

# How a COMMUNITY LAND TRUST (CLT) Works

1. A community is struggling with things like:

Rising housing costs  
and commercial rents

Overcrowding  
and Displacement



Lack of  
community  
and open  
spaces

Vacant buildings

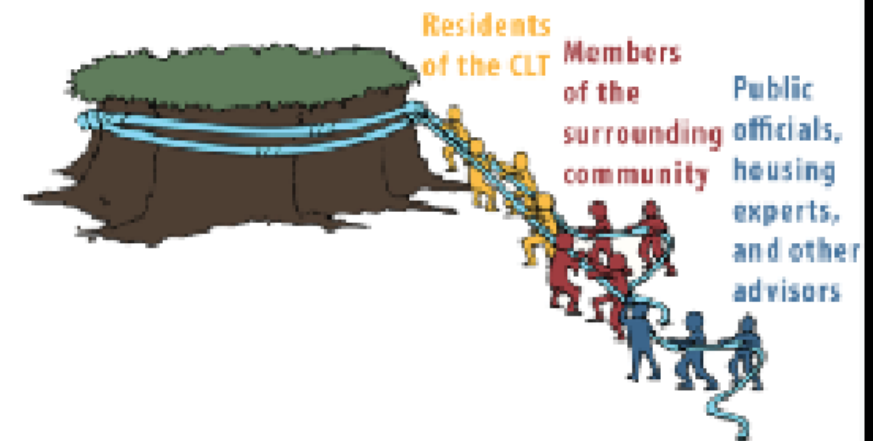


2. Community Members work together to form a Community Land Trust (CLT), a non-profit, democratically governed organization that gets and keeps land in trust on behalf of the community.

3. The CLT facilitates community-driven planning to address the community's immediate and long-term needs. It works with resident groups, non-profit housing developers and other organizations to:

Preserve and enhance low-income housing and other places of value to the community

Develop unused spaces to meet community needs



# Community Land Trusts

How does a community land trust work?

Various sources of public and philanthropic capital...



- Private donors
- Federal housing subsidies
- City-owned property
- Community foundations
- Anchor institutions

...are used by community land trusts...

CLT

...to acquire homes in a geographic focus area.



Community land trusts tweak the normal process of homebuying...

A new resident buys their house outright...



...but leases the land underneath from the CLT.

They pay an annual fee to the CLT to support its operations...

CLT

...and the CLT retains permanent ownership of the land.

...to make housing permanently affordable.

Current resident sells their house at a price set by the CLT, earning a portion of the increase in value of their home...

CLT

...while the CLT retains the land.

A new resident buys the house at a price that's been kept affordable...



...and agrees to the same requirements around resale.

## Why CLTs Matter

Although the first community land trust in the US was started in rural Georgia in 1970 by civil rights leaders to help poor black farmers, today, the majority of the country's nearly 250 community land trusts are today located in urban areas.

CLTs create affordable housing while still allowing low-income residents to build equity as homeowners. Moreover, because the CLT retains ownership of the underlying land, this housing remains permanently affordable, even as the original beneficiaries of an affordable home price sell and move on. This long-term, continuing benefit makes CLTs an especially efficient use of affordable housing subsidies.

By locking in permanent access to affordable housing, CLTs can play an important role in countering the market-driven displacement associated with gentrification. And by stewarding neighborhood land for the public good, not speculative profit, CLTs have played an equally important role in stabilizing communities by preventing unnecessary foreclosures.



