

# Community Land Trusts:

A Strategy for Creating Permanently Affordable Housing and Addressing Racialized Housing and Wealth Inequalities

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# Introduction

As the Core Metrics section of this and previous *Housing Report Cards* show, there has been a worsening housing crisis for decades in Greater Boston, where many families find it difficult or impossible to secure decent, affordable homes, whether during downturns like the foreclosure crisis or in times of rising prices and gentrification. Centuries of racialized housing, land-use, and development policies have created inequalities that are still present today and felt most acutely by people of color. These historical inequalities are only amplified in today's housing system, which relies heavily on private housing production and public subsidies to create affordability. Though more housing needs to be built, treating the housing crisis as only a problem of supply fails to address the policies and practices that have created today's structural inequalities in housing and wealth.

In this chapter, we present the community land trust (CLT) as an established model for governing land and housing as commons—as social goods—and consider its potential for contributing to a more tenable housing situation in Massachusetts. The basic idea of a CLT is to remove land from the speculative real estate market and place it under control and ownership of a community to decide how the land should be used. CLTs then lease their land to users, who can build structures for homeowners, renters, and businesses, thus sharing ownership and its benefits.

The Boston region has one of the oldest urban CLTs in the country, with the Dudley Street Neighborhood Initiative's (DSNI) CLT founded in 1988. It is also one of the areas where this model is proliferating the fastest. How do CLTs work? What are their benefits? What constraints and barriers do they face? How is this sector emerging in the region? And how might CLTs become a more significant strategy for addressing the challenges of housing, community well-being, and wealth? These are the questions that this chapter will answer.

## 1.

## Housing: An Intersectional Crisis of Community Well-Being and Wealth Inequality

A significant portion of the Boston region struggles to afford housing, a severe problem that has persisted for decades. In 2019, more than 44 percent of all renters in the region were cost-burdened by housing (spending more than 30 percent of income on rent), a level that has remained about the same since 2009. Homeownership is also costly, with prospective homebuyers in the Boston metropolitan area counties now facing mortgage payments that are 40–65 percent of median income at median home prices. Yet this crisis is not felt equally. Black and Latino people are more likely to be renters, and more than 50 percent of Black and Latino renters were cost burdened in 2009 and 2019. Black residents are nearly five times more likely to miss a mortgage or rent payment than White residents and almost twice as likely as Latino residents.

Eviction filing rates and foreclosure petitions are on the rise after the pandemic moratoria ended. The proportion of overcrowded renter households (more than 1 occupant per room) in the Boston region increased between 2009 and 2019.<sup>1</sup> Lack of secure and stable housing has direct health, education, economic, and social impacts on families, which then reverberate across whole communities.

Though these instabilities impact the entire region, they have affected families of color disproportionately throughout history, the result of racialized policies and discriminatory practices. Current-day land acknowledgments memorialize the genocidal dispossession of Indigenous lands by colonial settlers. Slavery and racial segregation after the Civil War created an apartheid-like structure that the Boston region was not immune from. African Americans who moved from the South to the North in the Great Migration of the early to mid-20th century faced open hostility and racial covenants barring them from living in certain areas. From the 1930s through 1960s, explicitly racial policies, such as redlining, limited access to

homeownership resources in areas with high concentrations of Black people. Meanwhile, public programs (such as the GI Bill to support veterans returning from World War II) subsidized homeownership in the suburbs, which disproportionately benefited White people due to racially discriminatory policies and practices.<sup>2</sup>

In a 2021 interview, Lisa Carter, who owns a home on Dudley Street Neighborhood Initiative's CLT, described how her great grandmother first left the South in the 1930s for Philadelphia and New York City before coming to Boston. "My mother ... grew up on Joy Street in Beacon Hill ... where all of the African Americans lived. ... And then people were moved from Beacon Hill down into the South End, then from South End into inner Roxbury and then Roxbury, Dorchester and then Mattapan. ... We've seen how people are being pushed. ... All of those brownstones, they weren't giving people the loans to fix up their property, hence redlining, and so they were forcing families out of the South End."<sup>3</sup>

This history helps to explain the dramatic racial wealth inequalities that exist today, as housing security and ownership has long been one of the largest factors in building intergenerational wealth. In 2016, the Federal Reserve found that Black families had a median net worth (\$17,600) that was only 10 percent the median net worth of White families (\$171,000).<sup>4</sup> In the Boston region in 2021, 70 percent of White households owned their home, while only 37 percent of African American and 31 percent of Hispanic households were homeowners.<sup>5</sup> White homeowners also receive most of the benefits of the federal mortgage interest tax deduction (78 percent in 2017<sup>6</sup>).

These housing and wealth inequities have also contributed to unequal political power. Those who do not own a home (or any real estate) have been structurally disadvantaged throughout U.S. history. Those who own land and financial assets have had more rights and advantages than the

historically dispossessed and excluded. For example, when the United States was first established, most states restricted voting only to land-owning men. Even today, property owners have rights to participate in various legal processes as abutters that tenants do not have.

These longstanding inequalities continue to be amplified in today's private housing market. Neighborhoods of color and working-class communities are hit first and hardest by real estate market booms and busts. In the Great Recession of 2007–2010, Black and Latino families lost almost half of their wealth (47.6 percent and 44.3 percent, respectively), compared to 26.2 percent for White families.<sup>7</sup> Much of the decline came from losing homes to foreclosure, driven by predatory and racially discriminatory mortgages in the years before the crash. Even in 2020 in the Greater Boston region, Black applicants were denied mortgages at almost three times the rate of White applicants.<sup>8</sup> In Massachusetts, other policies and practices have continued to decrease the stock of affordable homes, such as an increase in condo conversions after the loss of rent control in the 1990s and the growth of short-term rentals (Airbnb) in the recent decade.

While communities have resisted these inequities, gentrification has continued to drive displacement. For example, in 2015, the historic row house in Boston's Chinatown where Meiqun Huang lived was sold. The new owner proceeded to double the rent over two years and eventually evicted her family to convert the building to an Airbnb rental. Her in-laws had lived in that building since the 1980s. Now living outside the neighborhood, she says, "I wish my children would have had the opportunity to grow up in Chinatown and be surrounded by Chinese community members, culture, and language."<sup>9</sup> Meiqun became a housing organizer and helped pass the 2018 Boston ordinance limiting non-owner-occupied short-term rentals.



I wish my children would have had the opportunity to grow up in Chinatown and be surrounded by Chinese community members, culture, and language.”

— Meiqun Huang, Chinatown

## 2.

# CLTs: An Established Approach to Steward Land and Homes for the Common Good

Addressing these persistent historical inequities and the market forces that perpetuate them requires a diverse set of tools. Alongside the private market, there is a need for solutions that move beyond treating land and housing as commodities. The value of land is largely the result of collective and public improvements, and not only the labor of the individual property owner. For example, public infrastructure like streets, sewers, and parks raises the value of the land around it, as do neighbors who build a vibrant community. Community land trusts (CLTs) are a form of collective ownership that can retain that publicly-created value for the benefit of the whole community and not just the individual property owner.

