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Item No.
Community Planning & Economic Development
March 24, 2016

TO: Chair and Members of Community Planning & Economic Development

SUBMITTED BY: Original Signed by

Bob Bjerke, Chief Planner and Director Planning & Development

DATE: Jan. 29, 2016

SUBJECT: Municipal Involvement in Community Land Trust Models

INFORMATION REPORT

ORIGIN

July 23, 2015 CP&ED passed the following motion:

MOVED by Councillor Watts, seconded by Councillor Fisher that the Community Planning and Economic Development Standing Committee refer consideration of the potential opportunities and barriers to municipal government involvement in Community Land Trust models to the Halifax Housing Partnership for consideration and an information report back to the Committee.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, ("HRM Charter") s. 2 "The purpose of this Act is to (...) (b) enhance the ability of the Council to respond to present and future issues in the Municipality; and (c) recognize that the functions of the Municipality are to (iii) develop and maintain safe and viable communities".

HRM Charter subsection 61 (1) "The Municipality may acquire and own property granted or conveyed to the Municipality either absolutely or in trust for a public or charitable purpose"

HRM Charter subsection 63 (1): "The Municipality may sell or lease property at a price less than market value to a non-profit organization that the Council considers to be carrying on an activity that is beneficial to the Municipality".

HRM Administrative Order 50 the *Disposal of Surplus Real Property Administrative Order ("AO -50")*
"Section 2(b), Properties known to have potential for community use, in particular where: (i) there has been a prior community or institutional use of the property; or (ii) by location or scarcity of available property the consideration would reasonably arise, and Section 4(e), Community Interest properties disposal process" (see AO-50 for details)

Regional Municipal Strategy, Policy S-32:"HRM may consider partnerships or financial support for housing organizations".

Grants Committee, Terms of Reference, "The HRM Grants Committee shall review, evaluate and make recommendations to Regional Council regarding ...less than market value property sales and leases to registered non-profit organizations and charities..."

BACKGROUND

The provision of housing for a range of social and economic needs is one of the key objectives of the Regional Municipal Planning Strategy. The 2015 Halifax Housing Needs Assessment indicated that 33,070 households (20% of all HRM households) require non-market housing options. Only 4% of the current housing stock is considered non-market housing. In October 2013 Council endorsed HRM's formal participation in the Housing and Homelessness Partnership led by the United Way, and in July 2015 Council approved support to the Housing First project.

As stated in previous reports to Council, it is estimated that the Municipality invests approximately \$4.88M per year to support various housing affordability programs and since 1996 approximately 30 properties worth \$10M have been conveyed to not-for-profit organizations for the purpose of affordable housing¹. While many of these properties are still in use for the purpose for which they were conveyed, it is well-accepted that the expiration of social housing agreements and related operating subsidies may place many of the organizations and properties at risk². While some properties may have buy-back agreements attached to them, there is a question whether Council would like to receive these properties back if they ceased to be used for affordable housing. There are also a number remaining Urban Renewal and Lease Agreements which are also due to mature in the seven to ten years.

HRM AO-50 outlines the process the Municipality can dispose of the various categories of land surplus to municipal needs. The AO-50 policy statement acknowledges that the disposal of surplus municipal land can be used as an opportunity to create public benefits. Since AO-50 has been in effect 9% (9 out of 99) of surplus properties have been designated as Community Interest Properties. Although affordable housing is not given a preferential consideration, it has been the topic of a number of recent real property disposal processes particularly on the Halifax Peninsula. Even when the goal of affordable units is included in property sale RFPs, affordable units have not been created to date for a variety of reasons.

Land banks and land trusts have been identified as an innovative and promising tool in addressing the shortage of affordable housing. While they are typically maintained by a non-profit organization there are some cases where governments or their arms-length organizations maintain such a function. For example the former Nova Scotia Housing Commission (and the subsequent Housing Development Corporation) acquired and managed an extensive land bank developing large scale communities in the province and HRM. Communities developed in that way such as Forest Hills and Lower Sackville are still considered to provide affordable home ownership opportunities. Currently Saskatoon is the only Canadian municipality which continues to maintain a large residential land-bank and development function. Community Land Trusts ("CLTs") on the other hand are non-profit, community-based organizations whose mission is to provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land. In the US there is a strong connection between CLTs and

¹ See <https://www.halifax.ca/council/agendasc/documents/150324ca1142.pdf>

² FCM. 2015. [Built to Last: Strengthening the Foundation of Canada's Housing System](#); Housing and Homelessness Partnership Affordable Housing Working Group. 2015. [Housing Poverty: Putting Faces to Numbers](#).

units resulting from municipal density bonusing and other inclusionary zoning programs, which will be discussed in an upcoming staff report (CPED motion Oct. 15, 2015)³.

