Growing Together

A Case for A Community Land Trust in Santa Ana
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A New Vision for Community Development

Santa Ana has long had a reputation as a struggling city, with low incomes and high rates of poverty and chronic health problems among its residents. In the past decade, new growth and redevelopment has brought new investors, residents and visitors to Santa Ana.

Some of the effects of this redevelopment have been positive: the city’s sales tax revenues have grown, and the city is developing a new reputation as a center for hip urban culture. Yet this hasn’t been enough to address the city’s challenges. Most of Santa Ana’s residents have received none of the benefits of redevelopment, and many have even suffered from its effects.

This path is not sustainable for our city’s future. When Santa Ana grows, that growth must benefit all residents, rather than widening the gap between the affluent and those who are struggling. Santa Ana’s renaissance of economic growth provides us with the opportunity to build a healthier, stronger city, but we haven’t yet capitalized on it.

We propose a new approach to development in Santa Ana, using land use strategies and community-oriented policy to ensure that growth is sustainable, responsible, and equitable. We propose a Community Land Trust to develop and manage vacant public land, providing desperately-needed community resources like parks, affordable housing, and space for small business. We propose the use of Community Benefits Agreements to ensure that private developments supported with public funding benefit the community in addition to enriching the developer. When implemented together, these two strategies reinforce one another, with Community Benefits Agreements providing funding and support for a Community Land Trust.

This report begins by explaining the policy tools. What is a Community Land Trust? What is a Community Benefits Agreement? We outline the challenges that Santa Ana and its residents face today: low incomes, unaffordable housing, and a lack of community spaces. We examine how the current form of economic development doesn’t adequately address these issues, and in some instances even exacerbates them. We explain how a Community Land Trust and Community Benefits Agreements will fill this gap, creating positive community development for Santa Ana, and conclude with recommendations for the City.

Today, Santa Ana is in a position of opportunity, as the city grows and rapid development continues. We must take this opportunity to shape our city, to plan for our future, and to build a livable community for all.
Policy Tools

What is a Community Land Trust?

A Community Land Trust (CLT) is a nonprofit, community-based organization that holds and administers land for community assets. CLTs acquire land and maintain permanent ownership. They restore and develop land for community uses, often in partnership with private or nonprofit development partners. Land is leased in long-term leases, and individuals or businesses can lease or own development on the land, allowing them to build assets or generate profits but preventing speculative land ‘flipping.’

Community stewardship of land through a CLT ensures that land is available for community needs even when property values are rapidly increasing. CLTs ensure that community members, low-income households, and small businesses have access to the resources and opportunities that they need. Most CLTs carry no debt on the land that they own, which allows them to stabilize property costs and provide crucial development that market-rate developers can’t provide.

A CLT is governed by a board of community residents and public representatives. The makeup of the board of directors varies by CLT, but a common ratio is one-third residents of the community in which the CLT is situated, one-third tenants and residents of the CLT itself, and one-third representatives from the City, community-oriented nonprofit organizations, and private developers who are committed to the values of the CLT.
There are 242 Community Land Trusts in the United States, in both rural and urban areas. 20 are located in California. Many focus primarily on providing permanently affordable housing, while others provide a variety of community resources, including the preservation and maintenance of open space and parkland, community gardens and agriculture, recreational and community facilities, and business and commercial spaces.4

The first CLT was formed in the 1960s by civil rights activists in Georgia, who saw land ownership as a key strategy for lifting their community out of poverty. In recent years, CLTs have increasingly been formed in urban areas as a method for increasing the supply of rental and for-sale housing for low-income residents, and growing community wealth as property values increase.5

What is a Community Benefits Agreement?

Local government plays a big role in guiding development and growth in the city, determining requirements for new development through building and zoning codes and issuing permits. Local government can also assist developers by granting them special exemptions to existing requirements, or by giving them tax rebates or subsidies to lower their costs of development or operation. One example of this is the Santa Ana’s Hotel Economic Development program, which grants tax subsidies for luxury hotels built in the city. Visitors are ordinarily taxed 11 percent on hotel stays, but under this program the hotel developer must only remit 50 percent of this tax revenue to the city for the first 15 years of the hotel’s operation.6 The intent of this program is to encourage the development of high-end hotels.