### LAND AS COMMONS

CLTs are designed to govern **land as a commons** that can support healthy, affordable, and equitable communities. They are a form of socially controlled housing, which is common outside the United States. For example, in Singapore more than 80 percent of households live in public housing units they own, but the land and buildings are still controlled by the government; in Amsterdam the city owns 90 percent of all land.<sup>10</sup> These ideas are not new to the U.S. either, as federal housing policy that began during the New Deal supported the construction of more than 1 million units of publicly-owned housing across the nation.

CLTs have existed in the U.S. for more than half a century.<sup>11</sup> They were inspired by other models of collective land stewardship, such as the Gramdan villages of India, the moshav settlements of Israel, and the Garden Cities of England. New Communities, the first CLT in the U.S., was founded by civil rights leaders in 1969 on 5,700 acres of land in Georgia to provide a base for collective farming and cooperative living for Black families who had been driven off their land. Since

then the CLT model has proliferated across the country, with more than 300 in existence today.

The basic idea of a CLT is to remove land from the speculative real estate market and place it under control and ownership of a community to decide how the land should be used. CLTs have shown that land can be governed as commons, support permanently affordable housing, and build family and community wealth. CLTs take the form of nonprofit organizations that are democratically governed by the communities they serve.

Boston is one of the places that innovated the urban CLT model, with Dudley Street Neighborhood Initiative (DSNI) forming its CLT (known as Dudley Neighbors, Inc.) in 1988.<sup>12</sup> Dudley Neighbors now controls over 30 acres of land in Boston's Roxbury and north Dorchester neighborhoods, where the organization has built more than 225 units of permanently affordable housing, urban farms and a community greenhouse, commercial buildings, and parks. DSNI's CLT has been a major tool for community control over development. In the 1980s, its members were fighting against disinvestment and redevelopment plans that would have displaced residents. During the foreclosure crisis, no homeowners on CLT land lost their homes. Now, as housing prices continue to escalate around them, DSNI has shown that this model can support development without displacement.

### OWNERSHIP

The CLT begins with **hybrid ownership**. The CLT nonprofit owns land in perpetuity, so it cannot be sold in the real estate market. It then rents that land to others to build housing and businesses that can be owned or rented. DSNI's land trust supports 98 units of permanently affordable homeownership units and 130 rental units. Splitting the ownership of the land from the buildings allows the CLT to establish permanent affordability via the land rental

FIGURE 1  
**How Community Land Trusts Work<sup>13</sup>**



agreements (known as ground leases). For example, CLT ground leases can restrict a homeowner to only sell to another income-qualified family. Thus, any public subsidies that were used to develop affordable housing can continue to benefit generations of owners, not just the first one.

CLTs give homeowners the chance to build wealth by allowing them to sell at the price they paid plus a limited amount as specified in their ground lease. This restriction on sales price maintains affordability for future buyers. Sellers receive back the equity they paid into their mortgages and home improvements. Through these resale formulas, CLTs balance how much the homeowner can gain with maintaining affordability for the next buyer. For CLT homeowners and renters alike, stable affordable housing allows them to save and invest in other wealth-building areas, such as education, businesses, or financial assets. Though most CLTs focus on housing, some also support farms and local businesses, which can also generate wealth.

## GOVERNANCE

The other key component of CLTs besides ownership of land in perpetuity is **democratic governance and community building**. CLTs have membership that is open to anyone in the communities they serve. Members then elect a board that typically is composed of equal numbers representing three interests: CLT residents and land users, other residents of the area, and representatives of the broader public. CLTs also engage and convene the broader community to plan and make decisions about how to use their land. This collective stewardship of land helps build relationships for healthy communities and is a form of social capital that can address all kinds of community issues. In a time where the stability and integrity of neighborhoods is threatened by gentrification pressures, CLTs help anchor families and places over the long term.

Evelyn Correa-Gonzalez's story illustrates how a CLT can work. She became a homeowner in 2009 on DSNI's land trust and is now the President of the Board.<sup>14</sup> Originally from Puerto Rico, she had been living in the Upham's Corner area since coming to Boston in 1988. She first met DSNI when she became active on the parent council at her children's school. Through DSNI, she learned about the land trust when she was trying to find a place of her own. Up until that point, she and her husband had been living with her in-laws. "I had looked at different places, and ultimately wanted to stay in the neighborhood because I had always lived here. I couldn't have afforded a brand-new home at the cost of this land trust home. There's no way for me to describe the feeling of being a homeowner. But it's more than just a house. I can walk to shops, a farmers market, and to my job. I can be part of the community and help others. I can pass this house down to my children. Because I don't have high mortgage payments, I don't have to struggle financially, and I can help support my mother and take my co-workers out to lunch sometimes."<sup>15</sup>

## COMPARING CLTS TO OTHER STRATEGIES

CLTs are a middle ground between purely public and private approaches to housing, with the added dimension of direct democratic governance. In Massachusetts, and nationwide, the production and provision of affordable housing has shifted from the public sector (through publicly owned housing and Section 8 rental vouchers) to the private market. Public policies and resources now subsidize and incentivize private and nonprofit developers to provide affordable housing (such as the federal Low Income Housing Tax Credit) or require affordability to be built into market-based developments. While these models all provide much-needed affordable housing, the benefits that result for both the individual and overall community vary, as shown in **Table 1**.

Compared to the other strategies, CLTs offer the greatest flexibility in meeting a range of affordability levels. Public housing reaches only the lowest income households. Subsidized affordability depends on the level of public

funding available, while market-based strategies depend on profits from market-rate units that can be used to offset cost of affordable units. While public housing and CLTs maintain affordability in perpetuity, subsidized and market-based housing can sometimes be converted to market-rate after affordability terms expire (for example, after 15 or 30 years).

CLTs allow for wealth building through homeownership, just like subsidized and market-based homeownership models; however, CLTs preserve affordability in perpetuity, whereas affordability restrictions can be lost in the other two strategies.

CLTs are uniquely designed to be governed democratically by residents, who then decide on the community benefits they want to realize through developing their land. With the other strategies, cities and towns can negotiate specific benefits to be included into new housing projects with developers, who may be less inclined or positioned to provide them and/or maintain them over the long-term.

CLTs also provide the most stability for tenants and neighborhoods, since they can support housing with a range of affordability levels. A public housing tenant can only stay in their housing as long as their incomes are below the qualification threshold.

CLTs can work with many other housing policies, such as providing more affordable rental housing for those with rental subsidies (like Section 8). CLT homeownership can work well with programs such as down payment assistance and reduced rate mortgages. CLTs can also help steward deed restrictions for units produced by local inclusionary zoning, which is happening in Burlington, Vt.; Irvine, Calif.; Chapel Hill, N.C.; and Denver, Colo.<sup>16</sup>

CLTs are among a set of strategies that bridge public and private systems. Other models that also work toward shared ownership and long-term public benefit include housing cooperatives, limited equity cooperatives, deed-restricted homes, and tenant ownership. These are often referred to as *shared equity* housing because any appreciation in value is shared back with the public programs that subsidized their creation to ensure that the housing remains affordable for future generations.

