Understanding Community Land Trusts

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History of Community Land Trust

- First CLT was inspired by the civil rights struggle for Black land ownership in rural South
- 1st formal CLT in US was in 1969, New Communities, Inc., in Albany, GA: 5,700-acre land trust for Black farmers
- CLT drew from global movements: Gandhi's Gramdan movement in India, Isreli kibbutzim and British Garden City housing movements
- 1980s 1990s CLT model spread to urban areas to combat gentrification, housing displacement and speculation in areas such as Boston, Burlington and New York for affordable housing
- Over 200 CLTs now exist across the US and supported by HUD, municipalities and community development organizations.



What is a Community Land Trust?



 NONPROFIT HOLDS LAND IN TRUST FOR THE COMMUNITY

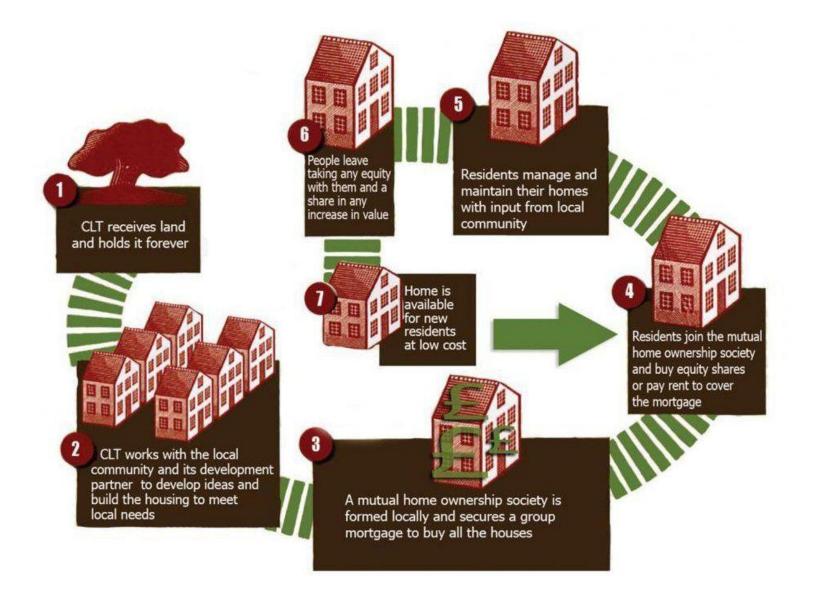


 SEPARATES LAND AND HOME OWNERSHIP



ENSURES LONG-TERM
 HOUSING AFFORDABILITY

Community Land Trust at a Glance





How It Works

- CLT owns the land
- Resident leases land (often 99-year lease)
- Homeowner owns the structure
- Resale price restrictions maintain affordability

Key Objectives

Neighborhood stability

Permanent housing affordability



Community stewardship



Prevent displacement

Benefits of CLTs



 Affordable housing for generations



• Builds modest homeowner equity



• Community empowerment



• Limits speculation





Downside of CLTs

- Limited wealth building for homeowners Resale restrictions cap appreciation, limits equity homeowners can build compared to market-rate housing
- Complex legal and financial structure Requires legal setup, long-term lease and detailed resale formulas that may be confusing to potential buyers
- Reliance on grants and subsidies dependent on public or philanthropic funding to acquire property and remain affordable
- Potential for community resistance Residents may fear loss of individual control of property or misunderstand long-term lease concept

Real-World Examples

- Champlain Housing Trust –
 Vermont
- Dudley Street
 Neighborhood Initiative –
 Boston
- Cooper Square CLT New York City
- Hanibal Square Winter Park, FL



Misconception: CLT = Sharecropping

Ownership:

- CLT Land is owned by nonprofit trust to benefit community; resident owns the home/building
- Sharecropping Land is owned by a landlord and tenant (i.e., sharecropper) owns nothing; farm the land in exchange for portion of crops

Equity and Wealth Building:

- CLT Homeowners build some equity through homeownership
- Sharecropping No wealth building; profits got to landlord to whom tenants were often indebted

Power Dynamics:

- CLT Shift power to communities
- Sharecropping Reinforced power imbalance favoring landowners and suppressing the tenant
- Summation CLTs are anti-exploitative models of community empowerment, while sharecropping was an exploitative economic system the reinforced systemic inequality



