

Groups form land trust network

Many see trusts as way to preserve affordable housing

Yawu Miller | 4/27/2016, 10:55 a.m.

Bay State Banner

A coalition of Boston community-based organizations is banding together to advocate for expanding community land trusts — communally-owned plots of land on which housing units are deeded permanently affordable.

The newly formed Greater Boston Community Land Trust Network includes affordable housing organizations, anti-foreclosure groups and the Urban Farming Institute.

The Dudley Street Neighborhood Initiative, the nonprofit that owns the city's only land trust, is helping to organize the network.

"In the long run, we're looking at building more of a land trust movement that would help shape policy and push more resources toward this model," said Harry Smith, who directs Dudley Neighbors Incorporated, the nonprofit division of DSNI that administers the land trust.

Network members this week released a report by students in Tufts University's Urban and Environmental Policy and Planning Department that assessed potential benefits of land trusts in Boston, along with a three recommendations on how the city can better facilitate land trusts: prioritizing publicly-owned land for land trusts; a city-backed loan fund to help with land acquisition and development costs; and technical assistance for the creation of land trusts and the acquisition of land.

Sustainability

Maureen Flynn, executive director of the Coalition for Occupied Homes in Foreclosure, said her organization is looking to the land trust model to help keep ten properties it has acquired from banks permanently affordable.

"It would be extremely helpful if the city or other entities could provide funding for technical assistance," she said.

Flynn says she expects COHIF will need help drawing up land leases, legal fees associated with acquiring land, appraisals and other challenges unique to land trusts.

Department of Neighborhood Development Director Sheila Dillon said the city's Housing Innovation Lab, a program aimed at developing innovative solutions to Boston's housing crunch, is exploring how to help promote land trusts in Boston.

"The city is supportive of the land trust model, which has worked for decades with DSNI," she said. "Not only is it an effective tool to create affordable housing, it's a way to build community as well."

Dillon said the city also is prioritizing affordable housing on much of the publicly-owned land it is selling.

“Much of the city-owned land we put out is for affordable housing and it’s deeply discounted,” she said. “We are working with for-profit and nonprofit developers to see how we can support private land acquisition.”

Time-tested model

Under the land trust model Dudley Neighbors Incorporated uses, the nonprofit owns the land on which buildings sit and leases it to the building owners. The owners buy homes at discounted prices, and their equity in the homes is limited to what they put in, plus modest gains in value. Owners may choose to pass the home on to their children. If they sell it, deed restrictions limit the sales price to an affordable rate, keeping the home permanently affordable.

While owners can build modest equity, they cannot reap the windfall associated with rising values in the speculative real estate market. The model ensures that communities remain stable, Smith said.

“Our families have a very low turnover rate,” he said. “In the last 25 years, there have only been four foreclosures.”

There are 226 units of permanently affordable housing in DNI’s land trust, which covers 30 acres. In addition housing, the DNI land trust also includes several small parks. DNI is planning to add 12 more affordable homes to the land trust on parcels it is acquiring on Magnolia Street.

In addition to DNI and COHIF, the Greater Boston Community Land Trust Network includes Chinatown Community Land Trust, City Life/Vida Urbana, Mattapan United, New England United for Justice, The Urban Farming Institute, Greater Bowdoin/Geneva Neighborhood Association, Alternatives for Community and Environment and Boston Tenant Coalition.