Community Benefits Agreements (CBAs) are a well-tested, successful method for achieving these goals.7 CBAs are agreements negotiated between the city, a developer, and the community affected by the development. CBAs require new public and/or private development to provide benefits to the community. In most cases, the developer provides these benefits in exchange for an incentive like a tax break, a tax subsidy, or a special exemption from development standards. For example, the well-known Staples Center CBA in Los Angeles covered a project receiving subsidies estimated up to $150 million in public funding. The CBA ensured that 70 percent of jobs created by the project would pay a living wage, a commitment of $1 million from the developer towards park and recreation needs in the area, a first-source hiring program to target job opportunities to low-income people and residents displaced by the project, and increased affordable housing requirements for the project, among other benefits.8

CBAs can also be established for public projects and actions. A city government can include community benefits in an ordinance to govern buying or selling of resources, public development, and other situations in which taxpayer funding is being used.9

A ‘community benefit’ could be any number of things determined to be of value to the community in question. Common examples are affordable housing, local and/or targeted hiring programs, and contributions or set-asides for public park space, but benefits are not limited to these areas.
**Why Santa Ana?**

*Who is Santa Ana?*

Founded in 1869, Santa Ana is one of Orange County's oldest cities. It is also the youngest city; its residents have the lowest median age of any OC city at 30.8. Santa Ana is a city of youth, where 40 percent of the population is under the age of 25 and 105,741 people are students enrolled in school. In the context of Orange County, where the population is rapidly aging, Santa Ana is home to our future.

Santa Ana is also a city of immigrants and has been for decades. 78.2 percent of the population is Latino, with another 10.6 percent identifying as Asian and 8.4 percent as white. 45.6 percent were born in a foreign country, but while a huge portion of Santa Ana’s population are not native-born, neither are they transient. Santa Ana residents are here to stay: they’re more likely to live in the same house year to year than residents of other Orange County cities.

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**Santa Ana residents work hard, but struggle with low incomes**

Compared to the rest of Orange County, Santa Ana is a low-income community. The city is home to households of all income levels, but the majority of Santa Ana households fall on the lower end of the economic spectrum. Santa Ana has high levels of poverty, with just over 30 percent of Santa Ana children falling under the federal poverty line, almost twice the rate of Orange County as a whole, and 20 percent of Santa Ana residents receiving SNAP, or food stamps.

Despite reports from City consultants that considered Santa Ana’s 2015 unemployment rate of 5.3% to be an economy in which residents “have little problem finding jobs,” Santa Ana’s unemployment is generally on the high end for Orange County. Unemployment in Santa Ana also rose more dramatically during the recession, suggesting that Santa Ana’s residents tend to be employed in more precarious and unstable occupations or industries and, as a result, have less economic stability even when they are employed.
A housing crisis

Santa Ana’s median housing prices are lower than those of Orange County, but rent in the city is very high when compared to the incomes of Santa Ana residents. Most of Santa Ana’s residents qualify as “Low Income” based on the California Housing and Community Development Department’s affordable housing income categories.15

**Household Incomes and Housing Affordability**

<table>
<thead>
<tr>
<th>Percent of population</th>
<th>Median Household Income</th>
<th>Affordable Housing Income Designation, Family of Four</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orange County</td>
<td>Santa Ana</td>
<td></td>
</tr>
<tr>
<td>15.4%</td>
<td>19.3%</td>
<td>Under $25,000</td>
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<tr>
<td>17.2%</td>
<td>26%</td>
<td>$25,000 to $50,000</td>
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<tr>
<td>15.1%</td>
<td>21.3%</td>
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<tr>
<td>12.3%</td>
<td>1.9%</td>
<td>Over $200,000</td>
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</table>

