



Oakland Community Land Trust

Homebuyer Selection Criteria

Updated April 2023



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, Latinx, Asian, or 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The OakCLT Homebuyer Selection Criteria outlined in this document will be used for all OakCLT home sales that are not superseded by any existing obligations or requirements attached to that property.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 properties that are not financed through public subsidy. Some OakCLT housing opportunities may be regulated by the City of Oakland's Preference Policy¹ 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 OakCLT's Purchase Manual.

OakCLT Homebuyer Selection Criteria:

The Selection Criteria is a point-based system, which allocates a maximum of 34 total points based on 6 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. 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. SCS ties will be broken by the applicant(s) with the lowest AMI relative to household size. For more information on how applicants are scored and the overall process, review Exhibit A for 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 before a given application for housing is due. Please check the property disclosures of the homesale in question for the most updated and applicable version of this policy.

Existing OakCLT Lessee

Definition:

- 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.

Qualifications/Documentation

- 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.
- Eligible Renters/Subtenant of a nonprofit lessee must:
 - Have been a renter with OakCLT/nonprofit lessee partner 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 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.

Points Allocation

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

Oakland Resident At-Risk of Displacement/Displaced Oakland Resident

Definitions

- To qualify as an applicant who is at risk of displacement or a displaced Oakland resident, the applicant's household must include at least one adult member whose principal place of residence is or was within the City of Oakland, and they were displaced within the past 8 years or likely will be displaced now, as a result of:
 - Ellis Act eviction, Owner Move-In eviction, or Eviction for Repairs
 - Expiring Affordability Restrictions on an existing affordable housing project
 - Current Household rent-burden (rent-income ratio is/will be over 50%)
 - Displacement from a publicly sponsored or assisted project or code enforcement activities.
- 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.

Qualifications/Documentation

- Ellis Act eviction, Owner Move In eviction, or Eviction for Repairs (No Fault Eviction):
 - Address of property and dates of occupancy.
 - Copy of lease
 - If the applicant does not have a lease, OakCLT may accept copies of money orders, copies of rent payment checks, or utility bills.
 - 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.
- Expiring Affordability Restrictions on an existing affordable housing project:
 - Notice of termination of a subsidy contract, the expiration of rental restrictions, or prepayment on an assisted housing development.

- Copy of lease
- Address of property and dates of occupancy
- Current Household rent-burden (rent-gross income ratio is over 50%):
 - Must be a current Oakland resident
 - Copy of lease
 - If the applicant does not have a lease, OakCLT may accept copies of money orders, copies of rent payment checks, or utility bills. OakCLT may, at its discretion, request additional documentation.
 - Any notices of rent increase
 - This may include letters, emails, and text messages. OakCLT may, at its discretion, request additional documentation.
 - Address of property and dates of occupancy
- Displacement resulting from a publicly sponsored or assisted project 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, etc.)

Points Allocation

- 4 points for each qualifying category (maximum 12 points)

Eligible for Section 8 Homeownership Program

Definition:

- 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.

Qualifications/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

Definition

- 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.

Qualifications/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
 - Court documents

- Driver's License with local address
- Copy of current utility bill in applicants name with local address
- 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

Point Allocation

- 3 points

Oakland Worker

Definition

- Work is defined for purposes of this policy as owning or operating a 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 preference.

Qualifications/Documentation

- In order to verify eligibility for this preference the applicant must provide 2 of the following:
 - Last three pay stubs with the name and address of the company printed on them
 - W-2 forms
 - Employer certification on company letterhead
 - Tax returns (for self-employed)
 - City of Oakland business license (for self-employed)
 - 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

Previous Applicants

Definition

- 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, or did not qualify for a mortgage) are ineligible for points in this category.

Qualifications/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.

Exhibit A:

OakCLT Applicant Selection Criteria Scoring Card					
Applicant Information					
Primary Applicant Name:				Email:	
Secondary Applicant Name:				Email:	
Gross Income:		Household Size:		Income Limit for HH Size:	
Baseline Eligibility					Y/N
Has at least 1 applicant attended a 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% AML, adjusted for household size?					
Does the applicant(s)' household meet the minimum size requirements for the applicable house?					
Have the applicant(s) submitted a pre-approval letter from an OakCLT-approved lender that qualifies them to purchase the applicable house?					
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 on an existing affordable housing project (4 Points)				
	Current Household rent-burden (4 Points)				
	City/Agency public project, or by City code enforcement activities (4 Points)				
	Total Displacement Points (Max. 12)				___/ 12 Points
Section 8 Homeownership					___/ 4 Points
Current Oakland Resident					___/ 3 Points
Current Oakland Worker					___/ 2 Points
Previous Eligible Applicants		Total # of Eligible Applications Submitted:			___/ 3 Max. Points
Total Selection Criteria Score (SCS):					___/ 34 Points

