



KCT Neighborhood Trust

August 31, 2022





Agenda



Welcome & Introduction

15 Minutes

KCT Neighborhood Trust Purpose

10 Minutes

Definitions & Process Overview

25 Minutes

Community Working Group Sessions

35 Minutes

Governance Overview

25 Minutes

Next Steps

10 Minutes



Introduction

In August 2021, the Kensington Corridor Trust embarked on a **community engagement process** to support the development of a **perpetual purpose trust**

While Kensington Corridor Trust had been highly engaged in the community, the goal was for this to be a **community-led process** where residents & business owners developed a **governance for a perpetual purpose trust** that would be stewarded by the **organization**



Acknowledgements



Thanks to the following individuals who were a part of the Community Working Group and have been dedicated to this process:

Cristina Laboy, Jeremy Chen, John Zerbe, Miguel Diaz, Marcos Laguna, Neyda Rios, Gloria Cartagena, Erin Popoli, Darlene Burton, and Yari Baez.

Special thanks to the amazing Kensington Corridor Trust staff without whom this project would not have come to fruition: **Community Organizer Jasmin Velez** and **Executive Director Adriana Abizadeh**. Thanks to all the organizations hired to support the success of this work: **Illustrating Progress (Haley McDevitt), Purpose Foundation (Katie Lyon) and Strategy Arts (Dr. Cindy Estremera Gauthier).**

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What is a Trust?



A Trust holds assets

- An **asset** is something valuable or useful. In business and accounting, the value of an asset is expressed as certain amount of money.
- Examples of assets include money or property (land and buildings)
- In KCT, when we say “assets” we mean land and buildings.



Purpose Trust

- A **purpose trust** is a type of trust which has no beneficiaries, but instead exists for advancing a charitable purpose
- The perpetual purpose trust is named and referenced as the
“ **KCT Neighborhood Trust** ”





Neighborhood Trust Structure

Purpose:

The reason the trust exists (community ownership)

Trust Stewardship Committee:

A group of people who control the trust
and can make decisions

Trust Enforcer:

Enforce the purpose/hold committee accountable

Corporate Trustee:

Administrative role, usually a bank





Neighborhood Trust Stewardship Committee



A group of people who control the trust and can make decisions about and on behalf of the trust

- They focus on the big picture to make sure the decisions follow the community's priorities
- They also look at the finances and are legally responsible for following the purpose





Neighborhood Trust Enforcer

One person selected by the community who does not have any direct financial ties to the Neighborhood Trust

- They enforce the purpose of the Trust
- Anyone from the community can come to them if they believe the Trust Stewardship Committee isn't doing what it is supposed to be doing





Neighborhood Trust Corporate Trustee



An administrative role that often exists to allow the trust to be set up in a state that is favorable to trusts

- Usually, a bank or a firm





Governance

Governance is defined as the decisions and actions of the people who run a school, nation, city or business

- In this case a neighborhood trust that holds community assets.



KCT NEIGHBORHOOD TRUST

WHAT IS IT?

THE NEIGHBORHOOD TRUST is ESTABLISHED for the BENEFIT of a PURPOSE RATHER THAN a PERSON. (THIS PURPOSE GIVES KCT the LEGAL STRUCTURE of a "PERPETUAL PURPOSE TRUST.")

WHAT IS OUR PURPOSE?

OUR PURPOSE is a REASON for COMMUNITY OWNERSHIP with LANGUAGE that WILL BE SET in STONE FOREVER DEFINED by YOU!

WHAT ARE OUR PRIORITIES as COMMUNITY MEMBERS and AS OWNERS?

TRUSTEES MUST FULFILL the PURPOSE DEFINED by YOU!



OUR ASSETS = OUR PROPERTIES



MOVING AWAY from the OLD SYSTEM + TOWARD COLLECTIVE OWNERSHIP

Kensington Corridor Trust Mission

The purpose of the Kensington Corridor Trust (as a 501C3 nonprofit organization) is to *utilize collective ownership to direct investments on the corridor that preserve culture and affordability while building neighborhood power and wealth in Kensington*





Purpose



The established purpose of the KCT Neighborhood Trust is **to preserve its perpetual independence, values, and mission to uplift and support community-led initiatives that harness neighborhood power, or those of any other values-aligned enterprises in which the KCT Neighborhood Trust holds a majority or controlling interest.**



Purpose



- **Preserve the KCT Neighborhood Trust as a permanently independent entity** in which the Trust holds a majority or controlling interest.
- Continually **increase the positive impact of the KCT Neighborhood Trust and its work** while also **supporting the financial health of the Trust**.
- Operate the KCT Neighborhood Trust for the **benefit of the mission, rather than profit maximization**.
- Ensure the KCT Neighborhood Trust embodies and practices its values of **stewardship, community, transparency, and equitable, community-minded development that is led by and benefits the local community**.