Housing for sale is also unaffordable for most Santa Ana families, preventing them from using homeownership to build assets and finance education, entrepreneurship, or retirement. Home prices are lower in Santa Ana than in Orange County, but incomes are proportionally lower as well.16
Santa Ana’s housing stock also doesn’t reflect the needs of Santa Ana’s population. A fifth of Santa Ana’s renter households are large families, with five or more members, but only about a tenth of Santa Ana’s rental housing has three or more bedrooms.\(^{17}\)

**Housing Characteristics versus Household Characteristics, by Tenure, Santa Ana 2014**

The lack of appropriate, affordable housing creates social and public health problems. A third of all Santa Ana households live in overcrowded housing, nearly three times the rate of Orange County.\(^{18}\) Some Santa Ana zip codes are among the most overcrowded in the entire country.\(^{19}\) Evidence from a survey of Santa Ana’s Lacy neighborhood found even higher rates of overcrowding than those from the Census, suggesting that overcrowding is being undercounted in Santa Ana.\(^{20}\)

Santa Ana also has extremely high rates of households ‘overpaying’ for housing, defined by the federal government as spending over a third of gross income on housing. Fifty-eight percent of Santa Ana households overpay for their housing, with almost 70 percent of renters and about 40 percent of owners overpaying.\(^{21}\)

In addition to overcrowding and overpaying, unaffordable housing also leads to people settling for low quality or dangerous housing, for example with inadequate heating or cooling, poor indoor air quality, or pests.\(^{22,23}\) This can increase the risk of lead poisoning, asthma, injuries and mental health problems like stress and depression. Unaffordable housing can also lead to housing instability, including frequent moves, eviction, and homelessness. This instability is associated with high stress and a variety of mental health issues, such as anxiety, depression, and behavioral issues, as well as disruptions in access to health care.\(^{24,25}\) These problems can be especially acute for children and adolescents.\(^{26,27}\)

When high housing costs lead to displacement, people may be uprooted from their neighborhoods and social networks. Living in neighborhoods with strong social cohesion is associated with mental well-being, protection from daily stressors and better self-rated health.\(^{28,29}\) These health-protective factors can be disrupted when households are displaced from neighborhoods where they have strong community ties. Displacement related to gentrification may also play a role in re-segregation by race and economic status. Some research has found that when low-income households leave gentrifying neighborhoods, they are more likely to move to neighborhoods that are more racially segregated and have higher poverty rates.\(^{30}\) The psychological trauma associated with repeated displacement has been referred to a “root shock,” a disruption of social and emotional ecosystems that can exacerbate stress-related illness and undermine children’s well-being.\(^{31,32,33}\)
A lack of community space

Land is a scarce resource in Santa Ana, as the city is densely developed and bordered on all sides by other municipalities. This affects not only availability of housing, but also the availability of other crucial city resources: commercial space, transportation routes, and community amenities like parks and community centers.

Santa Ana is one of the most densely populated communities in Orange County. It is also one of the most park-poor, with only one acre of park space available for every 1,000 residents. Although the city has spearheaded innovative “Joint-Use Agreements” to enable public use of school facilities and fields during certain times, Santa Ana continues to lack public parks and open space.

Parks, open space, and community facilities are critically important to all Santa Ana residents. Research has shown that access to places for physical activity increases levels of exercise in a population, reducing risk for significant health problems like diabetes, cardiovascular diseases, and depression. Proximity to parks improves the value of privately owned homes, businesses, and other properties. Parks and open space improve air and water quality, prevent flooding and filter stormwater. Parks provide space for families and communities to gather, increasing social health and providing recreation opportunities. Research indicates that access to parks and recreation opportunities leads to reductions in crime and juvenile delinquency.

Business and commercial space

Santa Ana’s downtown area has seen dramatic turnover in the past five years, as many longtime small business tenants catering to residents have been replaced by new businesses aiming at a higher-income clientele.

