

Community Land Trusts as Part of a Just Transition



**SCHUMACHER
CENTER**
for a new economics

- 1. What is a Community Land Trust?**
2. Examples of diversified CLTs in energy communities
3. Community Land Trusts for industrial sites
4. Discussion: applicability, potential benefits, etc.

A Community Land Trust is a tool for sustainable community-building

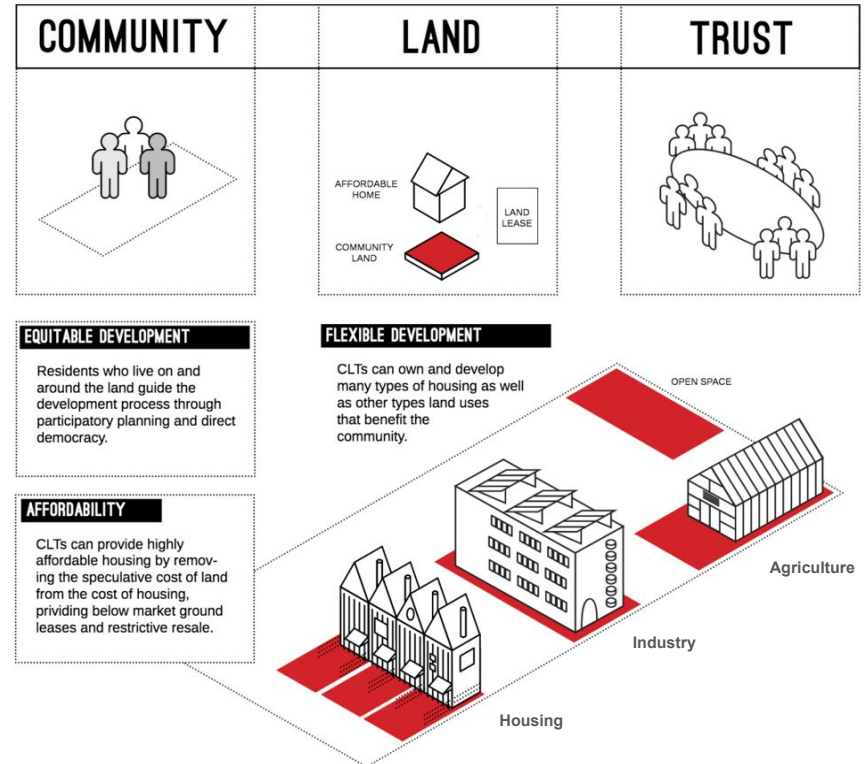
A CLT holds economically-vital lands out of the speculative market for uses designated by the community.

Key features:

- **not-for-profit organization** (501c3 + 501c2)
- **democratically governed**
- **membership open to area residents**

The CLT offers a means to:

- **secure significant sites** for community-designated purposes
- **empower members** in shaping the area economy
- keep sites **affordable** for local operation in perpetuity
- allow those who work or live on-site to **gain equity** in structures and improvements



History of the C.L.T. Movement

A story of community self-empowerment rooted in social justice

In the late 1960s, Robert Swann partnered with southern Black leaders to form New Communities, Inc. the first CLT in the U.S.

Formulated the model after studying community land tenure practices in Scotland, Israel, India and elsewhere.

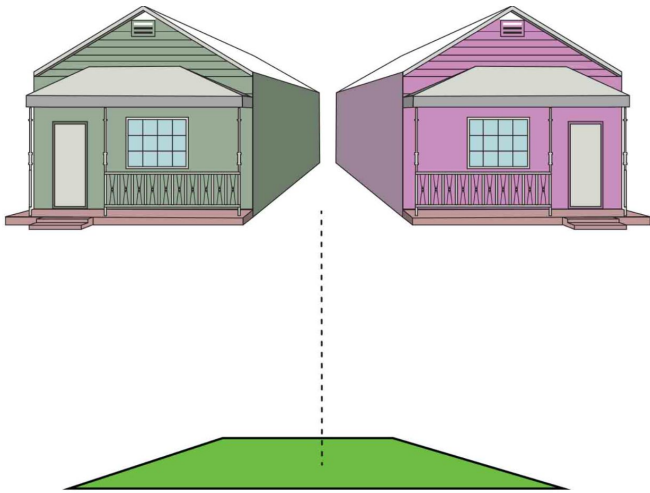
The group held community planning sessions to plan the use 5,735 acres in rural Georgia.

Empowering Black families to shape their own livelihoods together.