TABLE 1  
**Comparison of Benefits across Affordable Housing Strategies**

**Legend:**  Fully Provides  Sometimes Provides  Does Not Provide

Benefits	Community Land Trusts	Public Housing and Public Rental Assistance Housing Vouchers (e.g., Section 8), Public Housing	Subsidized Affordable Housing Federal/State Subsidies (e.g., Low Income Housing Tax Credit, HOME); Nonprofit Developers	Market-Based Affordable Development Inclusionary Zoning, Linkage Fees, 40B, Down Payment Assistance
<b>Affordability Levels</b>				
<b>Deepest Affordability (30% Area Median Income AMI)</b>				
<b>Deep Affordability (50%-60% AMI)</b>				
<b>80% AMI</b>				
<b>Moderate Affordability (100% AMI)</b>				
<b>Mixed-Income</b>				
<b>In-Perpetuity Deed-Restrictions</b>				
<b>Homeownership (Wealth Building)</b>				
<b>Resident Empowerment and Community Control</b>				
<b>Local Community Benefits Policies</b>				
<b>Tenant and Neighborhood Stability</b>				

### 3.

## Long-Term Benefits of CLTs

As DSNI's experience shows, a CLT is not a quick fix that materializes housing in a year or two. Rather, it takes years of organizing the community before acquiring existing housing or developing land. But this investment in social capital pays off over the long term. The late Gus Newport, a former DSNI Executive Director, wrote in 2005 that the CLT provided “an opportunity for residents to personally benefit from the community revitalization they themselves planned. The land trust, with its ground lease and resale formula, has been proven to empower people by providing an opportunity for homeownership and equity generation that is normally out of reach for lower-income, largely minority residents.”<sup>17</sup>

### STABILITY AND DISPLACEMENT PREVENTION

The permanently affordable housing that a CLT can create becomes a base of stability that benefits generations of residents, their life prospects, and the well-being of the overall community. CLTs work hard to ensure that their housing can match what residents can actually afford. For example, Boston Neighborhood Community Land Trust (BNCLT) ensures that all its residents, who have low to moderate incomes, pay no more than 30 percent of their income on housing. When a typical BNCLT renter reduces their estimated housing cost from 45 to 30 percent of income, they can save \$9,552 annually.<sup>18</sup>

Debra Wilson was one of the homeowners in DSNI's first development. In a 2021 interview she said, “When I bought into Winthrop Estates, I said to myself..., ‘I got to be active.’... I saw things differently, I spoke out more.” She felt that the home was “going to give me some equity... and leaving perhaps a legacy for my kids.” As it turned out, in 2020 when she retired and moved to Georgia, she sold her home to her granddaughter's mother. “I was so happy because here she is, like I was. She is a single mom, her kids are in Boston



When I bought into Winthrop Estates, I said to myself, ‘I got to be active.’ I saw things differently, I spoke out more.”

— Debra Wilson, Winthrop Estates

schools.... She has a Section 8 voucher. She always worrying about where she's going to live, how much her rent is going to go up to. And she always wanted a yard for her kids, just like I did, and I'm like, oh my god, this is just like coming back full circle, and I said my granddaughter will get to stay in the neighborhood. It just all worked out.”<sup>19</sup>

Ultimately, CLTs can anchor stable neighborhoods and buffer them against gentrification and foreclosures. DSNI's land trust has experienced only four foreclosures ever, all before 2008. During the height of the foreclosure crisis, that land trust was an island of stability. More stability means fewer evictions as well, which in Boston are estimated to cost landlords and tenants a combined \$16,500 per eviction on average.<sup>20</sup>

A neighborhood where people have the choice to stay long term means that relationships and social networks can deepen over time. Neighborhood stability also has direct health benefits. A 1997 report found that in Boston, there was a positive relationship between social capital and favorable health outcomes, such as reduced premature deaths, longer life expectancy, and lower rates of lead toxicity in

children. That report concluded that “interventions aimed at strengthening community bonds and networks may be important public health strategies in Boston.”<sup>21</sup>

There is increasing evidence that CLTs can address gentrification as well. A 2018 study compared 124 neighborhoods with CLTs across 15 states with comparable non-CLT neighborhoods. It found that CLTs mitigated the negative effects of gentrification by making housing prices more stable, increasing housing affordability, and reducing displacement.<sup>22</sup> Because CLTs have flexibility in their approach, they can address displacement risks where needed most, such as preserving the stock of existing smaller multifamily homes.

### COMMUNITY BUILDING AND ORGANIZING

The collective stewardship that comes along with CLTs requires work, but the capacity to organize and plan together is a source of power that can help to remedy historical inequities and address immediate issues. In the 1980s, the Don’t Dump On Us campaign that DSNI organized brought residents together to fight against illegal trash dumping on vacant land. This helped them build political power to establish their CLT a year later. BNCLT was formed out of a coalition that began in the foreclosure crisis to prevent tenants from being evicted by banks that had foreclosed on their buildings.

Today, DSNI has a partnership and level of power with city government that is unparalleled across Boston. Within its core area, all developers on publicly owned land must present proposals to DSNI’s Sustainable Development Committee, which gives a recommendation to the City. DSNI co-facilitated a process with the City of Boston in the Upham’s Corner area of its neighborhood to develop an implementation plan for creating an arts and innovation district without displacement.<sup>23</sup>

CLTs also create opportunities within their own organizations for residents to engage in community planning and governance. According to a 2021 study with BNCLT, “Board membership and participation in CLT meetings are a key way residents learn about processes relating to CLT administration, financing, property management, and homeownership. Residents interviewed cited this step of cultivating knowledge as a crucial tool for building their

access to decision-making and engaging more residents to advocate for their housing needs.”<sup>24</sup>

### WEALTH GENERATION

While CLTs limit the wealth that individuals can gain from their homes compared to the private market, they still contribute significantly to wealth generation and retention. Simply having secure and stable affordable housing over the long term builds wealth directly because it means that families can save and invest more of their income on things like education, a small business, or other financial assets.

Ron Stokes, who has lived in a DSNI land trust home for over two decades, can attest to what the stability and affordability of his home means. A retired bus driver, he and his wife raised two daughters in their home. “We knew what our monthly payments would be. As time went along, we were able to put away a few more dollars than we would have. The extra money went towards retirement and education.” He believes his daughters, now both health professionals, “are successful because of what this neighborhood could provide.” Stokes points out that “since we’ve moved in, all the [same] neighbors have been here and we look out for one another.”<sup>25</sup>



Since we’ve moved in,  
all the [same] neighbors  
have been here and  
we look out for one another.”