As part of the city’s Economic Development Strategic Planning process, consultants conducted outreach to the business community on behalf of the City of Santa Ana. This outreach found that business interests felt that the high expense of starting a business was a deterrent, that incubator spaces would be a good investment, and that local businesses were in need of support. Most outreach and input came from larger businesses, the Chamber of Commerce, and other business community advocates; if these interests feel that Santa Ana is an ‘unfriendly’ environment for small businesses, then it is likely that small and local entrepreneurs face even larger hurdles.

Today, Santa Ana has the opportunity to address these challenges. The City has been engaging in strategic and long-range planning efforts, adopting a Five Year Strategic Plan and updating the City’s General Plan. Business and investors have taken a renewed interest in the City. Community groups and local nonprofits are increasingly civically engaged and organized. But the current approach to development isn’t enough.
Most new jobs likely to be low-wage jobs

Most new jobs that will be added to Santa Ana’s economy are likely to be low-wage, service-sector jobs. Projections for growth in Orange County between 2012 and 2022 expect that 63 percent of new jobs created will earn median annual wages of less than $54,392, less than Santa Ana’s household median income. Of the ten occupations projected to add the most jobs to the county’s economy, nine earn median annual wages of less than $40,000, and seven earn less than $25,000 each year.38

Santa Ana has received considerable attention for the growth in its downtown culinary and restaurant scene. Strategies developed by Santa Ana’s local government are intended to encourage further development of the city’s tourism sector, but jobs created by hospitality and food service tend to be low-wage jobs without benefits, stability, or opportunity for advancement. Research shows that Latinos are particularly unlikely to be hired into higher-wage managerial or front-of-house positions.39 And while tourism-focused establishments add to the city’s reputation and grow the sales tax base, they have also led directly to the exodus of small, locally-owned businesses that primarily employed and served Santa Ana’s Latino community.

Market-rate housing development won’t solve housing crisis

Housing development currently in the pipeline is not addressing Santa Ana’s housing crisis, and traditional development strategies are not enough. Since 2014, only 209 units of income-limited housing have been proposed or built in Santa Ana, compared to 2,824 units of market-rate housing.40 The income-limited housing produced also includes housing that is affordable to “Moderate” income households, although 70 percent of Santa Ana households have incomes that place them in the “Low,” “Very Low,” and “Extremely Low” income categories.

Developers and real estate industry representatives claim that building more market-rate housing will help alleviate the tight rental market, but this strategy won’t solve any of Santa Ana’s housing problems, and it could likely make them worse.41

The theory of “filtering,” which argues that adding market-rate housing will cause existing market-rate housing to ‘filter’ down to lower-income renters, can only be demonstrated to occur over extremely long time-frames. And building market rate housing can slow down rent increases, because housing as a whole becomes less scarce, but it doesn’t ever contribute to rent decreases.42 With over half of Santa Ana Santa Ana already cost-burdened by their housing and economic projections projecting growth in low wage jobs, Santa Ana literally cannot afford to wait thirty years to provide solutions to the housing crisis that are lukewarm at best.
More sales tax revenues alone won’t fix poverty

Santa Ana came worryingly close to municipal bankruptcy in 2013, but has since rebounded dramatically, adding over $100 million to the total budget and a $25 million surplus generated over 2013-2015. Over the past three years, sales tax and hotel tax revenues increased by 7.9% and property tax revenues increased by 9%. This is an accomplishment of huge significance to all Santa Ana residents, as healthy tax revenues and a balanced budget are necessary for a wide range of public services like roads and infrastructure, parks, and public safety.

However, growing the city’s tax revenues can’t be the main focus of economic development, particularly in the long term. A boom in retail or tourism amenities will send more sales tax revenues to the city coffers, but without city intervention, most of these enterprises will also create more minimum-wage jobs and further strain Santa Ana’s housing supply. Publicly provided services are essential to the community, but even they can’t lift residents out of poverty.