The Community Land Trust Model:

A legal arrangement separating title to underlying land from buildings and improvements to create community control and permanent affordability.



STRUCTURE:
The resident owns the home or commercial property

PERMANENT AFFORDABILITY:
A 99-year old ground lease between the CLT and owner ensures long-term affordability

LAND:
CLT retains permanent ownership of land

CLTs are typically governed by:

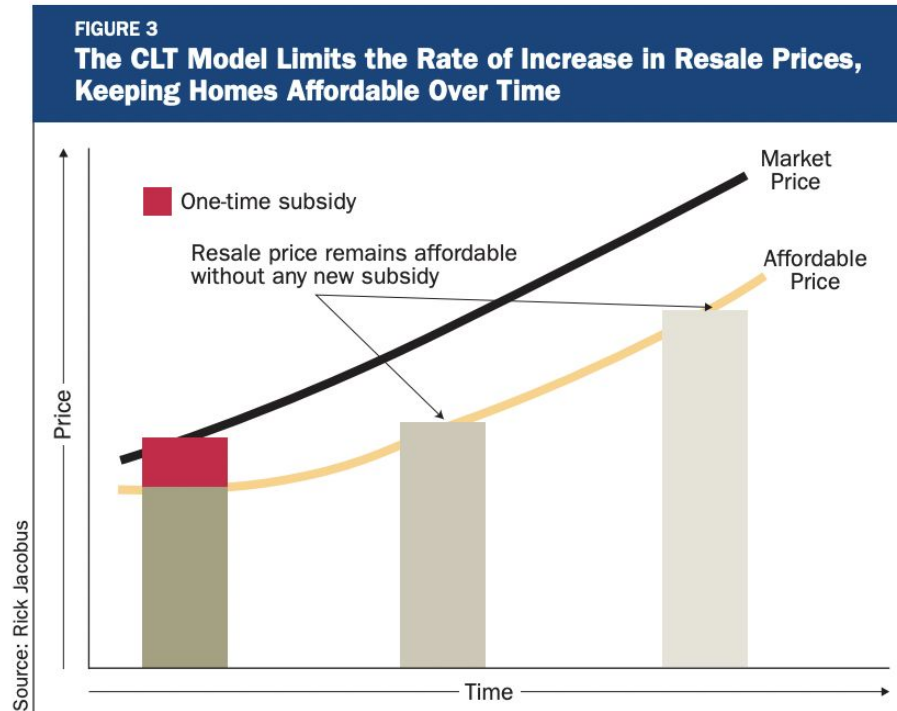


CLT

Diagram illustrating the community land trust model of tenure

Permanent Affordability:

A one-time act to remove land from the market—via subsidy, purchase, or tax-deductible donation—ensures local control and affordability into the future.



A one-time subsidy in a CLT home lowers its initial sale price to an affordable level and then limits the rate at which the price can rise over time. This strategy helps to increase the stock of permanently affordable housing.

Community Land Trusts are different than Conservation Land Trusts:

Two distinct and complementary purposes

| <u>Community Land Trust</u> | | <u>Conservation Land Trust</u> |
|--|---|---|
| Secure working land for community economic uses | Purpose | Preserve wild/recreational lands <i>from</i> development |
| Yes | Donations tax-deductible? | Yes |
| Sometimes | Involved in farmland preservation? | Sometimes |
| Yes | Local democratic governance? | Sometimes |
| Yes | Designed for lease-holders to gain equity? | No |

Community Land Trusts can also partner with conservation groups to place conservation *easements* on ecologically-sensitive areas of a site.

