

Introduction to Community Land Trusts

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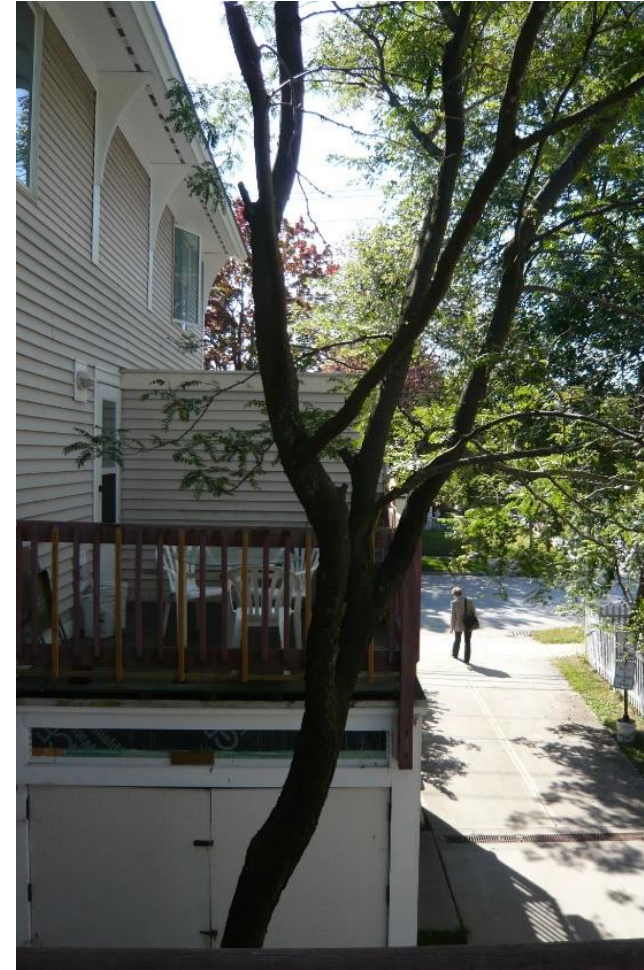
**UNI IN THE WORLD
2022 & 2023**

TIMES HIGHER EDUCATION IMPACT RANKINGS



What are CLTs?

- Non-profit organisations formed to provide:
 1. Permanently affordable housing, and
 2. Community benefit
- Each CLT defines these according to its community's needs and aspirations, so:
 - Permanently affordable housing can mean:
 - ❑ Diverse tenures: affordable rentals, affordable ownership, and models like co-operatives
 - ❑ Diverse homes: apartments, freestanding houses, townhouses, also options like cohousing
 - Community benefit can mean:
 - ❑ Diverse non-residential spaces – e.g., food production, parks, child care, shops...
 - ❑ Diverse partners – for- and non-profit; diverse income streams



Aims

- Primary aims:
 - Addressing gaps in local systems
 - Retaining affordability across resale, inheritance, re-letting
 - Addressing community aspirations through partnerships and programs – e.g., community gardens, childcare centres, aged care, youth employment programs...
 - “developers who don’t go away”
 - “anything you can do on land, you can do on a CLT”

