

Community Land Trusts in Pennsylvania



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Summary

- Introduction
 - Community Land Trust Overview
 - Program-Level Overview
 - Client-Level Overview
 - Conclusions & Recommendations
 - Additional Resources
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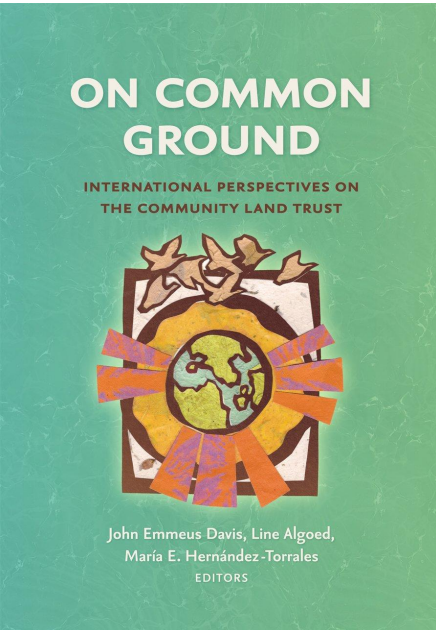
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**“Community land trusts (CLTs)
are nonprofit organizations
governed by a board of CLT
residents, community residents
& public representatives that
provide lasting community
assets & shared equity
homeownership opportunities
for families & communities.”**

New Communities, Inc. (NCI)



- Recognized as the first CLT.
- Grew out of the Southern Civil Rights Movement during the 1960s in Albany, Georgia.
- Purchased in 1970, NCI managed 3,000 acres of farmland & 2,000 acres of woodland, the largest tract of land in the United States owned by African Americans at the time.
- Racist opposition including discriminatory lending practices & the blocking of a federal grant prevented the plans to build 500 affordable homes as part of their community land trust.
- Learn more by watching the Arc of Justice film.
 - www.arcofjusticefilm.com

National (& Global) Overview



- There are over 260 community land trusts in the United States in at least 45 different states.
- CLTs can be found across the world, including over 300 in UK and more in Australia, Belgium, Canada, & France, with interest in numerous other countries.
- Hot Markets = preserve affordability
- Cold Markets = protect quality of homes & avoid delinquency and foreclosure

Community = Mission-Driven Growth
Land = Perpetual Affordability
Trust = Perpetual Responsibility

Community = Mission-Driven Growth

- Funded through philanthropy, grants, communities
- Serve low- to moderate-income households
- Continued engagement through education & budget counseling

In practice:

- Continual acquisition / construction to expand portfolio
 - Planning for affordability now & in the future for buyers
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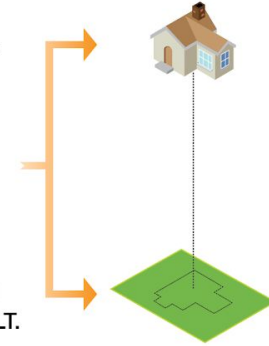
Land = Perpetual Affordability

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

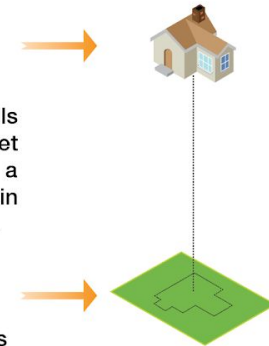
...and the CLT retains permanent ownership of the land.

...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.



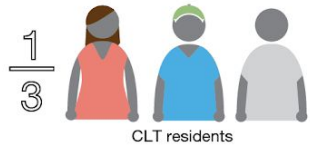
A new resident buys the house at a price that's been kept affordable...



