

Framing and Introduction:

CLTs have the potential to be more than just alternative land arrangements, but changing our notions of property, land, and ownership. Land is not just for individual benefit, is not a market-based commodity, but has a common and collective purpose. CLT's are not just a form of public ownership, they are a democratic community-controlled model of ownership.

Part I: CLT Basics

Ben Baldwin and Penn Loh, Tufts University

(Presented on "Development without Displacement: The Case for Community Land Trusts," a Tufts Practical Visionaries Workshop field Project)

What is a CLT?

- Inclusive, community member structured legal entity that stewards land for long-term benefit
- A CLT is a very flexible tool that offers a different way of thinking about property ownership – not individual ownership.
- The idea that land serves the community, not just individuals and can be governed democratically
- A mechanism to preserve the common good *forever* – for future generations, for others in society

How does it work?

- People or organizations gain title over parcels of land, held in perpetuity
- The Board of the trust determines any redevelopment or addition of buildings, which can be leased to homeowners, non-profits, coops, etc.
- 99 year deeds, ground lease
- Board Structure (tripartite)
 - 1/3 CLT leaseholder
 - 1/3 remainder of service area
 - 1/3 broader public interests
- actual board makeup depends on context and limitations

Applications

- residential: land acquisition, permanent affordable housing
- non-residential: urban agriculture, commercial, cultural and community spaces

Why CLTs?

- creation and stabilization of neighborhood, build social capital

- overcome physical/financial barriers
- support economic development
- preserves affordability over time
- CLTs take land out of cycle to be bought by highest bidder and secures it because CLT is meant to be permanent

Part II: Current CLT's and Emerging CLT's in the Boston Area:

Lydia Loh, Chinese Progressive Association (CPA), Dana McQuillin, Coalition of Occupied Homes in Foreclosure (COHIF), Pat Spence, Urban Farming Institute (UFI), Harry Smith, Dudley Street Neighborhood Initiative (DSNI) and Dudley Neighbors Inc. (DNI) and the Greater Boston Community Land Trust Network

Coalition of Occupied Homes in Foreclosure (COHIF)

- Formed 2008 by organizations to address issue of people living in foreclosed or at risk properties who want to stay in homes
- Currently working on the Greater Four Corners Community Stabilization project to acquire foreclosed properties so people can stay in them and keep rents affordable. Partners with DSNI for purchase of first 10 units in March.
- Use CLT model because it offers the greatest community control, good safety net mechanism in case of second foreclosure (right of first refusal)
- In the early stages of developing land trust
- Want members on board, residents on board, community stakeholders
- DSNI as central server- stewardship

Urban Farming Institute

- Organization is in its third year. Works to train farmers, support business, entrepreneurship, healthy eating, uplift community. Also does education- urban agriculture conference, and has engaged in statewide advocacy for 6 or 7 months.
- Land acquisition- work with City of Boston (Department of Neighborhood Development), private owners, historic Boston, Trust for Public Land, and land you can't build on
 - i.e. Howard Street- Trust for Public Land, turned over to Dudley Neighbors Inc a farm ready for lease and use by UFI, then leased to potential farmers
- UFI interested in having their own land trust, but goes through above process now

Chinese Progressive Association

- grassroots community organization that focuses on Boston's Chinese population and stabilizing Chinatown and working class community there
- Has a land trust but doesn't have land yet
- Engaged in land struggle- institutional, luxury residential development; long history for community control in Chinatown
- Sees CLT as important tool in general strategy

- Also does tenant organizing to resist eviction and preserving existing subsidized housing, organizing for political power and to challenge proposals
- Works with business community and different sectors
- Chinatown Community master plan in 2010- priorities for community development
- Started forming CLT a year and a half ago after decade of talking about it
 - reasons: DSNI and DNI decided to become central server to support other neighborhoods, changeover in City administration
- put together board- broader than CPA (only 2 members), includes renters and homeowners, former residents active in community, community activists, businesses
- CPA incubates land trust- seen as CPA project in community which has pluses and minuses
- Land Trust goals:
 - Want to preserve 2 and 3 story row houses that have been owned by same family for generations, now turning over (want to acquire to preserve as affordable housing)
- Could partner with potential developers, or own land outright
- Historic preservation strategies

- *What was organizing like to build collective vision, and was there pushback?*
 - CPA: already knows community priorities, engaged in anti-eviction organizing
 - hoping real estate would go into receivership, but couldn't match developer's ability to offer cash and no baggage