Housing Units (1991)

<2000

Housing Units (2010)

9,543



Percent of residents who are first-time homebuyers

79%



Percentage of residents with income less than 50% of area median

82%

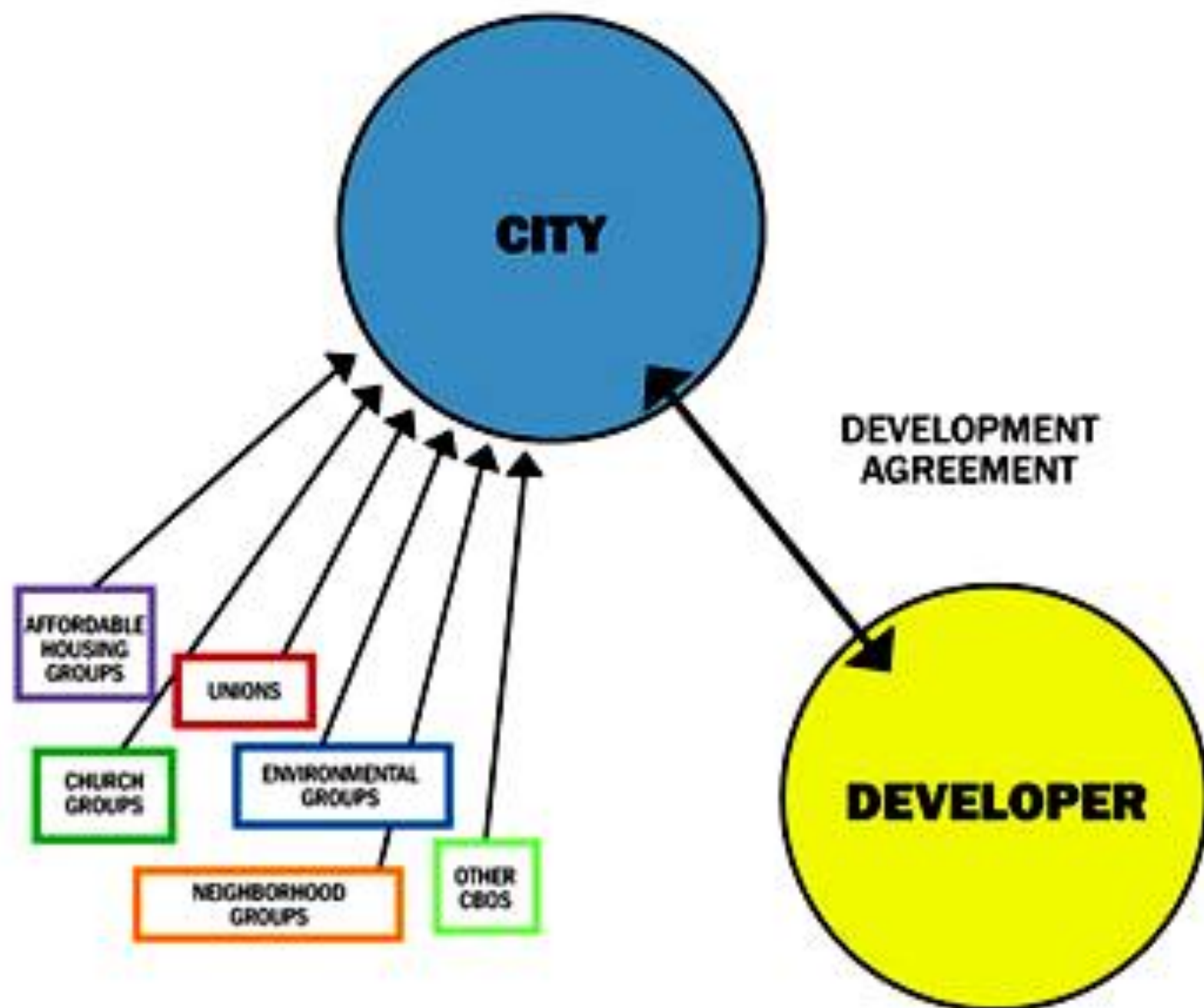


Sources: "Community Land Trusts (CLTs)," The Democracy Collaborative, Community-Wealth.org, accessed June 30, 2015, <http://bit.ly/communitylandtrusts>.

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# HOW DEVELOPMENT WORKS WITHOUT A CBA



# HOW DEVELOPMENT WORKS WITH A CBA