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

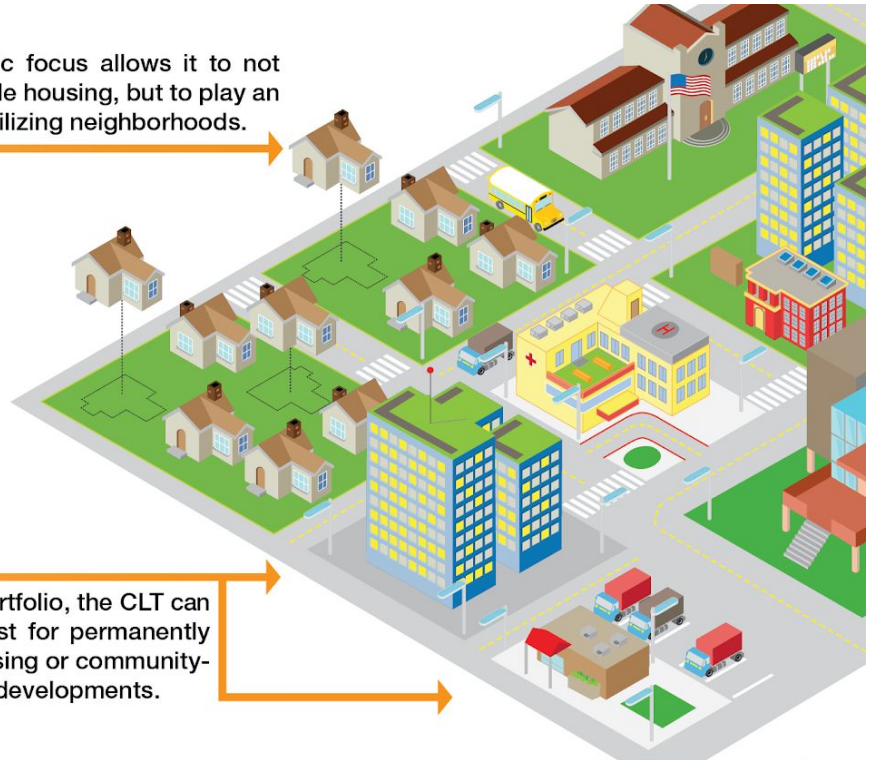
Trust = Perpetual Responsibility

CLTs are typically governed by:



CLT

The CLT's geographic focus allows it to not only provide affordable housing, but to play an important role in stabilizing neighborhoods.



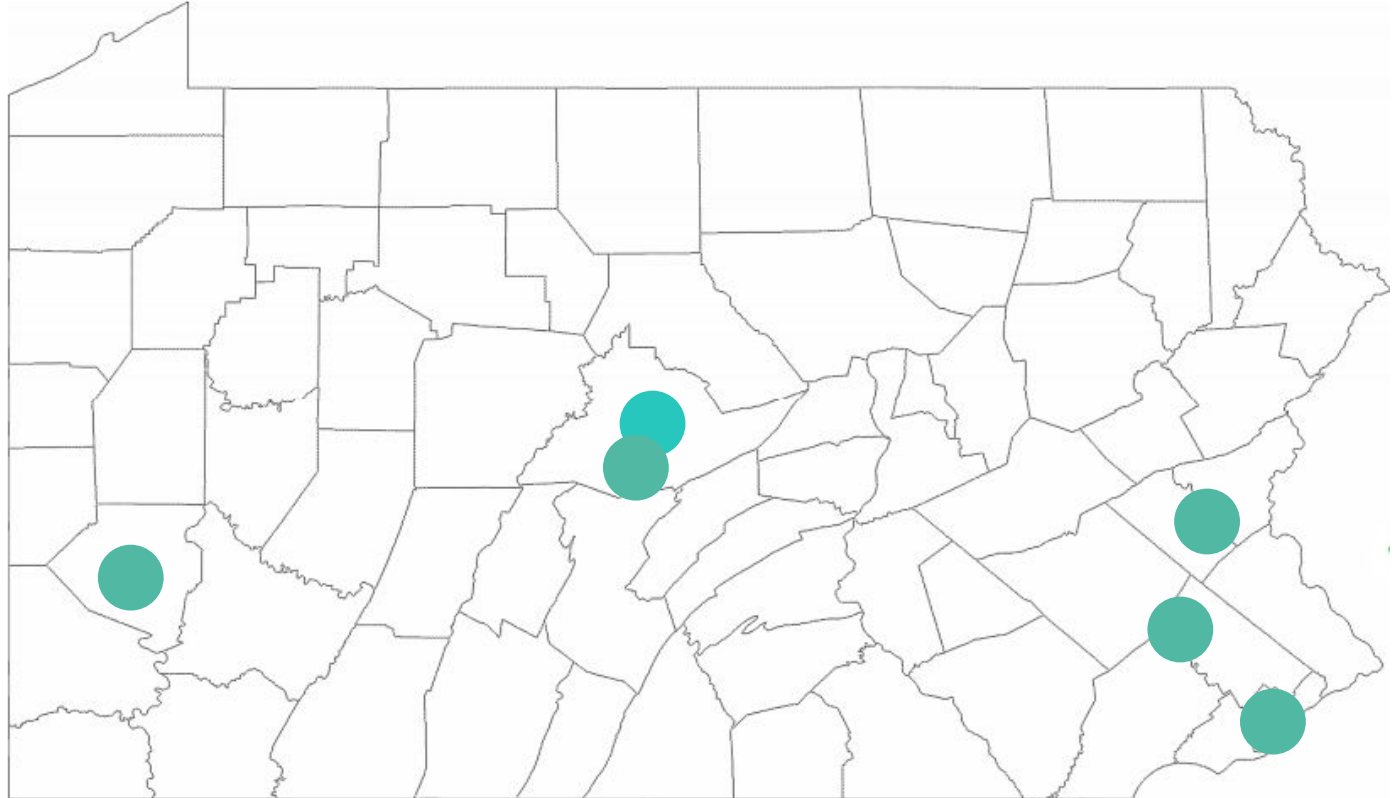
As it diversifies its portfolio, the CLT can also own land in trust for permanently affordable rental housing or community-focused commercial developments.