— Ron Stokes, DSNI Land Trust home owner

CLTs can help create access to homeownership for those who have suffered from historical disadvantages and exclusion. As Newport wrote in 2005, “The land trust can, in effect, substitute for inherited wealth, and thus has the potential to address the racial wealth gap in this country.”<sup>26</sup> For example, one household started renting an apartment in a BNCLT building in 2018. They say that this “allowed our household to pay reasonable rent with just a 1 percent annual increase, enabling us to build savings for our future goals.” They then leveraged home-buying resources from various programs offered by the city and local organizations and recently bought an affordable homeowner unit outside the CLT.<sup>27</sup>

For some CLT homeowners, the equity they gain is a stepping stone to a market-rate home. For example, Christopher Kaufman Ilstrup thought that “saving \$30,000 for a down payment was impossible” until he purchased a condo on the Champlain Housing Trust in Vermont in 2004. After living in the condo for seven years, during which time he got married and adopted a child, he was able to sell the property and use that equity plus additional savings to purchase a market-rate home. Without the CLT, he says he “probably would have just stayed a renter and not built any wealth at all.”<sup>28</sup> An Urban Institute study of six CLTs found that the median proceeds from home sales ranged from about \$6,000 to \$70,000, with appreciation of about \$2,000 to \$17,000. Many homeowners were able to use these proceeds to purchase market-rate homes. Furthermore, they found that the rate of return on the original down payment was competitive with investing that same amount in stocks and bonds.<sup>29</sup>

For first-time homebuyers, the CLT is a critical resource and support system to sustain their homes. During the foreclosure crisis, many homeowners were in precarious situations with high interest, predatory loans that made them vulnerable to losing their homes after missing a few mortgage payments. Because CLTs own the land that homes sit on, they are a party to the mortgages that owners get from banks. CLTs provide counseling and workshops for homebuyers as well. Joyce Fidalgo says that DSNI’s land trust introduced her to a bank that offered her a second mortgage so that she could make a larger down payment and avoid costly private mortgage insurance (which can

run a couple hundred dollars a month).<sup>30</sup> CLTs can also refer residents to trusted contractors when they need support to maintain their homes.

A 2011 study found that at the end of 2010, only 1.3 percent of the mortgages held by land trust homeowners were seriously delinquent, compared to 8.57 percent of conventional mortgages. The study attributed these lower rates to the stewardship practices of land trusts, such as retaining the right to address late mortgage payments and buy the property back in case it is foreclosed on.<sup>31</sup> Similarly, CLTs can help mitigate the “cliff effect”—when someone who qualifies for an income-eligible program (such as housing subsidies) loses those benefits when their earnings increase. They can negotiate how to gradually implement rent increases over time and avoid the sudden loss of benefits.

## COMMUNITY AND ECONOMIC DEVELOPMENT

Though housing is a critical need for neighborhoods, CLTs also use their land for other purposes. For example, DSNI’s land trust supports urban agriculture through a farm and community greenhouse, several parks and open space, and commercial development as well. Boston Farms CLT was formed by the Urban Farming Institute of Boston specifically to support urban farmers and grow food for community health.

CLTs are providing a range of public and community benefits that help to right historical wrongs in land use and housing. Chinatown Community Land Trust (CCLT) was formed in part to preserve the continued existence of this working-class immigrant enclave, which was cut in half by highway development in the 1950s–1960s and has since resisted institutional expansion and the incursion of luxury downtown development. Scholars Julian Agyeman and Kofi Boone consider CLTs a vehicle for the Black Commons, which includes cooperative survival strategies used by Black people throughout U.S. history. They urge a process of recognition, reconciliation, and reparations, which should lead to shifting of resources (public and private) toward vehicles like CLTs that can build “commonwealth.”<sup>32</sup>

## 4. Challenges for CLTs

There is increasing interest in CLTs because of their broad range of benefits. Yet, CLTs face both challenges to their implementation and constraints to where and how they might be used. While a powerful tool, they cannot solve all housing problems, nor are they appropriate for all communities. First, there must be enough support from within a community to start a CLT, as this model is community-driven. Some communities may not yet have capacity to organize a CLT, and others may decide that the model does not work for them.

### AWARENESS AND EDUCATION

Communities that may be interested in CLTs face the challenge of lack of awareness and need for education. CLTs are still relatively unknown and account for a small fraction of housing and land. Moreover, CLTs challenge predominant mindsets around wealth and ownership that are often reduced to financial value and accruing only to individuals. Private home ownership is still embedded in the “American Dream,” though history shows how public policies and discriminatory practices created access to it for some and exclusion for others.

CLTs are among strategies that can help break the binary approach of public versus private. They are a collective approach to stewarding land as commons, while also retaining a form of private ownership. The wealth that CLTs can help build accrues to both communities and individuals. Unfortunately, public debates over housing and land often do not move beyond the private market model and the individual financial dimension of wealth. For example, the idea that CLTs are a “second class” of home ownership ignores the other ways that families build wealth, as well as the ways they benefit from community wealth. Shifting this mindset requires public dialogue and education.

While access to markets and individual ownership opportunities will continue to be important, these strategies alone are insufficient to remedy centuries of inequities. CLTs can address some of these structural inequities. A framework that may be useful for understanding this deeper reach of CLTs is the public-commons partnership.<sup>33</sup> In a public-private partnership, public policy and resources support the function of private markets and often enhance private benefits at public expense. The public-commons partnership harnesses public resources to benefit the commons. Though most CLTs are incorporated as nonprofit corporations and legally treated the same as other private corporations, their collective governance and public mission make them a very different partner from a private developer or real estate investment trust. As a form of public-commons partnership, CLTs can be supported by public policies to create lasting value for entire communities.

### SCALE

If lack of awareness is addressed, there remains the challenge of scale for CLTs. How might CLTs become more prevalent and widespread? Growing the CLT sector will require an infrastructure to support many decentralized CLTs. One of the greatest strengths of CLTs is their local roots and control, which can lead to innovations to address locality-specific challenges. While some vertical *scaling up* may be necessary, such as more centralized services for scattered site housing, the sector will also have to horizontally *scale across and out*. Networks and federations can link many smaller entities, each with its own autonomy, while also sharing some centralized resources and services. For example, the Mondragon cooperatives in the Basque region of Spain built a federation of now 95 independent worker-owned cooperatives (with 80,000 worker-owners) that share resources and coordinate with one another.

One study examined seven regional CLT networks that have emerged in the U.S. since the 1990s and found that they help build capacity of CLTs, collectively advocate for policies, and share funding and resources.<sup>34</sup> In the Boston region, six CLTs have formed in the last decade to join DSNi's long-standing CLT and are now coordinating with one another in the Greater Boston Community Land Trust Network (GBCLTN). We outline below the main challenges that these CLTs face.

## ORGANIZATIONAL CAPACITY

CLTs require organizational capacities to engage and plan with their communities, which go beyond what other housing models require. These capacities help build community and social capital, which are public goods in and of themselves and can be used to address a variety of community issues. But it takes resources to operate a nonprofit and to support grassroots engagement and organizing of residents.