Purpose



- Ensure the KCT Neighborhood Trust **supports community leadership** through its operations and values.
- Ensure that **financial decisions serve the mission** represented by the KCT Neighborhood Trust and that the **long-term sustainability of the Trust be considered over short-term financial gain.**
- Maintain a governing body for the Trust that **includes members of the local community.**
- Maintain metrics and evaluation criteria for the **successful execution of its mission in alignment with the purpose** outlined in this document.



Process



- Kensington Corridor Trust, Purpose, Illustrating Progress, and Strategy Arts co-created a strategy for community engagement
- Kensington Corridor Trust compiled a list of contacts and established alignment on eligibility
- Outreach was conducted to businesses on the Kensington Corridor and residents who reside in the Fairhill, East and West Kensington neighborhoods surrounding the corridor



Process



20 community members of Kensington were interviewed

- Residents or small business owners in the neighborhood
- Conducted in Spanish and English
- Conducted in-person, via Zoom, via phone
- Trauma-informed



KCT COMMUNITY WORKING GROUP 1

LANGUAGE

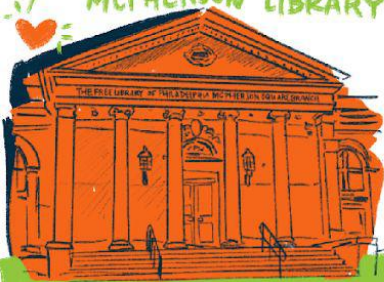
ETCHED IN STONE

REALLY? SUCCESSION PLANNING

ENSURING FLEXIBILITY LONGEVITY

PRIORITIZE SPACE

MCPHERSON LIBRARY



CHANGING the CULTURE and PERCEPTION of KENSINGTON

EDUCATION + RESOURCES

LINGO to BRING PEOPLE IN

LIFT and EMPOWER the COMMUNITY

WHAT WE NEED, COMING FROM US



TRUST

YOU CAN COME and ENJOY YOUR COMMUNITY

POSITIVE PRESENCE

HEALTH!



HARROWGATE PARK: a MODEL for COMMUNITY SAFETY!

SAFETY

CLEAN DRUG FREE

BRING MY FAMILY OUT!

A NEW LEVEL of COMMUNITY AGENCY

BUILDING the VISION

RESIDENT LED: IT HAS to COME FROM the COMMUNITY!

RESPONSIBILITY

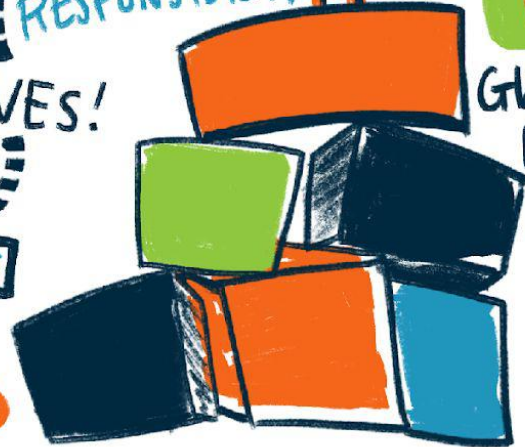
OURSELVES!

COMMUNITY GARDEN

CULTURAL RESTAURANTS



GUARDRAILS for PRIVATE MARKET ACTIVITIES



KCT COMMUNITY WORKING GROUP 2

PLANT the SEED in the COMMUNITY GARDEN



HOPE



LISTEN to DIVERSE VOICES + COMPROMISE

FOR the COMMUNITY!
REJECT GENTRIFICATION

CHANGE + MOMENTUM



PASSION and GRIT for COMMON GOOD!

ELEMENTS of OUR TRUST

- 51%+ VOTING OWNERSHIP
- TRUST STEWARDSHIP COMMUNITY
- TRUST AGREEMENT
- CORPORATE TRUSTEE
- TRUST ENFORCERS

WHAT SHOULD THIS LOOK LIKE?

YOU ARE the DEVELOPERS of the PROCESS

ANTONOMY

CLEAN, HEALTHY, and THRIVING

ACCOUNTABILITY

COLLECTIVE LIBERATION + BENEFIT

GREENING!