We need something more. Santa Ana can solve these problems through a New Approach to development. When the city plays a role in guiding and encouraging development, we should ensure that resulting development creates a Santa Ana that provides health, opportunity, and growth for all. We should build for the future.

There are two key ways in which Santa Ana’s government can immediately encourage sustainable growth for our city: land use and targeted policy. We propose that the City support the establishment of a Community Land Trust to provide much-needed space for community resources, and develop Community Benefits Agreements to govern and guide publicly-supported development in the city.
Land Use: Community Land Trust

The city of Santa Ana owns over 90 acres of vacant land, in separate parcels of varying sizes. This land, which is spread across the city, was acquired by a variety of methods for a variety of reasons. Much of it is remnants of larger parcels purchased for public projects like street widenings or improvements. It was purchased with public funding from various sources. Some must be resold and the proceeds refunded to state and federal programs that provided initial funding for the land’s purchase. But much of the land belongs to the city with no strings attached.

This land holds great potential for the city. In an area that is densely developed, where available space is scarce, these parcels represent a huge opportunity for Santa Ana to make a sustainable vision reality. Some or all of this land can become a Community Land Trust, allowing Santa Ana to address the shortage of rental and for-sale housing, improve jobs and economic opportunity for residents, and provide community resources.

How do CLTs provide affordable housing?

A key feature of CLTs is their ability to provide permanent affordability. Most affordable housing development in the United States relies on tax subsidies or grant funding that only maintain affordability of units for 15 to 30 years. Since the CLT owns and administers its land outright, they’re able to provide permanent affordability.

A Santa Ana resident discusses her family’s recent move to affordable housing: “The first and the most important, my children’s health has improved. I don’t have to give them so much medication like I used to before... Now they only use their inhaler once in the morning and once at night; so its diminished and I know that they are better. I can see, I notice it, in their health.”

For-sale housing: Homeownership remains one of the best strategies for a family, household, or individual to build assets, but it is extremely difficult for low and middle-income households to purchase homes in Orange County’s real estate market.

CLTs provide for-sale housing to low-income homeowners through long-term leases (usually 99 years in length) that include stipulations on the homeowner’s rights, including rights to the use of the property, privacy, and the right to bequeath the property. CLTs generally have the ‘first right of refusal’ to purchase the house should the owner want to sell. The lease also includes a ‘resale formula’ that provides a selling homeowner with some of the proceeds from property appreciation, enabling them to use their home as an investment. The remainder of proceeds returns to the CLT, enabling the CLT to provide affordable housing for future homeowners.

A one-acre site in Santa Ana could support 35 to 50 double units of medium-density apartments and condominiums, providing housing for 70 to 200 residents.
**Rental housing:** Community Land Trusts work with affordable housing developers and public officials to develop affordable rental housing. The involvement of public representatives in CLT governance can help secure federal and state funding sources for affordable housing, and the CLT can lease land to affordable housing developers.

**How do CLTs support small businesses and good jobs?**

CLTs can support small businesses and encourage the creation of jobs through several methods.

**Developing Commercial and Industrial Property:** CLTs can build, redevelop, or rehabilitate commercial, industrial, or mixed-use buildings to lease to tenants in their service population, providing space for small local businesses, woman and minority-owned businesses, and entrepreneurs of color who are unable to access market-rate properties.

**Maintaining Job Standards:** As owners of commercial and industrial properties, CLTs can require employers leasing their space to provide living wage jobs, implement local hiring programs, and provide employees with benefits.

Santa Ana is already home to numerous entrepreneurs of all backgrounds. Manos Unidas Creando Arte is a collective of Santa Ana women who make jewelry and handbags from recycled materials like paper, plastic and cardboard. Founded about two years ago, the business allows them to help and support their spouses and families. They sell their products at fairs and events in Santa Ana, but need a regular space in order to expand.

“We need a space like a market in Santa Ana, where the whole world can go to sell their products and buy things like crafts... It would help us keep that money local, in the local economy, when people buy things in their community.” – Ester Trinidad, Santa Ana resident and Manos Unidas member.

