

# Elm Street Community Trust Proposal

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## Summary/Introduction:

Located at 265 Elm Street in Davis Square, Somerville, Massachusetts, is a historic three-story mixed-use apartment building. The ground floor houses two large commercial spaces, while the upper floors consist of four additional housing units. This building stands as among the only pre-existing non-conforming residential structures in the heart of Davis Square. Residential use is no longer permitted in the commercial core.

The property is one of three buildings that make up a larger mixed-use structure that also includes addresses at 5-7-9 Davis Square, 422-424 Highland Avenue, and 263-269 Elm Street.

The entire property spans a total of 11,260 square feet, comprising five separate retail spaces on the ground floor, four three-bedroom apartments, and an undisclosed amount of unoccupied office space. In 2016, it had a taxable value of \$3,294,000.

The scope of this proposal is limited to the 265 Elm Street Building. It is three stories tall, with **two retail storefronts** on the ground level, as well as **four three-bedroom apartments** – two on each floor.

## **Project Goals and Beneficiaries:**

The main objective of this project is to safeguard affordable housing and create affordable, community-oriented retail spaces within the building, establishing it as an independent entity sustained by collectivized rents from its tenants.

By providing rent-stabilized spaces for current commercial and residential tenants, the new structure aims to serve the broader Davis Square community by offering permanent affordable housing and mission-focused retail storefronts. This initiative seeks to foster a more equitable and vibrant neighborhood.

## **Organizational Structure:**

The trust will adhere to the "classic" Community Land Trust (CLT) model, which aims to balance the interests of individual CLT homeowners and the community as a whole. It will establish an independent membership corporation rooted in the community.

This corporation will have two equally empowered categories: the first consisting of all occupants of CLT-owned premises and the second open to community members supporting the CLT's endeavors. Both categories will elect one-third of the board of directors. The remaining third, known as "public representatives," will be either elected by the total membership or appointed by the board to represent the broader public interest.

## **Notable Persons and Organizations:**

Public data from masslandrecords.com name **Francis D. Privatera** and **Jonnie Privatera** as Trustees of the **Dreyfus Building Realty Trust**, associated with a documented sale valued \$325,000 dated October 1<sup>st</sup>, 1976.

The Privatera family is also referenced by name in masslandrecords.com data associated with **5 Davis Square LLC**. There is a financing statement for a \$4,000,000 mortgage application associated with that new organization dating back to 2016 on which **Philip J. Privatera** is named responsible for the property. He is a notable public figure and currently resides in Arlington, Massachusetts.

The purpose of the new LLC and mortgage approval for the building already under the family's ownership is unclear.

## Potential Partners:

A CLT project in a neighborhood as important to the urban fabric as Davis Square is likely to attract attention from a wide variety of stakeholders in both the public and private sectors.

Reddit founders Alexis Ohanian and Steve Huffman built most of the website while they lived in this building in 2009, [according to a Tweet from Ohanian in 2021](#).

Huffman is the current CEO of reddit.com; Ohanian is a Florida-based venture capitalist with a self-proclaimed interest in supporting social enterprise and economic development through entrepreneurship. In 2020, he founded startup-focused venture capital fund [sevensevensix.com](#).

Either could potentially be helpful allies in completing this acquisition.

Additionally, the City of Somerville, Community Action Agency of Somerville (CAAS), Community Credit Union – Davis Square, and Somerville Community Land Trust are all examples of potential partner organizations engaged in community economic development projects across the city.