ART!



SIDEWALKS!

SAFETY in ENVIRONMENTAL DESIGN



SOCIAL DETERMINANTS of HEALTH

LIGHTING!

KID FRIENDLY SPACE



REMAIN UNIQUE

HISTORY, CULTURE + ACTIVATION of SPACES
JOBS

RESTORE + UNITE
SHOPPING

REFLECT OUR POTENTIAL!

INVEST, DON'T EXTRACT CAPITAL!

CARE!

LIFT and SUPPORT COMMUNITY-LED INITIATIVES

KCT COMMUNITY WORKING GROUP 3

CREATING an ECOSYSTEM



ENGAGED at EVERY LEVEL!

POSSIBILITIES:

- BLOCK CAPTAINS
- REPRESENTATIVES:
 - SCHOOLS
 - HEALTH CENTERS
- FAITH LEADERS
- NON PROFITS
- YOUTH
- CIVIC LEADERS
- POLICE

+MORE!

REPRESENTATION with

EQUAL POWER

Thinking about INTERSECTIONALITY

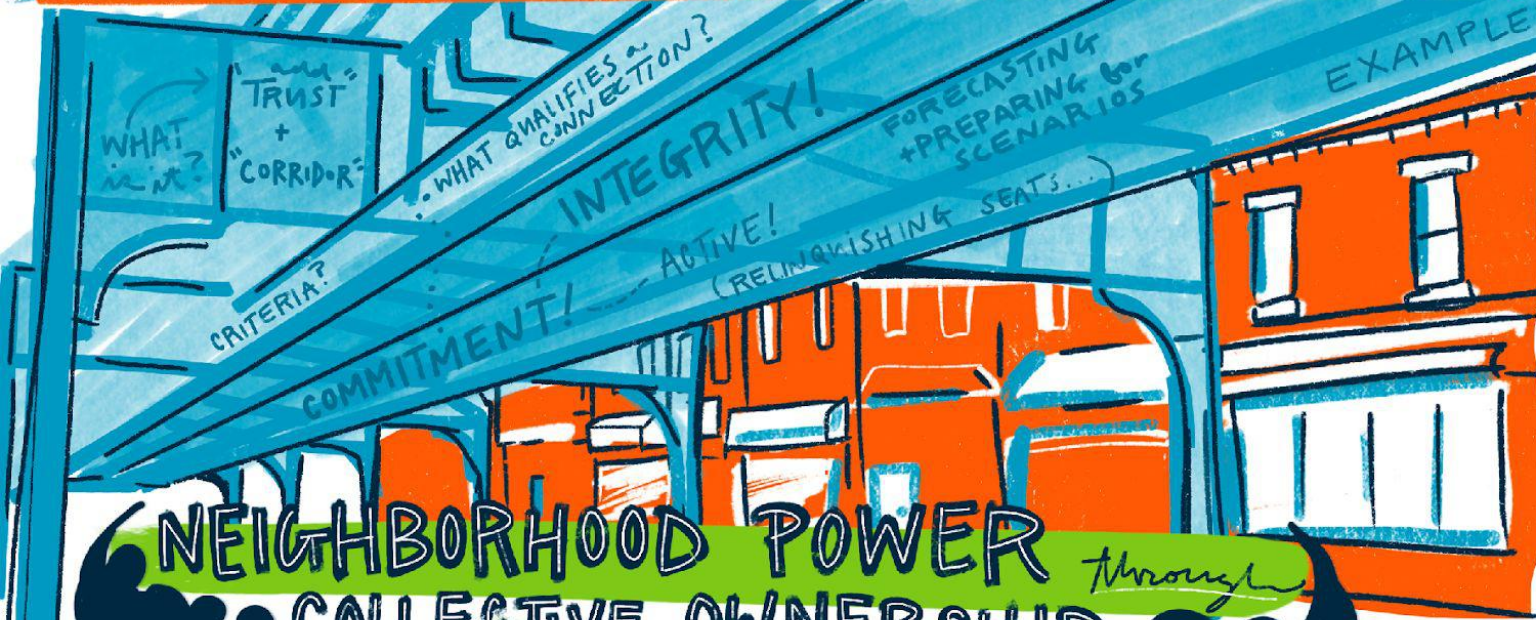
OVERLAPPING ROLES

HOW LONG DOES it TAKE?
2 YEAR, 2 TERMS

an OPPORTUNITY

to SEE it THROUGH

RESPONSIBILITY + ACCOUNTABILITY



NEIGHBORHOOD POWER
COLLECTIVE OWNERSHIP
UPLIFT, SUPPORT and AMPLIFY

GOOD BUSINESS DEVELOPMENT!