Thai Town Community Development Corporation’s ‘Thai Town Marketplace’ in Los Angeles supports around 18 small businesses, including food and retail, as well as hosting an outdoor farmer’s market with just 5,000 square feet of retail space and 2,000 square feet of outdoor space. This initiative has created around 40 new jobs and bolstered cultural tourism in Thai Town.

In Santa Ana, even 2,000 square feet of retail space could support 10 small entrepreneurs.
How do CLTs support urban agriculture and parks?

Urban agriculture can bring numerous benefits to communities, including improved nutrition and food security, creation of open spaces, neighborhood improvement, and opportunities for education and job skills. However, it’s difficult to maintain space for urban agriculture on market-rate urban land, since the cost of the land often exceeds the amount of income that urban agriculture activities generates, and most of the other public and social health benefits of urban agriculture can’t be measured financially.

CLTs across the United States provide land for urban agriculture, as owners or lessors. They’ve also provided program support for urban agriculture and community gardening, assisting with design and implementation of agriculture, education, and infrastructure.

“There’s various aspects in which a microfarm will improve the lives of Santa Ana residents. First of all, we have a lot of youth who have problems with obesity, or adults who have diabetes, health problems like that. A microfarm can provide healthy food, even organic food, that most residents right now can’t afford… It’s also an economic opportunity, for people who can’t get jobs but want to work.” - Apolonio Cortes, Santa Ana resident

“One of the main things I would like to see in the community would be more community gardens, because buying fresh foods here in Santa Ana is pretty expensive. If there’s a community garden, it’ll be accessible for everyone and low income families won’t have to worry so much whether they’re wasting money on buying healthy foods.” – Maribel Mateo, Santa Ana youth resident

“We don’t need much for a microfarm. It would be fabulous to have two acres, four acres, but even a small parcel can grow food.”

“I would grow oranges. I love oranges. An avocado tree too. It could be open to not only giving us vegetables and food but also a place for kids to learn about different plants.”

A parcel of any size can be a community garden. With water supply, at parcel of 15,000 square feet (0.3 acres) or more could host a profitable urban agriculture enterprise.
CLTs can develop park space, lend or lease open space to nonprofit or public entities for parks and recreation uses.

“We want to get youth out of the streets and give them something to look forward to in their lives. We want to build a skate park. A lot of youth want to pick up a board, we want to give them the chance to do that instead of picking up something else they find on the streets... The skate community, everyone’s friends there, they help each other out when they fall down. It’s a good place to hang out, with a good vibe.” - Marcos Rodriguez, Santa Ana youth resident.

“My dream skate park would include lights, cameras, a few ramps, stairs, a little skate shop so people could fix their skateboards and customize them however they want... benches so people can have their lunches there any hang out, a bowl for more experienced skateboarders, trees all around so there’s plenty of shade.”

Santa Ana can look to a local CLTs as examples of success.

Irvine Community Land Trust

In 2006, the City of Irvine established the Irvine Community Land Trust (ICLT), with the mission of providing secure, high-quality affordable housing. Irvine City officials recognized that the city was facing a shortage of good affordable housing options, and after lengthy study chose a CLT as a tool for addressing the issue. City officials play a major role in governing Irvine’s CLT. The ICLT’s vision is to create 5000 units of housing by 2025, 50 percent of the City of Irvine’s goal for affordable units.

T.R.U.S.T South LA

T.R.U.S.T. South LA is a Community Land Trust located in south Los Angeles. It was founded in 2005 as a partnership between three organizations. T.R.U.S.T. was originally intended to serve as a holder and steward of land, but expanded its work to include community initiatives and programming like leadership development and organizing.