“The Developer that Doesn’t Go Away”

- Preserve affordability for first and subsequent buyers.
- Encourage wealth growth to an underserved and/or excluded population.
- Improve security of tenure to equip buyers to avoid delinquency & foreclosure.
- Ensure mobility so that residents have housing choice. They can choose to purchase market rate housing in the future.

Established CLTs in Pennsylvania

1. City of Bridges CLT
2. State College CLT
3. Centre County Housing & Land Trust
4. Lehigh Valley CLT
5. Mosaic CLT
6. Community Justice Land Trust of WCRP



City of Bridges Community Land Trust



City of Bridges
COMMUNITY LAND TRUST



MONMADE



IMAGES: City of Bridges CLT

State College Community Land Trust



 @StateCollegeCommunityLandTrust
 @SCCommLandTrust
 @statecollegelandtrust



IMAGES: L- Borough of State College, R- SCCLT

Centre County Housing & Land Trust



Lehigh Valley Community Land Trust



IMAGES: Lehigh Valley CLT

Mosaic Community Land Trust

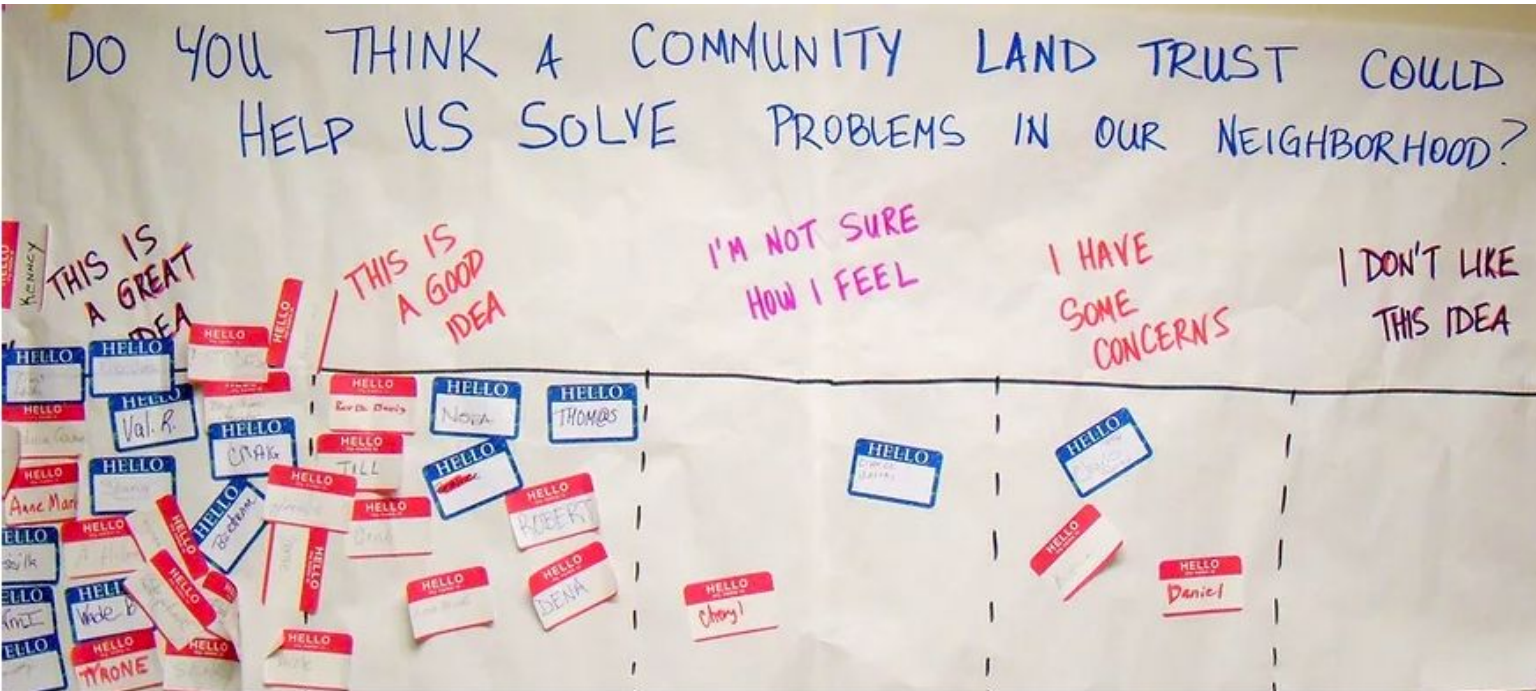


IMAGES: Mosaic CLT

Community Justice Land Trust



Community Justice
Land Trust



Innovative Ideas

- Long-term Sustainability
 - SCCLT's GreenBuild, net-zero energy ready home
 - SCCLT's Energy+ initiative
 - City of Bridges CLT's Living Building Challenge homes
- Partnerships
 - Habitat for Humanity to develop homes & serve wider income range (CCHLT, Mosaic CLT)
 - Land Banks to fight blight (City of Bridges CLT, CJLT)
 - Inclusionary Zoning to serve as third-party administrators (CCHLT)

Innovative Ideas

- **Be a Community**
 - Fight displacement and provide stepping stone from renting to owning (CJLT)
 - Community gardens & arts and culture entities to promote sense of belonging (Mosaic CLT)
 - Use local goods and services (City of Bridges CLT)
- **Long-Term Affordability Support**
 - Minnesota Housing Finance Agency has an annual set aside for CLTs & development of permanently affordable housing

Challenges

- **Operational Funding**
 - Limited availability, often restricted for specific projects.
