

CLTs Serving Entire Cities, Counties, or Regions

Advantages, Opportunities & Benefits

- * **DEVELOPMENT:** A wider service area presents more opportunities to acquire sites on which affordable housing can be developed. Land costs, in particular, can be considerably lower outside of the urban core.
- **DIVERSIFICATION.** A wider service area may present opportunities for a CLT to diversify its programs and portfolio, going “beyond housing.”
- * **MOBILITY:** Affordable housing that is scattered throughout a region provides more choices for low-income people who are seeking better housing, better schools, and/or better jobs.
- * **FAIR SHARE:** Opening up the “burbs” to affordable housing, as well as other enclaves that have traditionally excluded low-income people and people of color, is (or should be) intrinsic to a CLT’s social mission.
- * **SELECTIVITY:** A wider service area provides a deeper pool of applicants for CLT housing, allowing the CLT to be more careful and more selective in filling its units.
- * **CONSTITUENCY:** A wider service area allows the CLT to cultivate a more diverse membership and to build a broader constituency for affordable housing. This constituency may include public officials and state legislators representing multiple jurisdictions.
- * **COLLABORATION:** There may be more opportunities for collaboration with other non-profit providers of affordable housing and social services operating in the same service area.
- * **FUNDRAISING:** A wider service area is preferred by many funders, both public and private. It can also make grassroots fundraising easier by giving the CLT access to more communities, more community foundations, and more people as potential donors.

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Disadvantages, Costs & Risks

- * **COST OF MANAGEMENT:** Sites and projects that are widely scattered across a region can make for difficult and costly property management.
- * **LOSS OF ACCOUNTABILITY:** It is more challenging to keep the CLT accountable when its “community” embraces multiple municipalities, dozens of projects, hundreds of leaseholders and thousands of members scattered throughout a wide geographic area. Leaseholder engagement, in particular, may become harder to maintain.
- * **CLT AS LANDLORD.** A more distant CLT, operating housing that is widely scattered, risks being perceived by leaseholders and neighbors as an absentee landlord instead of a proximate partner.
- * **COMPETITION:** Staking out a wider territory can place the CLT in competition with other nonprofit providers of affordable housing operating within the same service area. Competition among nonprofits can antagonize funders and alienate supporters.
- * **CONFLICT:** The more jurisdictions within which a CLT attempts to develop affordable housing, the more likely it becomes that the CLT will find itself under attack by people who oppose affordable housing in “their backyard.” The less likely it becomes, moreover, that the CLT will have a base of support to rebut such NIMBY opposition in every place in which it wants to develop affordable housing.
- * **LESS COMMUNITY ORGANIZING:** A service area that cuts across multiple jurisdictions can make grassroots community organizing more difficult – and less likely. Members tend to be mobilized solely for fundraising, not for engagement or empowerment.
- * **LESS COMMUNITY DEVELOPMENT:** Organizations with a wider service area tend to elevate housing development over community development. The revitalization of a particular neighborhood becomes a much lower priority.

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Key Organizational Issues

- * **SERVICE AREA:** How large a service area is practical – and prudent – especially during start-up? (This area can be expanded – or narrowed – down the road.)

- * **TARGET AREA:** Should there be one or more high-priority “target” areas within a larger service area?

- * **CENTRAL OFFICE:** Where should the CLT locate its corporate HQ within a larger service area? Should “subsidiary” offices be established?

- * **COMPETITION:** What sort of relationship should the CLT establish with other nonprofit providers of affordable housing operating within the same service area?

- * **CORPORATE STRUCTURE:** Should the CLT change its corporate structure to accommodate subsidiaries, advisory committees, or some sort of federation of independent CLTs, so that local control can be ensured despite the regional reach of the “parent” CLT?

- * **BOARD STRUCTURE:** How should the CLT structure its board to ensure representation for multiple towns, multiple nonprofits, and multiple constituencies within a wider service area?

- * **LEASEHOLDER PARTICIPATION:** How can leaseholder representation and engagement be ensured?