T.R.U.S.T. works for neighborhood stabilization in downtown LA, reacting to displacement that has uprooted many long-term residents. T.R.U.S.T. is developing two large-scale multi-family affordable housing projects with developer partner Abode Communities, and rehabs small multi-family developments into housing cooperatives. In addition to affordable housing and leadership development, T.R.U.S.T. works on mobility policies and projects, promoting bikeability and walkability in South LA.
**What does Santa Ana need to create a CLT?**

**LAND:** A Community Land Trust needs land

**LEADERSHIP AND INFRASTRUCTURE:** A Community Land Trust needs a governing structure, technical assistance, and development partners

- City leadership can provide support through leadership on the board of directors, technical advising from staff members, and assistance reaching out to and working with private and nonprofit developers.
- Private and nonprofit developers with a demonstrated commitment to the CLT’s values can participate as leaders or technical advisers

**FUNDING:** A Community Land Trust needs renewable and flexible funding sources in addition to lease revenues

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**Policy: Community Benefits Agreements**

Santa Ana should create and implement policies that encourage and incentivize development that meets the city’s needs. When the City plays a role in supporting private development, they should hold that development to high standards and ensure that they are supporting growth that will have lasting positive impacts on Santa Ana.

When Santa Ana encourages economic growth in the city through tax subsidies, use of public land, or other forms of public support, they should implement Community Benefits Agreements.

How can Community Benefits Agreements provide housing?

CBAs can be negotiated for projects that will have an impact on housing demand or supply. Large developments can result in direct displacement if existing housing is torn down, reducing the supply. Building market-rate and luxury housing can cause indirect displacement, raising rents in the surrounding area. Developments that create commercial space for retail or other primarily low-wage industries increase demand for affordable housing in the area. However, these impacts of development can be mitigated through community benefits policies, making development work for the developer, the city, and the community.

**Require provision of affordable units**

CBAs can require housing developments to construct a certain percentage of the total units as affordable housing. Santa Ana’s Housing Opportunity Ordinance currently requires developers to provide either 15% affordable to Low Income households, or 10% to Very Low Income households. Depending on project size and other factors, developers also may have the option of paying an in-lieu fee to the city’s Inclusionary Housing Fund, develop affordable units in an off-site location, or rehabilitate existing housing.

A CBA can increase the percentages required or require housing built for a special affordability level (e.g. Very Low Income), require that the housing be built on the project site, and/or require higher in-lieu contributions to the Inclusionary Housing Fund. This can be negotiated depending on the project’s impacts and the amount of public support the developer is requesting.
Require compensation or assistance to directly displaced residents

A Community Benefits Agreement can mitigate the impacts of displacement by providing residents with fair compensations for the costs of moving and assistance in securing adequate, comparable new housing. This is a particularly important consideration when development displaces vulnerable populations, including seniors, disabled people, and very low-income families.

How can Community Benefits Agreements provide good jobs?

Require living wage for a percentage of permanent and construction jobs

Community Benefits Agreements can require that the developer pay a living wage to workers employed in constructing the development, and workers employed by future commercial tenants or property management. The definition of a living wage can either be previously established by the City, or negotiated during the CBA process.

Require local hiring or participation in a first-source hiring program

CBAs can require developers to hire a certain percentage of construction and permanent jobs from specific populations, including people who live in or near the project, people who are displaced by the project, low-income people, and veterans. CBAs can also require that developers put forth a “good-faith” effort to hire locally or participate in a first-source hiring program that links the employer with local applicants.

Require Labor Peace Agreements and Project Labor Agreements

CBAs can include Labor Peace Agreements, which establish that future tenants will remain neutral should their employees choose to unionize and respect a union formed via card-check agreement (as opposed to forcing a National Labor Relations Board Election, a time-consuming and difficult process for unionizing employees). Labor Peace Agreements ease the path to unionization for employees, although they do not legally require that employees form a union.

Project Labor Agreements cover construction jobs in a development, and allow construction unions the opportunity to collectively bargain with the developer prior to the project to establish wages and working conditions. They can be used for both public and private projects.

What does Santa Ana need to create CBAs?