The sector has many younger entities that are still building their experience and capacities. Yet few resources exist for developing their organizational capacity. Securing the funding for operating a CLT is a major challenge. In a 2023 CLT census, the majority (64 percent) reported only 20 percent or less of their operating budget is covered by internally generated resources.<sup>35</sup> Some CLTs partner with larger nonprofits like community development corporations (CDCs), while some of these entities are also integrating the CLT model into their work.

## LACK OF RESOURCES AND HIGH COSTS

CLTs face the same challenges as other affordable housing entities (such as CDCs) when it comes to resources. There are simply not enough public resources to support deep affordability for those in the lowest income categories. As nonprofit affordable housing developers compete in the private market to acquire property, sometimes needing to act quickly, they face the challenge of rigid public funding cycles (sometimes just once a year). There are few resources available to support the preservation of scattered, smaller (two- and three-family) buildings, which some CLTs are well positioned to acquire. Meanwhile, this stock of "naturally occurring" affordable housing is rapidly dwindling, as

long-time owners sell to real estate investors and developers. Once CLTs have developed or acquired housing, there is little to no public funding for operations and property management. Many Boston area CLTs face high property management costs because their units are smaller and scattered across the neighborhood.

Affordable housing developers also face the dominance of single-family zoning, particularly in the suburbs, and sentiments against denser housing and affordable developments. In addition to high land costs, high construction costs in the region make it even harder to produce more affordable units.

Potential homeowners on CLTs also face challenges obtaining mortgages with affordable terms. The majority of respondents in a recent CLT census reported credit score, debt to income ratio requirements, and income requirements as the top three barriers for prospective buyers to secure mortgages.<sup>36</sup> Undocumented people face an additional barrier to financing as they do not qualify for federally backed mortgages (through Fannie Mae). Though there is a new Individual Tax Identification Number (ITIN) mortgage for those with a federal tax identification, these come with significantly higher interest rates and down payment requirements. These mortgages are being piloted in partnership with Habitat for Humanity in both Denver (with Tierra Colectiva CLT) and Chelsea (with Comunidades Enraizadas CLT).

## INCOMPATIBILITY OF CURRENT HOUSING PROGRAMS

Most existing policies and programs were not designed for CLTs or other public-commons partnerships. Many housing policies subsidize private development of affordable housing (for-profit and nonprofit) and impose affordability requirements on market-based developments. Though there are some emerging programs specifically dedicated to CLTs or other shared equity models, CLTs must navigate the current programs, which pose barriers and limitations. One example is that the only Massachusetts state funding for affordable production (Commonwealth Builder) allows homes developed with this subsidy to be resold at market price after 15 years, which is not compatible with CLTs' aims for permanent affordability.

There are several other key areas where existing programs do not fit well with CLTs and the needs of their residents. Many public funding sources for housing require that the units be marketed broadly and residents selected from random lotteries. While these requirements are important for ensuring fair housing in predominantly White communities, they make it difficult for CLTs in communities that have been subject to racial discrimination to prioritize local residents, including those who are members and leaders in the CLT putting in the “sweat equity” to develop CLT housing. Some federal programs and mortgage lenders may further hinder the ability of CLTs to serve communities with significant populations of immigrants because of legal document requirements.

## 5. CLTs Emerging in Greater Boston

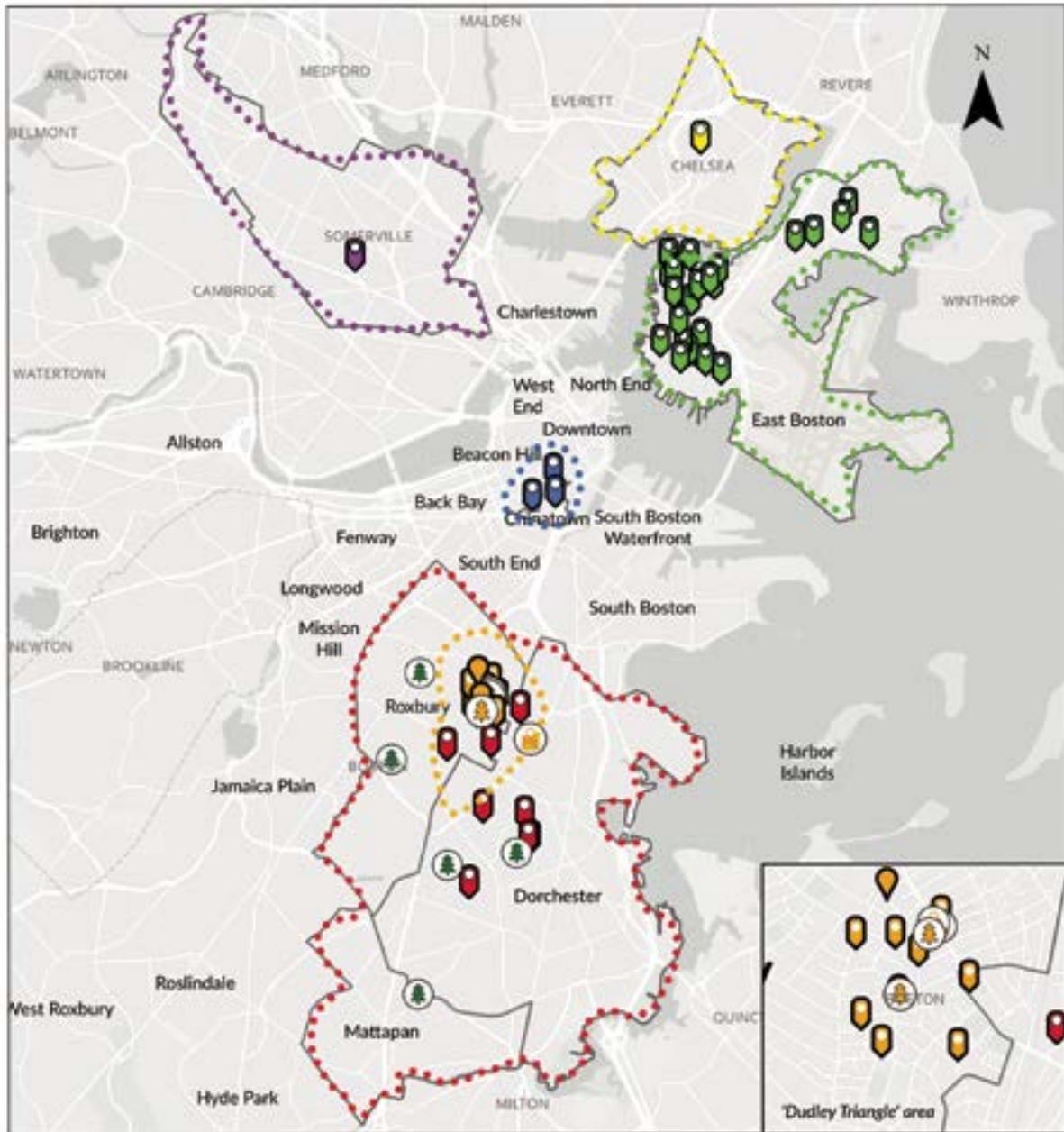
Despite these challenges, the CLT model has proliferated across the Boston region in recent years. Massachusetts is among five states in the U.S. with the most CLTs.<sup>37</sup> Since the formation of the Greater Boston Community Land Trust Network (GBCLTN) in 2015, six new CLTs have been launched, and others are emerging (see **Figure 2**).