 - COHIF: community partners connect them with people who want to participate in land trust- give COHIF foot in the door even if they can't match the price of developers. Two early COHIF challenges- residents come to them in time of vulnerability, need immediate needs met. What does land trust add that's different than affordable housing? (community control, permanent)

- *UFI: Groundbreaking for farm?*
 - Article 89 makes commercial farming easier
 - process is there, but takes a long time
 - first official farm- July, just now getting water and sewer hookup
 - wanted three properties by now, but process is slow- want to speed it up because there's a lot of vacant land
 - want farm stand
 - want to be excellent neighbors- gave crops away last year

DSNI/DNI, Greater Boston Community Land Trust Network

- DSNI has taken on the role of “central server”
- Still a learning community and network, not quite a coalition

- DNI CLT has been critiqued for being the only one of its kind and not replicable – not a good enough idea to replicate, or impossible to replicate –
- By helping other CLTs form, DSNI can build support by showing this is a movement (name it, form it, people will pay attention)
- Current city administration is open to the idea of CLTs; The BRA is not accountable to the people
- Profit-motivated developers can be easily swayed with immediate cash, vs. complex financing
- Not a coincidence that organizations that have strong community organizing also are interested in CLTs
- land trusts don't magically lift us out of system- no funding
- Greater Boston Community Land Trust Network- includes Somerville Community Corporation, conversations with Chelsea
- Have received some pushback about why is DSNI in other communities? how does the network benefit Dudley neighborhood? --Only way to build support for CLT model is to work with partners and build movement
- network is learning community right now
- Action research provided by Tufts, DSNI does organizing work
- presented about land trust model at City meeting held by Councilor Jackson on housing solutions
- have to understand development and finance
 - John Davis- Champlain Housing Trust, VT came down to talk to land trust about financing
- network doesn't have membership, meet with groups who are creating land trusts

How does eminent domain come into play?

- Eminent domain was helpful to DSNI because of their particular circumstances – would be helpful in other CLTs but is certainly not a requirement
- Dudley land trust came about in very specific time- Roxbury voting on seceding, so eminent domain seemed like a reasonable idea
- Only on vacant land, only used as tool to convene absentee landowners and buy land rather than take it
- CLTs have formed successfully without eminent domain
- Must make sure leases will hold up against legal assault

Discussion:

- Competing motivations; individual, family, neighborhood, community
 - Homeowners in Chinatown want to sell to developers, bequeath assets to children
 - Homeowners near DNI land trust can sell to developers for a substantial profit, or sell to the CLT for far less – it seems like a zero-sum choice – is it like asking individuals to subsidize the land trust, and if so, is that fair?
- It will take a complete rethinking the idea of the *value* of land
 - Some value is created when homeowners maintain or improve their property

- But value is not always generated by the owners of the land – some value is created when the neighborhood is perceived as a safe and attractive place to live (for example, clean, well-lit, with many local amenities, and with access to transit)
 - In this case, although the value is created by a community or by public investment, only homeowners reap the financial value through increased property values
- Community ownership is a kind of collective ownership that is very distinct from government ownership
- Troubling: aggressive home buying efforts – letters sent across the city enticing owners to sell with offers such as a sale within 24 hours – offers that become more and more attractive as displacement starts to take hold
 - Is there a way to fight this? Can elected officials act? Can legislation be passed?

Part III: Panel on Histories of Struggles for Community Control in Boston

Panelists: Diane Dujon, Bob Haas, Suzanne Lee, Che Madyun and Chuck Turner

Moderators: Juan Leyton, and Roz Everdell

Fish Bowl questions:

- How have you been involved in community struggles to control land and development? Perhaps highlight one particular case.
- For those not from Boston or who may not be familiar with some of the time periods you describe, can you provide some context about what was happening with communities of color in Boston.
- What is the legacy of these past struggles? How have they impacted the situation today?
- What lessons can be learned from these past struggles?
- What do you see as the key challenges and opportunities now for communities of color to gain greater control of land and wealth?
- What questions do you have for each other?