- **Staff Capacity**
 - CLTs in PA appear to specialize in their staffs' expertise. Most do not have the funding for "complete team." Example, ED is a community organizer so homeowner engagement is strong, but there is a lack of real estate development. Then, the opposite will be true.
- **Data**
 - Difficult to understand housing market & needs without up-to-date surveys & assessments. Too expensive for nonprofits to fund.

Challenges

- **Project Funding**
 - More opportunities for affordable rental vs. ownership. See LIHTC as an idea to replicate.
 - More support for permanent affordability initiatives (over benefiting a single household) --specifically in QAP for LIHTC.
- **Mortgages for Homebuyers**
 - Leasehold mortgage is complex & not accepted by lenders. Greater awareness & education for lenders. Could PHFA create a secondary market?
 - Lack of cash on hand due to student loan debt & other reasons. Additional avenues for down payment & closing cost assistance are needed.

Opportunities for Growth

- HomeKeeper app
 - Consistent data in one place for all shared-equity programs
 - Useful for fundraising, client management, property stewardship
- PA CLT Collaborative
 - Network that could use greater financial and technical support. See PA Land Bank Network as an example to replicate.
 - Ability to advocate and seek funding together especially PHARE
- New CLTs
 - Technical assistance available to communities seeking to create a CLT

More Information on CLTs

Grounded Solutions Network

- <https://groundedsolutions.org/>

Center for Community Land Trust Innovation

- <https://cltweb.org/>

Burlington Associates in Community Development

- <https://www.burlingtonassociates.com/>

Community-Wealth.org

- <https://community-wealth.org/clts>



**GROUND
ED
SOLUTIONS
NETWORK**

strong communities
from the ground up



**CENTER FOR
COMMUNITY LAND TRUST
INNOVATION**

Burlington Associates

Equitable and Sustainable Community Development





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