Collectively, the seven GBCLTN members control over 260 units of housing, with even more in the development process. These members also control urban farms and several commercial spaces (see **Table 2**).

TABLE 2  
**Members of the Greater Boston Community Land Trust Network**

CLT Name	Total Housing Units (Owned + Rental)	Governance	Organizational Capacity	Year Established	Other Amenities
<b>Boston Farms CLT</b>	0	11 board members (8 community members, 3 others)	3 FT staff	2017	5 farms (1.2 acres), 1,000 sqft greenhouse
<b>Boston Neighborhood Community Land Trust</b>	30	13 board members (1/3 BNCLT residents, 1/3 community leaders, 1/3 allied members)	4 FT staff	2008	2 gardens
<b>Chinatown CLT</b>	11	10 board members (7 community members, 3 others)	2 PT staff and multiple contractors	2015	-
<b>Comunidades Enraizadas CLT</b>	4-5 condos in predevelopment	9 board members (6 community members, 3 others)	2 FT staff, 12 official members	2021	-
<b>Dudley Neighbors, Inc.</b>	228	15 board members (6 community members, 9 others)	8 FT staff, active board with numerous committees	1988	2 parks, 4 gardens, 2 farms, 10,000 sqft greenhouse
<b>Highland Park CLT</b>	Pursuing its first property for 18 units	12 board members	Volunteer-run	2017	-
<b>Somerville CLT</b>	5	7 board members (6 community members, 1 other)	1 FT staff	2017	-

FIGURE 2  
**Map of Greater Boston Community Land Trust Network Members and East Boston Neighborhood Trust**



- |  |  |  |
|--|--|--|
| Somerville Community Land Trust          | Dudley Neighbors, Inc. Housing           | Source: Greater Boston Community Land Trust Network, City of Boston, MassGIS<br><br>0    0.75    1.5 Miles |
| Chinatown Community Land Trust           | Dudley Neighbors, Inc. Commercial        |  |
| East Boston Neighborhood Trust           | Dudley Neighbors, Inc. Urban Agriculture |  |
| Comunidades Enralzadas                   | Dudley Neighbors, Inc. Open Space        |  |
| Boston Neighborhood Community Land Trust |  |  |
| Boston Farms                             |  |  |

[Dotted lines show the approximate areas served by the various CLTs.]

Though the total footprint of CLTs is still a small fraction of total land and housing, their emergence is gaining attention and traction with policy makers. The 2016 Massachusetts Special Senate Committee on Housing Report<sup>38</sup> featured CLTs specifically as a strategy for addressing gentrification. In 2021, City of Boston allocated \$2 million in its budget to support CLTs, which was awarded to GBCLTN in February 2023. The network is using \$1.5 million to launch the Community Land Trust Fund, a revolving loan fund. GBCLTN also successfully advocated for a new Small Properties State Acquisition Funding Pilot (\$1 million) at the state level to acquire and preserve long-term affordable housing. These policy developments show that decision makers are beginning to recognize the potential of this model.

Because CLTs are a response to a system of racialized housing, land use, and development policies, they have taken root first in the region's lower-income and working-class communities of color in the cities of Boston, Chelsea, and Somerville. They were formed to address the foreclosure crisis (BNCLT), to create opportunities for urban farmers (Boston Farms), to enable immigrants to stay in their neighborhoods (Chinatown CLT, Comunidades Enraizadas CLT), to prevent gentrification coming with a new transit line (Somerville CLT), and to preserve quality of life for existing residents (Highland Park CLT). Like DSNI and its CLT, the six other Boston-area CLTs emerged from partnerships with long-standing community building and organizing initiatives. For example, Somerville CLT (SCLT) was established out of community efforts to stem gentrification pressures from the Green Line Extension and was launched with backing of the City of Somerville.

GBCLTN has been engaging with several other communities interested in CLTs, including Mattapan, Brockton, and Lynn. CLTs may also be a useful strategy for suburban towns with growing concentrations of low/moderate income communities and communities of color or that are concerned with affordability for their workforce. For example, Martha's Vineyard has an Island Housing Trust that since 2006 has created more than 150 affordable homeowner and rental housing units to support its workforce and give opportunities for long-time residents to stay. According to the Schumacher Center, there are 16 CLTs across Massachusetts.<sup>39</sup>

## Boston Farms

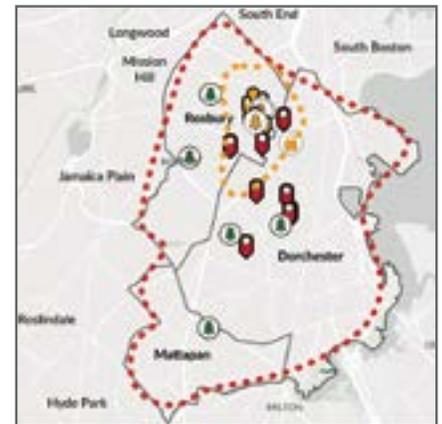


When the Urban Farming Institute of Boston needed more land for the farmers it was training, it created the Boston Farms CLT. Boston Farms currently manages and owns five farm sites across Dorchester, Roxbury, and Mattapan, the design of each based on the input of the local neighborhood. The CLT brings freshly grown food into neighborhoods and expands the ways a land trust can benefit a neighborhood by connecting food, environment, and people. Boston Farms leases its land to farmers for each growing season, while the CLT is largely responsible for property management and maintenance. A Farmer Selection Committee (composed of Boston Farms board and neighborhood members) reviews and approves applications from prospective farmers. The produce grown on farms is sold and distributed through various community outlets: farmers markets, restaurants, farm stands, low-income food access programs, and direct donation.

## BNCLT

Though BNCLT established itself as a CLT in 2019, it came from the efforts of the Coalition for Occupied Homes in Foreclosure (COHIF) that started in 2008. COHIF organizing led to the acquisition of 11 units in 2014. BNCLT continues to collaborate with organizers to identify buildings

with tenants at risk of eviction and put pressure on the owners to sell to the community land trust. In 2021, BNCLT worked closely with City Life/Vida Urbana and the tenants of 6 Humphreys Place in Boston's Dorchester neighborhood to purchase a building after a four-year struggle by the tenants to hold onto their homes. After facing eviction from the two previous owners, the tenants won their battle, putting enough pressure on the landlord to sell to BNCLT. Public and media support for the tenants also led to funding from the City of Boston's Acquisition Opportunity Program to help BNCLT acquire the property. BNCLT has grown its community of residents to 30 households, many of whom play



leadership roles with campaigns, activating public space, and establishing alternative housing systems.