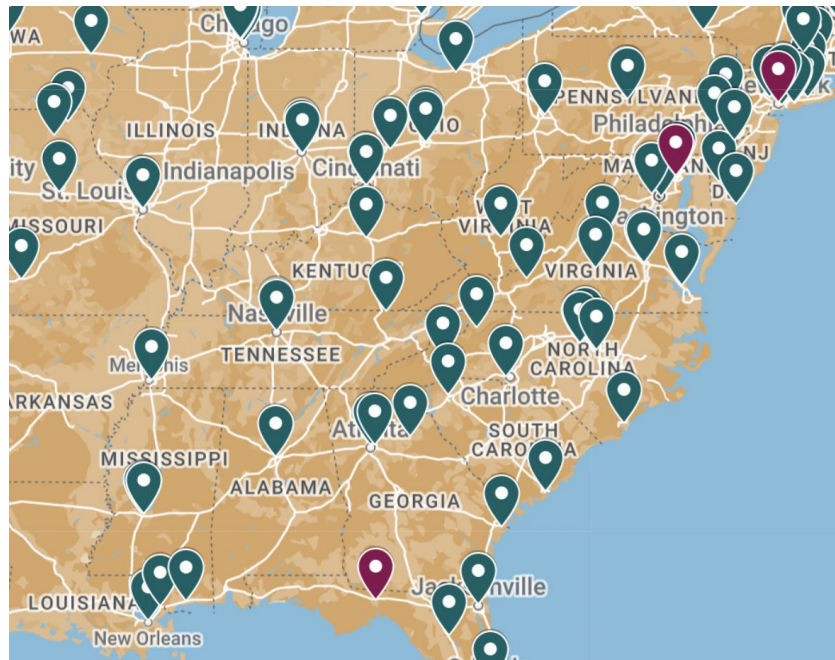
The CLT Movement Today

From one experiment, over 300 Community Land Trusts are now active in the U.S. alone, and increasingly diverse in their holdings

Communities in rural and urban areas alike incorporated Community Land Trusts through the 80s, 90s, and 2010s to address **affordable housing**.

CLTs are also used to secure **farmland** and, increasingly since 2010, community ownership of **local commercial spaces**.

Affordable housing practices have established a precedent: federal and state funders recognizing the long-term value of Community Land Trusts in their competitive grant-making.



Source: Schumacher Center CLT Directory

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West Virginia Agrarian Commons | Fayette County, WV (2019)

- Preserved a 82-acre farm site
- County Farmland Protection bid at auction to secure the site from development. Individuals and local businesses are fundraising to repay costs of land acquisition.
- “Preserve the region’s agrarian way of life while also transforming formerly coal-dominated land.”
- Home of New Roots Community Farm: a working sustainable farm which aims to enhance the viability of small farms, grow and process local food for the community, and engage folks to learn about food systems.



Woodland Community Land Trust | Clearfork Valley, TN (1977)

- Established for and by a local residents, with little outside funding in the early stages.
- Now holds 450+ acres across multiple sites (including mountaintop removal areas)
- 15 family homes and one non-profit office
- Supports member self-provisioning through woodland foraging and community gardens
- Host events transmissitting traditional skills
- Plans to support small business development through a center for heritage crafts
- Recipient of a \$450,000 EPA Brownfields Assessment Grant (2023)



P.O. Box 156 • Clairfield, TN 37715

**WOODLAND
COMMUNITY
LAND
TRUST, INC.**



Crescent Community Land Trust | New Orleans, LA (2011)

- Formed to fight displacement of Black communities accelerating in the wake of Hurricane Katrina.
- Rehabilitated a fourplex apartment building and 10 single-family homes in the 9th Ward (with support from the Ford Foundation).
- Mixed-use commercial and residential in a historic neighborhood: supporting African-American-owned businesses, home to Vaucresson Creole Cafe and two permanently-affordable rental units.
- Crescent City CLT typically acts as an equity partner in development, rather than using a ground lease.

RIGHT: Before picture of 1800 Onzaga project which will be the new home of Vaucresson Creole Cafe and two permanently affordable rental units

BELOW: Completed project
PHOTO CREDIT: CRESCENT CITY CLT



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Community Land Trusts for Industry

Purpose:

Bringing the proven Community Land Trust model to sites of former resource extraction and heavy industry.

Sharing this innovate model so disinvested/energy communities benefit as part of a just climate transition.

History:

During the wave of manufacturing plant closures in the 1980s, lawyer and activist Staughton Lynd identified the Community Land Trust model as one viable response to the sudden flight of manufacturing and mining firms.

This history of industrial flight and disinvestment is the systemic pattern that CLTs for industry can reverse.



Advantages of Community Ownership of Industrial Lands

Goals:

Making private firms more accountable to communities, empowering economic self-determination, building enduring community wealth, and mitigating the harms of future firm closure.

Advantages inherent to the CLT model:

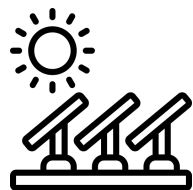
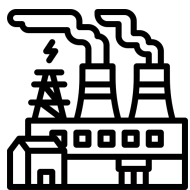
- **Community voice:** Local, member-elected Trustees act on behalf of communities.
- **Decisioning power:** The CLT can place land use parameters on a site that limit leaseholder activities.
- **Priority and affordability to local businesses:** written into resale restrictions.
 - ◆ Potentially also a source of income/leverage in the case of outside operators.