LEADERSHIP FROM CITY GOVERNMENT

- The City Council can require developers of large projects receiving public assistance to negotiate Community Benefits.
- City leadership is needed not only to initiate CBAs, but also to ensure that negotiations are fair and all parties are fairly represented in the resulting CBA.

STRONG PARTNERSHIPS FROM COMMUNITY AND LABOR

- A good Community Benefits Agreement is negotiated by a coalition on behalf of the community. Those negotiating must have legitimacy in the eyes of the broader community. Labor unions must also be involved in the coalition, both industry unions and trades unions, to ensure that labor standards are met and jobs created under the new development are good jobs.
RECOMMENDATIONS FOR THE CITY OF SANTA ANA

(1) Support the formation of a Community Land Trust through land, leadership, and advising.

The City of Santa Ana can grant parcels of land to the Community Land Trust, using public vacant land to stimulate positive community development.

The City of Santa Ana can participate in the leadership of the CLT.

The City of Santa Ana can provide technical advising from staff members.

(2) Support a Community Land Trust through a CBA and other tools to provide funding.

The City of Santa Ana can establish a Community Benefits Agreement to cover the disposal of any remaining vacant land, requiring that a portion of the proceeds from parcels sold to private developers be directed to the Community Land Trust.

The City of Santa Ana can explore tools like loan funds and grant programs to support ongoing funding needs for a Community Land Trust.

(3) Require Community Benefits Agreements for future large development projects that receive public subsidies or support.

The City of Santa Ana should use CBAs to ensure that publicly supported developments bring benefits to the community in addition to the developer.
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12. American Community Survey 2015 1-year estimates, DP03: Selected Economic Characteristics
17. American Community Survey 2015 1-year estimates, B25042: Tenure by Bedrooms; B25009: Tenure by Household Size.
In 2006, the City of Irvine established the Irvine Community Land Trust (ICLT), with the mission of providing secure, high-quality affordable housing. Irvine City officials recognized that the city was facing a shortage of good affordable housing options, and after lengthy study chose a CLT as a tool for addressing the issue. City officials play a major role in governing Irvine’s CLT. The ICLT’s vision is to create 5000 units of housing by 2025, 50 percent of the City of Irvine’s goal for affordable units.

T.R.U.S.T South LA

2005 as a partnership between three organizations. T.R.U.S.T. was originally intended to serve programming like leadership development and organizing. T.R.U.S.T. works for neighborhood stabilization in downtown LA, reacting to displacement that affordable housing projects with developer partner Abode Communities, and rehabs small multi-family developments into housing cooperatives. In addition to affordable housing and leadership development, T.R.U.S.T. works on mobility policies and projects, promoting bikeability through bikeable infrastructure and cycling programs. T.R.U.S.T. also helps to develop park space, lend or lease open space to nonprofit or public entities for parks and recreation uses.

“We want to get youth out of the streets and give them something to look forward to in their lives. We want to build a skate park. A lot of youth want to pick up a board, we want to give them the opportunity to develop their talent in skating. It’s a great opportunity for them to have fun, to be a part of the community, everyone’s friends there, they help each other out when they fall down. It’s a good place to hang out, with a good vibe.”

CLTs can develop park space, lend or lease open space to nonprofit or public entities for parks and recreation uses. It’s a great opportunity for youth to have fun, to be a part of the community, to help each other out when they fall down. It’s a good place to hang out, with a good vibe.”

52. Interview, Maribel Mateo. October 25, 2016.
48. Thai Community Development Center. <thaicdc.org>.
47. Interview, Ester Trinidad. October 26, 2016. Translated from Spanish.
43. City of Santa Ana Proposed Budget Summary, Fiscal Year 2016-2017. <ci.santa-ana.ca.us>.
40. Kennedy Commission, compiled housing data Santa Ana.
34. Healthy People, Healthy Places. 2012. <ochealthinfo.com>
29. CEP. Affordable Housing: Results from a diary study. Social Science and Medicine. 1982.
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