### Chinatown CLT

Although incorporated in 2015, the Chinatown Community Land Trust was a longtime vision of many community leaders within the Chinese Progressive Association (CPA),



a grassroots organizing group in the local and regional Chinese community. Organizers and resident activists had fought luxury projects and organized to preserve existing and build new affordable housing.

Anticipating displacement from the unsubsidized properties,

they recognized the need to acquire and preserve historic row houses for permanently affordable housing. CPA provided organizational support and physical office space when CCLT hired its first staff member. Many of CPA's activists and residents became founding members. CCLT built on CPA's organizing work and its established relationships with City government to purchase its first row houses. CCLT is the first CLT in the nation focused on stabilizing a Chinatown neighborhood and is working with groups across North American Chinatowns that are developing their own CLTs.

### Comunidades Enraizadas CLT

Comunidades Enraizadas CLT was formed by a group of primarily Latina immigrants in Chelsea who started organizing against displacement during the foreclosure crisis in the 2000s. It continues to be incubated by GreenRoots, a grassroots environmental justice group. The CLT focuses on permanently securing land for low-income people, regardless of their immigration status, to achieve long-term



housing stability and be stewards of the land. With strong roots in community organizing and base building, Comunidades Enraizadas is committed to leadership by the community, for the community. According

to Ana Vanegas, Comunidades Enraizadas' Program Coordinator, "We want residents to know that it's not just about building housing but that they can be part of a movement, that they can be present in discussions and making decisions in the city. The community will have a say on the use of the land, even if there is just room for one tree. We do not have a CLT just to provide housing, but to address all our needs and environmental quality. As a community that suffers environmental injustice, that's what's made us more vulnerable to displacement."<sup>40</sup>

### East Boston Neighborhood Trust

In 2022, community leaders and public officials celebrated the transfer of 36 multifamily homes (with 114 housing units) in East Boston to the newly formed East Boston Neighborhood Trust (EBNT). Although not strictly a CLT, this Trust shares some elements of the model and is included here to show

how the CLT model can be adapted and evolve. Like other CLTs, it was born out of tenant organizing starting in 2015 against a real estate company that was buying up these properties and trying to force out existing tenants in



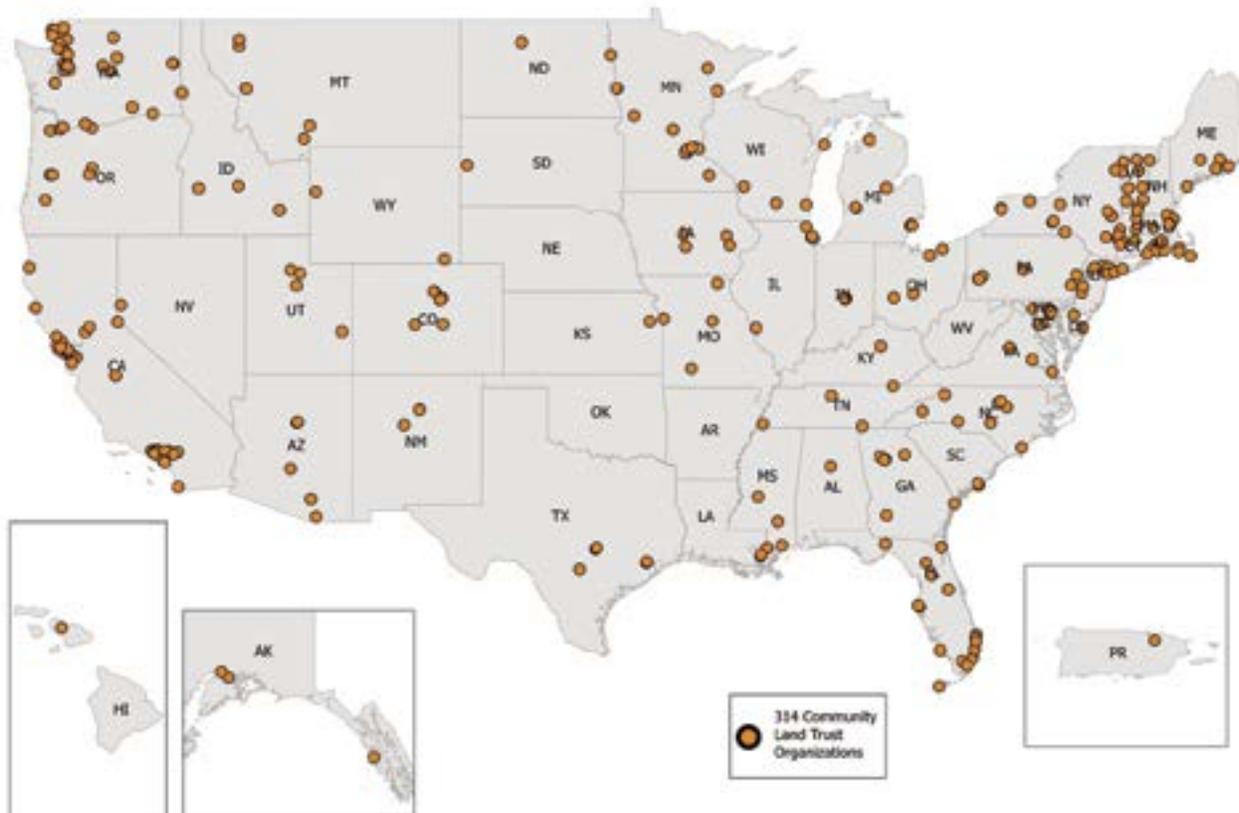
order to rent to higher-paying ones. When these properties were being sold as a portfolio in 2021, community leaders recognized an opportunity to preserve this housing but needed a different financing model. Housing organizers from City Life/Vida Urbana worked with the East Boston CDC to develop a mixed-income neighborhood trust (MINT). EBNT is governed by a community board including representatives of four community organizations and three renters, which is similar to a CLT, but unlike a CLT there is not a broader membership. EBNT provides a mix of low-to moderate-income units so that higher-cost homes can subsidize more affordable units. The scattered housing is managed by the CDC partner. This model enabled the trust to quickly raise over \$50 million to buy and develop the properties, including \$12 million from the Boston Acquisition Opportunity Program, \$2.7 million from foundations, and \$5 million from equity investors.

## 6. CLTs across the United States

CLTs have spread across the U.S. and are also connecting globally through the Center for CLT Innovation.<sup>41</sup> A 2022 survey identified 314 CLTs across the U.S. in 46 states, Washington D.C., and Puerto Rico (see **Figure 3**). These CLTs had a combined 43,931 residential units. The number of CLTs has grown 30 percent since 2011. And the number of shared equity units has grown almost 120 percent since 2011. About 70 percent of the CLTs surveyed were created since 2000. While all CLTs are designed to promote

economic equity and justice for all, the census found that 58 percent of CLTs specifically prioritized racial justice or equity for Black, Indigenous, and other People of Color.<sup>42</sup> CLTs across the nation vary widely in structure, programming, and goals, adapting the model to what best fits their needs. Below are just a few CLTs that Boston can learn from, especially in terms of partnering with local government, preserving a diversity of uses beyond housing, and supporting Indigenous stewardship of land.

