \$200,000 grant to advance their work. Each participating community has a travel team, comprised of the individuals/organizations leading the effort, and the home team, which is a larger group of stakeholders. The travel team attends various workshops that aid them in their goals, and the full team works with a CCI coach between workshops. Participants pursue their community development objectives through the [Capital Absorption Framework](#). There are 3 main components of the framework: establish shared priorities across stakeholders, create a pipeline of deals and projects, and strengthen the enabling environment. Currently, there are 6 teams working with the Connect Capital Program.
  - Central Appalachia (multi-state): The Invest Appalachia (IA) Connect Capital team is forming a new social impact collective entity that provides integrated investment and philanthropic capital to local enterprises, intermediaries, and community facilities.

- Coachella Valley, CA: The Connect Capital Team is leading a bold effort to radically change the way affordable housing is defined, planned, resourced, and built in the Coachella Valley region.
- Miami, Florida: To advance regional equity and resiliency, the Miami Connect Capital team is developing and preserving affordable housing near jobs and transit.
- Milwaukee, Wisconsin: The Milwaukee Connect Capital team is coordinating with regional and local agencies and community leaders to ensure that residents and businesses benefit from flood management and green infrastructure investments.
- Richmond, Virginia: The Connect Capital team in Richmond aims to curb very low-income residents' housing instability by accelerating the availability of mixed-income communities and creating clearer pathways for current public housing residents to access new housing opportunities and supportive services.
- Seattle, Washington: Seattle's Connect Capital team is developing a strategy to advance environmental justice, climate resilience, and equitable development.

## Oakland CLT

- Overview: OakCLT partners with existing tenants to remove their buildings from the market, helping ensure affordable rent. They focus on residential buildings with less than 25 units. They are a resident operated nonprofit (RON). This is a non-equity co-op, meaning "residents do not purchase a share as they would in a limited equity cooperative. However, the property is self-managed by the residents and in all other ways operates like a traditional housing co-op." [Rent Controlled Housing](#). OakCLT partnered with Hasta Muerte Coffee, who is referenced later in this document. Tenants who are afraid they are going to be displaced by the selling of their building can fill out a form on their website, asking OakCLT to evaluate the possibility of converting their building into resident controlled cooperative housing.
  - Along with affordable housing, they have two other core initiatives: Land Access for Food Protections and Career Pathways/Construction Training. The former is currently attempting to acquire land in Alameda County that they will use to serve low income families and neighborhoods through some sort of agricultural means (giving them land to farm, selling discounted produce, etc). The latter partners with the [Youth Employment Project](#) to create training programs for today's youth, building upon the success of their 2014 construction training program.
  - Partnered with the People of Color Sustainable Housing Network to create a Community Co-Ownership Initiative training series, tailored to people who want to start collective land ownership projects and people who currently live in a co-housing situation. The most recent training series (spring/summer 2019) covered



political education, team building, and an overview of legal models for collective ownership of land and housing.

## CircleUp

- Overview: connects investors with consumer-facing startups (mostly in the tech, food, fitness, and beverage sectors). They created a machine learning engine named [Helio](#) to find the most promising startups. Most businesses already have \$1 mil in revenue, and all “have a tangible product or retail outlet that you can touch, taste, use, or visit.” CircleUp features company profiles with information about each company’s products, business model, leadership, retail partners, revenue, and more. Through CircleUp’s DealFlow feature, platform-registered investors can see which companies are actively raising funds, view complete investment prospectuses, and even request product samples, if offered. An investment isn’t final until the company hits its investment target, which is usually in the six- or low seven-figure range.
- Investment: CircleUp provides two investment options; direct company investments and circles. The former is an equity investment in which investors purchase shares through the platform. The latter is an index fund that purchases shares in multiple companies (often dozens) and is managed by a CircleUp investment professional. The investor can specify a sector to specialize in, or invest across sectors. The minimum investment sitewide is \$250, but most companies want a minimum of \$1000.