



Oakland Community Land Trust

Homebuyer Selection Criteria

Updated May 2024



Background

The mission of the Oakland Community Land Trust (OakCLT) is to expand and preserve housing and economic development opportunities for low-income residents of Oakland including residents who are Black, Indigenous, Latinx, Asian, and members of other communities of color. In practice, we acquire housing, land, and other critical community-serving real estate and steward them in trust to ensure that they remain affordable forever. We create innovative shared-equity ownership structures that balance the needs of individuals and families to build wealth with the long-term goal of permanently preserving housing affordability. We foster leadership and build community power through an engaged board of OakCLT residents and community members to enact a vision of resident-powered development on community-owned land.

Why do we have this policy?

OakCLT exists as a means to permanently preserve the affordability of land and housing in Oakland. OakCLT facilitates community stability by affording residents the opportunity to develop and deepen their roots in Oakland despite rampant speculation, gentrification, and displacement. We are slowly acquiring housing, a scarce resource, and converting it into permanently affordable housing, an even scarcer resource. Determining who is able to access OakCLT's limited and deeply affordable housing is difficult, because we believe everyone deserves a place to call home.

Given the limited availability and deep affordability that OakCLT is able to bring to our below-market homes, we anticipate that some home sales might attract multiple interested buyers. *How, then, does OakCLT determine who gets to purchase an OakCLT home?* These Homebuyer Selection Criteria were developed to help both fulfill OakCLT's mission and match people with homes that fit their household needs. We have designed this approach, while more complex, because we believe it to be more holistic, equitable, and in service of our mission than other common housing allocation approaches such as a randomized lottery or a first-come first-served policy.

Additional Homebuyer Selection Policies

The OakCLT Homebuyer Selection Criteria outlined in this document will be used for all OakCLT home sales that are not superseded by any existing obligations or requirements attached to that property. This includes, but is not limited to, properties with 4 or less units and/or properties that are not financed with public subsidy. Some OakCLT housing opportunities may be regulated by the City of Oakland's Preference Policy,¹ with modifications. For clarity on rules around priorities and preferences, review all disclosures on each housing opportunity offered through OakCLT. OakCLT is an equal housing opportunity provider, and all characteristics included as part of this policy meet all State of California and Federal Fair Housing standards.

¹ The City of Oakland has a Preference Policy that applies to projects with 5+ units that received City development assistance after 7/19/2016 (Code 15.62.020). This policy (Code 15.63.030) gives preference to (in this order): Displaced Households, Neighborhood Residents, and then Oakland Residents & Workers.

OakCLT Baseline Homebuyer Eligibility

To be eligible to purchase an OakCLT *single family home or condominium*, an applicant must at minimum:

- Attend an OakCLT Homebuyer Orientation Workshop;
- Complete an 8-Hour HUD Certified Homebuyer Education Course;
- Have a household income at or below 80% of area median income (AMI);
- Meet minimum household size requirements; and
- Qualify for a mortgage from one of our approved partner lenders (requires stable source of income, credit history, no recent bankruptcy/foreclosure, sufficient funds for a downpayment, etc.)

For more detailed information, review the *OakCLT Purchase Manual*.

OakCLT Homebuyer Selection Criteria:

The Selection Criteria is a point-based system, which allocates a maximum of 38 total points based on 7 possible characteristics of a given applicant. These characteristics are:

1. Existing OakCLT Lessees
2. Oakland Resident At Risk of Displacement/Displaced Oakland Resident
3. Eligible for the Section 8 Homeownership Program
4. Current Oakland Resident
5. Current Oakland Worker
6. Household Size Relative to Bedroom Count
7. Previous Eligible Applicants

The applicant(s) with the most points have the highest selection criteria score (SCS), and will be given the opportunity to sign a contract to purchase the property in question. For more information on how applicants are scored, review the scorecard at the bottom of this document. For more information on the overall application and approval process, review the *OakCLT Home Sale Process* or the scoring card and our home sale process document. This policy is a living document and OakCLT reserves the right to adjust it as needed as well as to require additional documentation that is not explicitly named below. Please check the property disclosures of the homesale in question for the most updated and applicable version of this policy.