FIGURE 3  
**Map of Community Land Trusts across the U.S.**<sup>43</sup>



The **Champlain Community Land Trust**, based in Burlington, Vermont, was established in 1984 with the support of Mayor Bernie Sanders' administration, volunteers, and neighborhood leaders. Champlain CLT is the first municipally supported CLT in the country. In the past, the City of Burlington has provided support to the CLT with a \$200,000 seed grant for operations, million-dollar loans from the Burlington Employee Retirement Fund, and a negotiated loan-pool from a local bank. The Champlain CLT initially struggled to find financing outside of City sources and had to focus heavily on education and messaging. However, the organization began to build trust among local banks when it became evident that the foreclosure rate among homes that were a part of the CLT remained low over the years.<sup>44</sup>

Some CLTs are leveraging increased funding from their local and state governments. For example, the **SHARE Baltimore** coalition led an effort to win \$20 million from the City to create an affordable housing trust fund. Of this fund, \$2.25 million went to support three land trusts within the city. More than one-third of the Fund is designated for CLT ownership and rental projects each year. **Tierra Colectiva** in Denver, Colorado, argued that the Colorado Department of Transportation needed to replace the housing lost by former highway expansion and won a total of \$2 million to acquire, rehabilitate, and sell properties.

Many CLTs have also been created in response to gentrification pressures. The **Oakland Community Land Trust** (OakCLT) was created in 2009 to stabilize housing threatened in the foreclosure crisis in Oakland, California. This CLT is working with renters of multifamily properties to purchase their buildings. Similar to DSNI, the OakCLT preserves non-housing properties to support community well-being, such as mixed-use properties, live-work artist space, community gathering spaces, and a worker-owned cafe. OakCLT has also helped local nonprofits and community-owned businesses threatened with rising rents by bringing commercial and multi-use properties into the trust.<sup>45</sup>

Some CLTs are focused on returning land back to Indigenous stewardship. The **Sogorea Te' CLT** is an urban Indigenous women-led land trust based in the San Francisco Bay Area that facilitates the return of Indigenous land to Indigenous people. Its goals include recognizing Ohlone place names and history as well as ensuring intertribal Indigenous communities have affordable housing, social services, cultural centers and land to live, work, and pray on. Programs include cultural revitalization to relearn traditional methods to take care of the land and building community resiliency centers. One parcel of land of nearly five acres, Rinihmu Pulte'irekne (Sequoia Point), was ceded to the CLT by the City of Oakland in 2022. The Sogorea Te' CLT's vision for this land includes providing space for environmental restoration, creation of cultural ceremonies, and public education.<sup>46</sup>

# 7.

## Recommendations

As shown in this chapter, CLTs offer many public benefits and can address persistent housing inequities. While the sector is growing, it still faces many challenges. There are many steps that decision makers and other stakeholders can take to support the emerging CLT sector in the Boston region and Massachusetts. Below are four sets of recommendations.

The first focuses on raising the visibility of the model. That is followed by specific actions to build the CLT sector. The third presents options for financing CLTs. The final set includes broader recommendations for anti-displacement and deeper affordability that will help boost the entire affordable housing sector including CLTs.

Raise Awareness and Expand Public Discourse	
Include information about CLTs in educational and public materials about housing affordability programs and community control over development.	Local, state, and federal government
Provide trainings and workshops for government officials, affordable housing stakeholders, and the broader public.	All stakeholders
Develop and use more inclusive definitions of wealth that include community wealth and non-financial forms of wealth and well-being.	All stakeholders
Develop and use more inclusive definitions of ownership that recognize various forms of collective and hybrid ownership.	All stakeholders

Build Infrastructure and Resources for CLT Sector	
Provide funding for CLTs to acquire and preserve property for permanently affordable housing. <ul style="list-style-type: none"> <li>Establish more programs like the City of Boston's Acquisition Opportunity Program and the state's Small Property Acquisition Fund and increase funding to meet demand.</li> <li>Grow the GBCLTN's CLT Fund and establish other funds like it that can be controlled by CLTs.</li> </ul>	Local, state, and federal government
Prioritize CLTs in public land disposition and development requirements. <ul style="list-style-type: none"> <li>Give priority to CLTs (or permanent affordability and community governance) in public land disposition.</li> <li>Create an accessible, centralized inventory of all publicly owned land.</li> <li>Emphasize preservation in Inclusionary Development Policy (IDP) Offsite Affordable Housing. Give priority for CLTs and acquisition of scattered site preservation using offsite IDP resources.</li> <li>Establish Land Bank with community participation in oversight.</li> <li>Partner with CLTs to steward long-term deed restrictions on units created through public subsidy and requirements.</li> </ul>	Local and state government

Build Infrastructure and Resources for CLT Sector (continued)	
<p>Build CLT Infrastructure.</p> <ul style="list-style-type: none"> <li>• Provide technical assistance for CLTs to start up and to navigate the development process.</li> <li>• Provide seed grants for operations for new and emerging CLTs.</li> <li>• Provide funding and assistance for property management, including trainings for CLT residents</li> </ul>	Local and state government, philanthropy
<p>Develop pathways for transfer of private homes to CLTs.</p> <ul style="list-style-type: none"> <li>• Provide technical and legal assistance for those who wish to explore this option.</li> <li>• Identify and reduce barriers to such transfers.</li> </ul>	Local government
<p>Further develop <i>public-commons partnerships</i> with CLTs.</p> <ul style="list-style-type: none"> <li>• Engage CLTs as partners in community planning and advising on land-use and development decisions.</li> <li>• Build partnerships between CLTs and housing voucher programs and holders.</li> </ul>	Local and state government

Develop Financing Options for CLTs	
Provide investments for deep, permanent affordability and community ownership.	Impact investors, public pension funds
Move funds from Payments in Lieu of Taxes (PILOT) and community benefits agreements to finance CLTs.	Local government, universities, hospitals
Provide more affordable mortgages and ITIN mortgages that do not have restrictions on citizenship documentation.	Banks
Partner with CLTs to provide credit where they may not qualify for traditional financing.	Local and state government

Support Anti-Displacement Policies and Deeper Affordability	
<p>Support state legislation to slow gentrification and preserve affordable housing:</p> <ul style="list-style-type: none"> <li>• Tenant Option to Purchase Act (TOPA) would give municipalities option to allow tenants in multifamily buildings first option to buy when their buildings are being sold.</li> <li>• Real Estate Transfer Fee would enable municipalities to levy a fee on high-end real estate sales and use the funds for affordable housing.</li> <li>• Rent Stabilization would repeal the ban on rent control and enable municipalities to enact rent controls and prevent no-cause evictions</li> </ul>	Local and state government
Establish more policies and resources for permanent and deeper affordability measures.	Local, state, and federal government
Prioritize preservation of current affordable housing.	Local and state government
Reduce barriers and create incentives for more multifamily housing, including zoning reforms.	Local and state government