- The value of housing
 - Profiting by denying someone's basic necessities goes against moral decency
 - If you're interest in land and housing is purely financial profit, this is not the neighborhood for you.
 - Housing has long been treated as the primary source of value for an individual and family, the main mechanism to develop their wealth
- Role of Organizing
 - Having ordinances, incorporation, other forms of recognition is not enough – implementation depends on communities organizing and enforcing
 - Collective, concerted intervention is necessary to fight the pull of market forces

- We must deliberately communicate the value of community, the value of a neighborhood built on longstanding community ownership and engagement
- The need for a broad movement
 - Piecemeal is just not going to work
 - We need integrated action under a single vision
 - Efforts cannot remain isolated – action in one community here and one community there is not enough – there must be a broad movement of organizing
 - Take advantage of crises and other windows of opportunities
 - There must be continuous development of the next generation of activists and community leaders – train young people faster, go deeper
 - Think of ourselves as neighbors, think of ourselves as communities, and be active in the community or else it will be taken away from us
 - Consider equity beyond race, gender, and other differences – the *residents* and *citizens* of a place should share in the economic prosperity of that place
- Strategy and Vision:
 - Think about the terms we use and what values are communicated through them:
 - “affordable” housing
 - categories of people as “minorities”
- We have an intuitive sense that the existing system is not right
- Form and function must coincide
 - People must actively make it work
 - Values must be preserved, not betrayed
- Judicial precedent regarding hiring quotas (as in Boston executive order that 50% of jobs must go to Boston residents, 25% to minorities, and 10% to women): “mayors can enact policy to promote public peace.”
- What formal policies should we campaign for?
- Many exciting strategies such as the community land trust model will not move quickly enough nor be felt broadly enough to help a significant population of struggling individuals – there is an “underclass” that is “untouched by our activism”
 - Remember there is still a need for sound government policies to address their needs

Community Wealth / Financing the Solidarity Economy

Jennifer Ly and Aaron Tanaka, Center for Economic Democracy

- capitalism rooted in oppression and violence
- dominant economic system not working for a lot of people
- new economy= old economy, way things have been done for a long time
- racial, economic, environmental justice all interrelated
- already have the truth- values, skills, etc.

If you had access to capital, what would you fund?

- Space for interconnected solutions to multiple problems

- Community centers providing the “roses” in “bread and roses”
- Restorative justice
- Rehabilitation
- Services for the homeless
- Radical community organizing
- Industries appropriate to the local region
- Free public transit on renewables

Conventional Finance: a made up system for organizing economy

- Extract, exploit, steal, trick, leech
- Conventional Venture Capital expectations: 8x investment over four years
- **(the “capital stack”):**
(*Caveat: this is a simplified representation*):
 - Debt
 - Secured Debt
 - collateralized loan- bank practice
 - Subordinated Debt
 - not connected to collateral in hard asset; family loans, specialized lenders
 - Equity: ownership of a piece of something
 - Preferred Equity
 - external
 - Common Equity
 - common owners- put own money in, founders and partners
 - Gift Capital
 - Program Related Investments / Forgivables
 - want to be paid back, but if not it's OK
 - Grants
 - Our work doesn't produce returns in capital system
 - foundations want at least 5% return/year
- What are their motivations?
- Where is *community* in all of this?
 - Optimize within the system: use grants to leverage bank loans
 - Our work does not produce returns in the capitalist system
 - Conventional lenders are wary of projects that are unusual, perhaps without precedent
- Where could money come from?

- colleges, developers, crowdsourcing, credit unions, timeshares/bartering, local investment cooperatives, corporations, pension funds, taxes/public investment

Other sources of funding

- Internal
 - Crowdsourcing, direct public offerings (JOBS Act)
 - Credit unions
 - Timesharing, bartering
 - Union pension funds, police pension funds
- External
 - Taxes, public investment
 - Linkage fees
 - Community Preservation Act
 - Foundation
 - CBAs/agreements with developers

Alternative Finance Examples

- Divest and Reinvest at universities- Our Power campaign
 - what to do with funds that have been divested- reinvest in communities most impacted by climate change
- Working World- political campaign in Argentina/US
- Pioneer Valley Grows- farmers
 - for people with a little money who want to invest in local business accredited investors- people with \$1 million in disposable capital tiers for investors- includes non-accredited, higher-risk accredited, and foundations
- CERO- community owned recycling
 - raised money with Direct Public Offering- individuals buy shares
 - crowdsourcing with equity, unlike Kickstarter
- NorthEast Investment Cooperative- real estate development, Philadelphia
- Market Creek Development- San Diego
- Freedom School Movement
- Boston Impact Initiative

Possibilities for a Community Aggregated Fund

- Accessible (\$50 bucks) – a small enough amount that you aren't expecting/relying on the return-on-investment, won't miss the amount
- Build a capital stack on top
- Apply a process of democratic planning – so that what is done with the fund reflects not profit but genuine community needs
- Next generation of funding – a very different investment and planning process
- Major concern: WHO will populate these aggregated funds?

- This must be seen as the *political* process that it is