Existing OakCLT Lessee

Qualifications:

- To qualify as an applicant who is an existing OakCLT Lessee, the applicant household must include at least one adult member whose principal place of residence or work is a property within the Oakland Community Land Trust.
- Must be a current OakCLT homeowner, residential renter, subtenant of a nonprofit lessee partner, or worker for an OakCLT commercial tenant/commercial owner.
 - Eligible Homeowners must:
 - Have owned their existing OakCLT home for a minimum 3 years
 - Be in good standing (i.e. ground lease payments are current, no liens)
 - Be seeking housing that fits their current housing size needs

- E.g. A household of 6 is currently overcrowded living in a 2 bedroom house; a household of 5 has kids who have grown up and moved out and want to downsize to a 2 bedroom house.
 - Not be applying to a home that is in some way limited to first-time homebuyers.
 - Adult family members of OakCLT Homeowners are eligible so long as they currently live in the home, have lived in the home for a minimum of 3 years, and meet all other eligibility requirements.
- Eligible Renters/Subtenant of a nonprofit lessee must:
 - Have been a renter with OakCLT/nonprofit lessee partner (on OakCLT land) for a minimum of 1 year, regardless of how long they have been in their unit
 - Be in good standing (i.e. current on rent)
- Eligible Commercial/Nonprofit tenant workers must work a minimum of 2 years for an OakCLT commercial tenant and show 2 of the following documents:
 - Last three pay stubs with the name and address of the company/organization printed on them
 - W-2 forms from previous 2 years
 - Employer certification on company letterhead
 - Tax returns for previous 2 years
 - City of Oakland business license (for self-employed)
 - Other evidence as proof of employment at an OakCLT commercial entity.

Required Documentation:

- OakCLT Homeowners and Tenants require no additional documentation assuming they are up to date on all OakCLT obligations (rent, ground lease payments, occupancy certification, etc.)
- OakCLT Commercial Tenant Workers must show 3 of the following:
 - Last two months of paystubs with the name and address of the company/organization printed on them
 - W-2 forms from previous 2 years
 - Employer certification on company letterhead
 - Tax returns for previous 2 years
 - Other evidence as proof of employment at an OakCLT commercial entity.

Points Allocation

- 5 points for each qualifying category (maximum 10 points)

Oakland Resident At-Risk of Displacement/Displaced Oakland Resident

Qualification:

- To qualify for points in the displacement category, the applicant's household must include at least one adult member whose principal place of residence:
 - Is currently *within the City of Oakland* and they currently face the potential for displacement due to a qualifying displacement event, OR
 - Is currently *within the City of Oakland* and they experienced a qualifying displacement event within the last 8 years that displaced them from their prior primary residence that was *within Oakland*, OR
 - Was *within the City of Oakland* until they were displaced from Oakland by a qualifying displacement event occurring within the last 8 years.
- A Qualifying Displacement Event is defined as:

- Ellis Act Eviction, Owner Move-In Eviction, or Eviction for Repairs (“No-Fault Evictions”)
- Expiring Affordability Restrictions or Ongoing Housing Support
- Current Household rent-burden (rent-income ratio is/will be over 40%)
- Displacement from a publicly sponsored or assisted project, habitability or code enforcement.
- This selection criteria applies only to current and former residents of Oakland who have experienced the threat of displacement *while living in Oakland*. Applicants who have been displaced from another jurisdiction or face the threat of displacement from another jurisdiction outside of Oakland do not qualify for points in this section.
- For Ellis Act Evictions, Owner Move In Evictions, or Eviction for Repairs (“No Fault Evictions”):
 - Must demonstrate that an eviction was officially filed OR that an owner communicated an intent to evict or move into the home which resulted in a settlement, move out agreement, or a voluntary removal.
 - If a tenant moves out and then a landlord rescinds the eviction, they are still eligible, but if a landlord rescinds the eviction while the tenant is still living there, they are ineligible for points in this criteria.
- Expiring Affordability Restrictions or Ongoing Housing Support:
 - This includes, but is not limited to, expiring covenants on deed restricted affordable housing, decommissioned public housing, non-renewal of project-based rental assistance from HUD, or loss of a publicly-sponsored housing voucher.
- For Current Household Rent-Burden:
 - “Rent-burden” in this case is a reflection of a household’s high ratio of rent to gross income. While rent-burden often includes a calculation of utilities, for the sake of this criteria OakCLT will look only at rent and will not include utilities.
 - Must be a current Oakland resident, OakCLT will not calculate income to rent ratio for past living situations.
 - Note that applicants with roommates that will not be part of their household if they were to move into OakCLT housing will have to demonstrate the breakdown of rent paid among the various roommates. For example, if a lease states that rent is \$2,200 per month but applicant only pays \$1,000 per month, that \$1,000 will be used to calculate their rent-to-income ratio.
 - Points for Current Household Rent-Burden will be allocated as follows according to their calculated rent to gross income ratio:
 - 40%-45% - 2 points
 - 45%-50% - 3 Points
 - 50%+ - 4 points
- For Displacement from a publicly sponsored or assisted project, habitability issues, or code enforcement:
 - Displacement from a publicly sponsored or assisted project can occur from, but is not limited to, redevelopment projects that involve the demolition of existing housing.