PROPERTIES

EQUITABLE, COMMUNITY-MINDED

ECOSYSTEM

TRUST REFFERAL

CREATING EQUITY LOCALLY

BUSINESS OPPORTUNITIES + CONNECTIONS
PARTNERING with WORK FORCE DEVELOPMENT

Thinking about INTERSECTIONALITY

OVERLAPPING ROLES

BUILD ON the TRUST ALREADY CREATED

SHOW OTHERS HOW it WORKS

WORKING GROUP MEMBERS

DEVELOPMENT

REFERRALS
...WHEN the TERM ENDS

FUNDING

FLEXIBILITY for CHANGE

KCT COMMUNITY WORKING GROUP 4

WALKING TOUR TODAY!

20 YEARS from NOW

KCT EXPANDS
CREATING a BLUEPRINT: COMMUNITY INVESTS IN ITSELF

KENSINGTON BECOMES a PARADISE:
RECORD # of SELF-SUSTAINING STARTUPS No BRICK + MORTAR



KCT BOARD:

- SEPARATE GOVERNING BODY WORKING IN PARTNERSHIP and IS ACCOUNTABLE to the STEWARDING COMMITTEE
- RUNS 501c3 NONPROFIT
- ORGANIZATIONAL STRATEGY
- BUDGETING + STAFF
- DIRECT INVOLVEMENT/TIES to the COMMUNITY

STEWARDSHIP COMMITTEE:

- CODE of CONDUCT
- MAKING DECISIONS:
 - WHERE to INVEST
 - ASSETS
 - WHAT to DO w/ RENTAL INCOME

WHO is HERE?

- COMMUNITY RESIDENTS (2)
 - RESIDENT REQUIREMENTS in NOMINATION
- BUSINESS OWNERS (2)
 - BUSINESS REQUIREMENTS in NOMINATION
- COMMUNITY LEADERS (2)
- YOUTH LEADERS (2)
 - ROBUST OUTREACH to FILL SEATS
 - INTERIM SEAT
- KCT BOARD MEMBER (1)

9 TOTAL!

EXPERIENCE BEING INVOLVED in the COMMUNITY!

NOMINATION PROCESS:

BOUNDARIES WHAT are the BORDERS? YEAR?

are FLUID!

DIGITAL

OR

ON PAPER



- TIME
 - ABILITY
 - DEDICATION
- OFFICIALLY in the POSITION YOU are NOMINATED for!

APPLICATIONS to JOIN!

90 DAYS to OPENING SEAT...

OTHERS OR YOURSELF



BIO and

REFERENCES

CRIMINAL BACKGROUND CHECK

DIVERSITY in BACKGROUND + EXPERIENCES

HOW LONG are the TERMS?

- 2 YEARS
- BEGINNING will REQUIRE MORE WORK...
- 1 of EACH TYPE of SEAT STAYS for a 3rd YEAR to SHARE KNOWLEDGE with NEW PEOPLE
- MAX of 2 TERMS
- MEETINGS are COMPENSATED
- 1 YEAR BREAK REQUIRED BETWEEN TERMS

BOARD ENGAGEMENT in OUTREACH for FIRST ROUND

SEE WHAT EXPECTED! MUTUALLY BENEFICIAL

YOU HAVE BEEN NOMINATED

are you INTERESTED? OR NOMINATE by SENDING the APPLICATION

to the POTENTIAL MEMBER?

SIT in ON a MEETING!

KCT COMMUNITY WORKING GROUP 5



RESIDENCY REQUIREMENTS



BUSINESS REQUIREMENTS
NO EXTRACTIVE PRACTICES



COMMUNITY LEADERS



YOUTH LEADERS
14-21 AGE RANGE

MAINTAIN POWER
for LONG TERM RESIDENTS

INITIAL SELECTIONS
DETERMINED by BOARD

COMPENSATION REVIEW
EVERY 3 YEARS

STAYS UNDER
REVIEW

**SELECTION
PROCESS**

EACH YEAR
FALL/
3RD QUARTER

"YOU SHOULD
APPLY!"