Potential advantages of CLTs in a just transition:

- **Lease restrictions** may enable environmental/ labor standards or other benefits from operators.
- Enable **creative multi-use scenarios** that private owners would not have pursued on their own.
- Removing land debt from startup costs can make **employee/community ownership** more attainable.
- By redirecting a portion of state subsidies and/or private investment to transfer land, CLTs for industry can **build enduring community wealth** in disinvested areas.

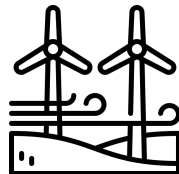
Coal Plant, Coalfield, and Brownfield Redevelopment

Including a CLT is about the 'how,' not the 'what,' of development



Coal plant to
solar + storage

Energy transition is certain.
It is already happening.



Mine land to
wind farm

Who owns it?
Who benefits, and how?
Who gets to decide?



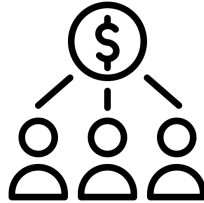
Abandoned lot
to urban farm

Multiple avenues for land to be transitioned into Community Trusteeship



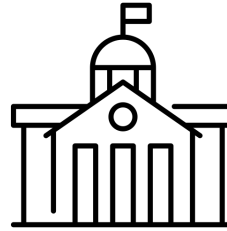
A tax-deductible donation

As part of private sale or discarding of used land*



Community fundraising

Led by local foundations, or pooling individual savings



Municipal action

Existing land inventory, one-time grant funding, or pension fund financing

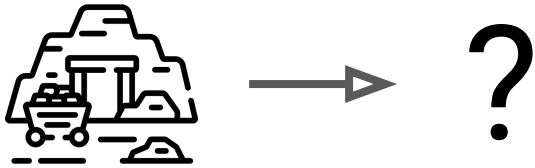


Federal subsidies?

Explore case for direct funding for real property

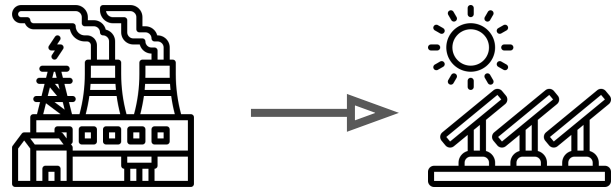
*communities would need to carefully assess assets and liabilities on discarded land.

Placing a Site Into a CLT for Industry as Part of Redevelopment: Two Plausible Scenarios



Before Redevelopment Planning

1. Community proactively identifies an opportune site
2. Incorporates CLT and raises funds to secure the land
3. Engages with partners (e.g. a CDC) and public to envision best use(s)
4. RFP to private site operators



As Part of a Grant Proposal

1. Potential operator identifies opportunity for a site
2. Community engagement prioritizes CLT as benefit
3. CLT incorporated, covenant included in state grant proposal
4. Upon award, title is transferred to a CLT

Additional Possibilities in Lease Agreements

Potential is virtually limitless, but must ultimately be agreeable to both parties

Negotiated with intended site operator(s):

- **Environmental standards:** water/air pollution, Co2 emissions, vehicle traffic
- **Labor standards:** union workforce requirements
- **Procurement standards:** prioritizing local sourcing of goods/services
- **Energy rebates:** lowering costs for host communities
- **Ethical standards:** animal treatment, ritual practices
- **Aesthetic standards:** site cleanliness, noise pollution, building upkeep/preservation, eyesores
- *Other collective aspirations?*

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Discussion

On the applicability of CLTs for Industry

- **Specific redevelopment cases to share?**
- **Would a CLT for Industry make sense in your community?**
 - ◆ **Why/why not?**
- **What barriers might prevent adoption of CLTs for Industry?**
- **What actor(s) in your area would likely advance a CLT for Industry?**
- **Where in the development process does it make most sense?**

More than a Tool for Community Economic Development

A way to bring self-determination back to the local level and a chance to right our relationship to the land itself.

Social inequalities are built into private property rights, 'land speculation' and exploitative rent-seeking.

Climate and ecological crises call us to rethink the right to exploit and pollute at the expense of natural life systems, air and water quality.

Universal private property rights to land and resources are a **colonial construct** which modern society must reexamine.

Instead, ask: how have / how do free and equal villages govern land use?

- **Balance** private/group use-rights against community needs and ecological health
- Foster **respect** (if not reverence) for soil, water, air, and minerals — our basis for human flourishing and all sustainable development



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