Required Documentation:

- All Displacement Criteria require applicants to supply a copy of their lease and to supply dates of occupancy for the relevant address. If the applicant does not have a lease, OakCLT may accept copies of money orders, copies of rent payment checks, or utility bills at its discretion.
- For Ellis Act Eviction, Owner Move In Eviction, or Eviction for Repairs (No Fault Eviction):
 - A copy of the notice of termination required under Oakland Health and Safety Code 8.22.360 B.3-6 citing 8.22.360 A. 8-11 as grounds for eviction.
 - Settlement or move-out agreements between applicants and their landlord.

- Any relevant correspondence with the landlord.
- Expiring Affordability Restrictions or Ongoing Housing Support:
 - Notice of termination of a subsidy contract, the expiration of rental restrictions, or prepayment on an assisted housing development.
- For Current Household Rent-Burden:
 - Any notices of rent increase, which may include letters, emails, and text messages. OakCLT may, at its discretion, request additional documentation.
 - Documentation of payment (may be in bank statement)
 - Rental bills (if applicable)
- For Displacement resulting from a publicly sponsored or assisted project, habitability issues or code enforcement activities.
 - Name of household displaced
 - Address displaced from
 - Date of displacement (month is also acceptable)
 - Description of displacement and any supporting documentation (eviction notice, notice from Code Enforcement, doctor's note, messages from Rent Adjustment Program (RAP), property inspection, etc.)

Points Allocation

- 4 points for each qualifying category, see point allocation for Household Rent Burden above (maximum 12 points)

Eligible for Section 8 Homeownership Program

Qualifications:

- To qualify as an applicant who is eligible for the Section 8 Homeownership Program, the applicant household must currently hold a Section 8 Housing Choice Voucher from the Oakland Housing Authority (OHA), meet all applicable Section 8 Homeownership Program requirements, and use their voucher to purchase the home for which they are applying.

Required Documentation:

- Applicants must provide a letter of approval from their OHA Homeownership Coordinator certifying that they qualify for the Section 8 subsidy.

Points Allocation

- 4 points

Oakland Resident

Qualifications:

- To qualify as an applicant who is a resident of the City of Oakland, the applicant's household must include at least one adult member whose principal place of residence is within the City of Oakland as of the date of application.

Required Documentation:

- Must demonstrate Oakland residency at time of application by showing at least 3 of the following types of items which contain the name of the tenant and their address:
 - Change of address confirmation from USPS
 - Credit card statement dated within the last 2 months
 - Court documents

- Driver's License with local address
- Copy of utility bill in applicants name dated within the last 2 months
- Copy of applicant's current rental/lease agreement reflecting local address
- Copy of applicant's automobile and/or renters or homeowners insurance policy for residence insured in Oakland with local address
- Voter Registration
- Any documentation noting a different address must be explained.

Point Allocation

- 3 points

Oakland Worker

Qualifications:

- To qualify for the Oakland Worker Criteria, an applicant's household must include at least one member who works within the City of Oakland.
- Work is defined for purposes of this policy as owning or operating a licensed business located within the City of Oakland, employment for wages or salary for an employer located within the City of Oakland, contract employment where the actual work is conducted within the City of Oakland, or commission work where the applicant's principal location from which they work is located within the City of Oakland. Even if the work causes the applicant to be in Oakland frequently, the applicant does not qualify as an Oakland worker if the business is not located in Oakland. An adult applicant who is an active participant in an education or job training program located within the City of Oakland is also eligible for the Oakland worker category.
- Relevant household member(s) must work a minimum of 20 hours per week in Oakland to qualify.
- Applicants who work remotely from home do not qualify as Oakland Workers unless they can demonstrate that their job has a physical connection to Oakland that requires them to be here, such as a physical office or performing in-person services.