DECISION MAKING PROTOCOL

DEFAULT:
SIMPLE MAJORITY VOTE
HIGH IMPACT:
CONSENSUS MINUS 1 VOTE
ULTRA HIGH IMPACT:
CONSENSUS MINUS 1 VOTE
of the TRUST STEWARDSHIP
COMMITTEE and APPROVAL
of the TRUST ENFORCER

COMPENSATION
TWICE your HOURLY
LIVING WAGE
COMPENSATED
for EVERY MEETING

PICK YOUR
STRONGEST
LEADERS

NOMINATIONS

are
SCREENED
by STAFF

COMMUNITY
INVOLVEMENT

**SELF
NOMINATION**

**NOMINATION
PROCESS**

* PUBLIC OR PRIVATE?

ONLINE
+ PAPER

BEWARE of CONFLICTS of INTEREST



DISTRIBUTION of ASSETS
& TRUST DISSOLVES
RFP PROCESS?

PRE-APPROVED
LIST of BUYERS

DEBT...

CANNOT
BE
DONATED

DEED
RESTRICTIONS

ANNUAL PROCESS (60 DAY PROCESS)
for **2 YEAR TERMS**

SHOE SHOP
J.S. Rubber Heels
- ATTACHED IN 5 MINUTES -

Community Working Group Session 6

The Community Working Group

- Ratified the governance document and legal trust agreement



The Trust Stewardship Committee is a group of people who control the KCT Neighborhood Trust and can make decisions about and on behalf of the Trust.

- Like a guardian, they focus on the big picture to make sure the decisions follow the neighborhood's priorities. They also look at the finances and are legally responsible for following the purpose.



Governance

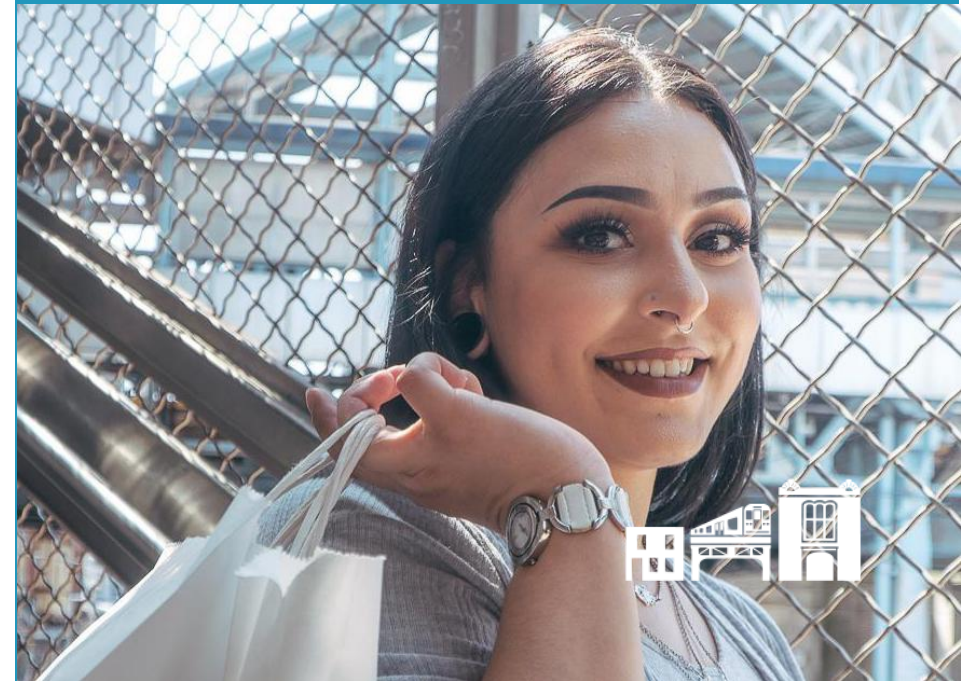


The Trust Stewardship Committee is responsible for governing the Neighborhood Trust in the following ways:

- Follow nomination process
- Set parameters on development and leasing of assets in Trust
- Remove and select Corporate Trustee
- Create replacement list for Trust Enforcers
- Follow protocol for pledging or selling assets in the Trust
- Insolvency procedures
- Make decisions about surplus proceeds from rental revenue
- Approve changes to the governance structure of the Trust



Governance





The Trust Stewardship Committee will be made up of the following stakeholder groups:

- Kensington Residents (up to 2)
- Community Leaders (up to 2)
- Youth Leaders (up to 2)
- Kensington Avenue Business Owners/Managers/Leadership (up to 2)
- Kensington Corridor Trust Board Member (1)



Governance