Dudley St Neighbourhood Initiative’s Board
34 members, including youth seats

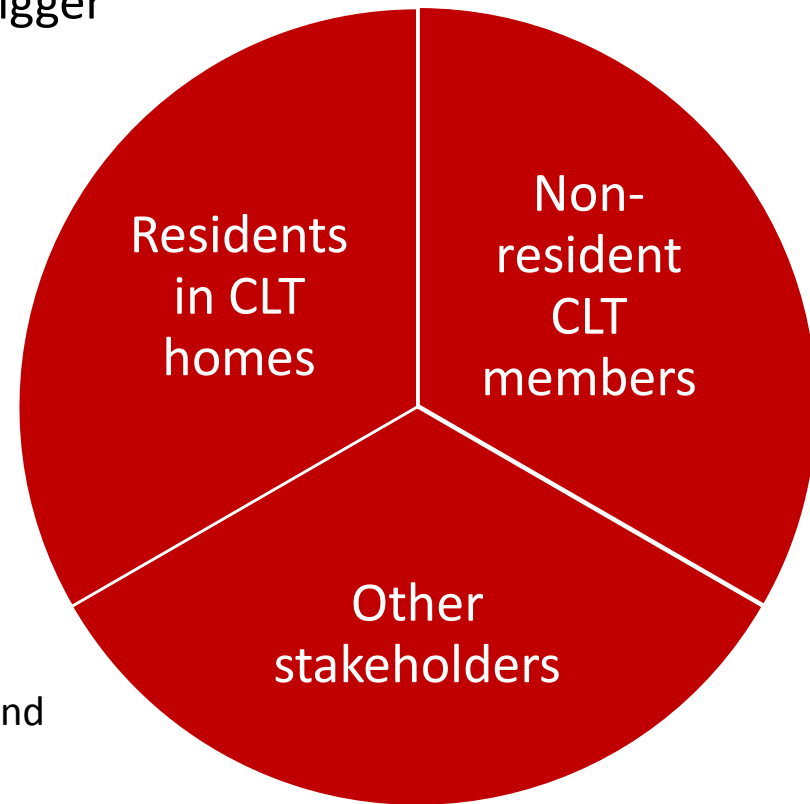


<https://www.londonclt.org/st-clement-s>



Structure and governance

- Many CLTs have memberships that are far bigger than their resident base
 - Option for anyone living in the CLT's area to be a member and take part in decision making
- Aim is to bring appropriate, diverse voices and skills into ongoing, productive dialogue about what permanent affordability and community benefit mean
 - 'Classic' board structure balances resident, community, and broader societal needs
 - Members and residents run for Board positions and typically appoint the remaining third of positions



'Classic' three part CLT Board structure;
not universal or mandatory

Structure and governance

- Transparency and consistency of policies and programs
 - Membership open to any members of service area – e.g., a town or suburb
 - Clear housing eligibility criteria – income, connection to place/community, might stipulate others for particular projects
 - Lotteries used when oversubscribed
- CLTs are **NOT** analogous to “Trusts” as formed under Australian Trust Law
 - Australian Trust Law doesn’t allow residents to be Board members so doesn’t suit CLT purposes
 - Not a trust-benefactor relationship



Impacts of CLTs

- Studies to date in US show success
 - Sector withstood the USA foreclosure crisis; rate $\sim 1/6^{\text{th}}$ the open market
 - Champlain 1988-2008; US\$2,172,207 cf. US\$10,584,003; 357 households cf. 152
 - ❑ Two-thirds were able to buy in open market
 - ❑ Affordability deepened at resale (62% AMI \rightarrow 57% AMI)
- Lincoln Institute study, 2019
 - Over 90 per cent of homes in study were affordable for households on 80% AMI or less
 - At resale, properties remained affordable at similar income, retained the subsidy (roughly 31% of value), and kept housing costs $<30\%$ of income
 - ...while enabling wealth creation:
 - ❑ “...sellers have accumulated wealth during all periods and experienced smaller decreases in home values than market rate sellers during the housing bust period” p.52

<https://www.lincolnst.edu/publications/working-papers/tracking-growth-evaluating-performance-shared-equity-homeownership>

Examples

Champlain Housing Trust, Burlington VT

- Currently largest CLT in US, operate over three counties
- Over 4,000 voting members
- Diverse housing portfolio
 - 1,600 rental units, 600 owner-occupied homes, 100 cooperative housing units
 - Freestanding homes, duplexes, triplexes, apartments, cohousing, boarding houses
- Additional uses:
 - Retail, aged care, childcare, food shelf, kitchen, refugee centre, queer/safe space, Abenaki cultural centre, Good News Garage, Bike Recycle Vermont, Vermont Legal Aid, housing finance advice centre...
- Established by City with start-up funding. City invests staff pensions in the Trust, plus diverts some of the local AH tax levy to the Trust
- Recipients of UN Habitat Award for the Global North in 2008

Examples

Champlain Housing Trust, ~2,500 homes in 3 counties





Non-profit uses,
Champlain
Housing Trust



Reflections

- CLTs are **NOT** analogous to “Trusts” as formed under Australian Trust Law
- Key objective is provision and retention of affordable, appropriate, and quality housing and community outcomes
- CLTs under investigation by existing CHPs, Councils, and community groups
 - All of these have been points of origin for CLTs internationally
- There is market interest and growing community desire for better options



Flynn Ave Co-op, affordable rental co-op via CHT
Murundaka Cohousing, affordable rental co-op via CEHL



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Thanks

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