Required Documentation:

- Applicant must provide 3 of the following:
 - Three months of pay stubs with the name and address of the company printed on them
 - W-2 forms
 - Employer certification on company letterhead
 - Tax returns
 - City of Oakland business license (for self-employed, required)
 - Other evidence as proof of employment at a business location or participation in an education or job training program within the City of Oakland.

Point Allocation

- 2 points

Household Size Relative to Bedroom Count

Qualifications:

- To qualify for points in this category, an applicant's household size must match or exceed the number of bedrooms for the home in which they are applying.
 - For example, a household of 2 applying for a 2 bedroom house would receive points, and a household of 3 applying for a 2 bedroom house would receive additional points. A household

of 1 applying to a 2 bedroom house, while eligible to apply, will not receive points for this criteria.

- Additional points will be awarded for the presence of children under age 18 or if the applicant is a primary caregiver to another household member.
- The relationship between the minimum household size and maximum bedroom allowance for sake of application eligibility is as follows:

Number of Bedrooms in Home	1	2	3	4
Minimum Household Size	1	1	3	4

Required Documentation:

- In most cases all adult and minor dependents will appear on Federal Income Tax Returns.
- Recent changes in household composition or household members that exist outside of tax returns must be verified by other means.

Point Allocation

- 1 point if household size matches or exceeds bedroom count.
- 1 additional point if the applicant's household exceeds bedroom count.
- 1 additional point if the applicant household includes at least 1 person for whom the applicant is a primary caregiver OR at least 1 child under age 18.
- 1 additional point if the household includes at least 1 child under 6.
- Maximum 4 points.

Previous Applicants

Qualifications:

- A “Previous Applicant” means a household with at least one adult member who has submitted a complete application meeting baseline eligibility for OakCLT homeownership opportunities.
- Applicants who submitted a full application for a home that they did not qualify for (i.e. they did not meet minimum household size requirements, were over-income, they did not complete their homebuyer education requirement, or did not submit a pre-approval letter from an approved lender) are ineligible for points in this category.

Required Documentation:

- Applicants will self-identify and OakCLT will verify based on our records.

Point Allocation

- 1 point per prior complete and eligible application submitted to OakCLT, up to 3 points.

OakCLT Applicant Selection Criteria Scoring Card

Applicant Information

Primary Applicant Name:		Email:	
Gross Income:		Household Size:	
		Income Limit for HH Size:	

Baseline Eligibility

Y/N

Has at least 1 applicant attended an OakCLT Homebuyer Info Session?	
Have applicant(s) submitted a certificate of completion for a HUD certified homebuyer education course?	
Is the applicant(s)' gross household income at or below 80% AMI, adjusted for household size?	
Does the applicant(s)' household meet the minimum size requirements for the applicable house?	
Has a pre-approval letter from an OakCLT-approved lender been submitted?	

If any above answers were marked "No" applicant(s) do not qualify for this housing opportunity.

OakCLT Homebuyer Selection Criteria Scoring

Points Earned

Existing OakCLT Lessee	OakCLT Homeowner (5 Points)	
	OakCLT Tenant/Subtenant of a Nonprofit Lessee (5 Points)	
	OakCLT Commercial Tenant Worker (5 Points)	
	Total Existing OakCLT Lessee Points (Max. 10)	___/ 10 Points
Oakland Resident At Risk of Displacement/Displaced Oakland Resident	Ellis Act eviction, Owner Move In eviction, or Eviction for Repairs (4 Points)	
	Expiring Affordability Restrictions or Ongoing Housing Support (4 Points)	
	Current Household rent-burden (4 Points)	
	Disp.from a publicly assisted project, habitability, or code enforcement (4 Points)	
	Total Displacement Points (Max. 12)	___/ 12 Points
Section 8 Homeownership		___/ 4 Points
Current Oakland Resident		___/ 3 Points
Current Oakland Worker		___/ 2 Points
Household Size/Bedrooms	Household Size ≥ Bedroom Count (1 Point)	
	Household Size > Bedroom Count (1 Point)	
	Household includes at least 1 child < age 18 or is a primary caregiver (1 Point)	
	Household includes at least 1 child under age (1 Point)	
	Total Household/Bedroom Points (Max. 4)	___/ 4 Points
Previous Eligible Applicants	Total # of Eligible Applications Submitted:	___/ 3 Points
Total Selection Criteria Score (SCS):		_____/ 38 Points