This report provides an overview of the CLT model, experience in other jurisdictions largely based on secondary research, and presents potential opportunities and barriers to municipal involvement in the community land trust model. As directed by the Committee, the report includes input of Halifax Housing and Homelessness Partnership Affordable Housing Working Group.

DISCUSSION

1.0 Overview of the CLT Model

There are a number of definitions of CLTs, including:

“A Community Land Trust is a non-profit organization formed to hold title to land to preserve its long-term availability for affordable housing and other community uses.”

(Lincoln Institute of Land Policy, 2008)

“A Community Land Trust is a mechanism for the democratic ownership of land by the local community. Land is taken out of the market and separated from its productive use so that the impact of land appreciation is removed, thereby enabling long-term affordable and sustainable local development.”

(Community Land Trust website, England, 2008)

The philosophy behind the CLT model - that all people have the right to a safe, decent living environment and housing – can be traced to 19th century thinkers such as Henry George and Ebenezer Howard, the English founder of the Garden City movement. The model evolved over time and today it is estimated that in England and Wales there are over 170 Community Land Trusts half of which formed in the last two years. The largest Community Land Trusts in the UK have over 1,000 members, and collectively own or lease land to approximately 3,000 affordable homes.

In the United States CLTs expanded from just a handful in the early 1980s to more than 200 in 2008 with new CLTs added each year. Initially focused in small rural communities, CLTs “are now predominantly located in cities, towns, and suburbs where they are holding land, developing housing, revitalizing neighborhoods, stewarding assets, and recapturing publicly generated value for the benefit of future generations”⁴. In 2013 members of the US National CLT Network reported having over 19,000 affordable mixed-tenure housing units (57.4% rental, 36.2% ownership, 3.3% co-op and 3.1% lease ownership units). In the US there is a strong connection between CLTs and units resulting from municipal inclusionary zoning policies. Some research has also explored the potential of CLTs to facilitate brownfield re-development and to ensure that sites identified for transit oriented development support long-term affordability.

³ Inclusionary zoning or Inclusionary housing refers to a range of local policies that oblige, or encourage developers to include some portion of the dwellings at a prescribed price level deemed to be more affordable than might otherwise be constructed. (Pomeroy, S 2004).

⁴ Davis, J. E. and Jacobus, R. 2008. The City-CLT Partnership Municipal Support for Community Land Trusts. Policy Focus Report. Lincoln Institute of Land Policy.

While still fairly new in Canada, there are a number of CLTs active across the country and a few are developing. The limited tradition of CLTs in Canada may present barriers but recent efforts to document the key learnings from current and past CLTs can help to locally adopt this innovative approach to affordable housing in Halifax. Evaluation of various CLT models typically point to supportive legislation, funding, technical assistance, financing innovations and tax treatments as critical factors of success⁵. It is worth noting that in 2009 the Nova Scotia provincial government at the time introduced *Bill 241 – Community Land Trust Act* but the bill was never enacted. The *2012 Community Easements Acts* is silent on the issue of affordable housing therefore it is presumed that any non-profit organization wishing to develop under the CLT model would likely have to fall under the provincial *Societies Act* or the *Canada Charities Act*.

In Nova Scotia community land trusts so far are focused on the preservation of natural habitat (e.g. Nature Trust of Nova Scotia) and heritage farmland (e.g. HelioTrust) but there is some community interest in exploring the CLT model for the purpose of securing housing that is affordable to low and moderate income households.

Purpose and Organization of Housing CLTs

The purposes of a Community Land Trust are to provide access to land and housing to people who may not otherwise have that access; to increase long-term community control of neighborhood resources; to empower residents through involvement and participation in the organization; and to preserve the affordability of housing permanently (National CLT Network, 2008).

The concept of CLTs is premised on the fact that builders and owners contribute to the value of the buildings by ensuring quality, functionality, and level of maintenance. On the other hand much of the value of the land comes from its location with respect to natural elements and urban services such as public transportation, piped services and other amenities. The premise of the CLT model is that by separating the ownership (and therefore the price) of the land from the ownership and price of the buildings, long-term affordability can be achieved. In order to function in a free-market system the model requires a fairly sophisticated governance structure coupled with innovative financing, and at times, tax treatments. Strong political and community support are also key to the model's success. Community Land Trusts focused on community revitalization and housing typically emerge to address the following challenges or opportunities:

- **The need for a planned development to fulfil a holistic community vision** such as the need for housing, open space, cultural and recreation facilities, etc.;
- **Threats to community affordability** such as real estate and housing prices outpacing income growth levels; withdrawal of senior government funding for housing targeting low and moderate income households; high land costs make the access and maintenance of affordable housing increasingly challenging; lack of key services such as grocery stores.
- **Opportunities** such as the proposed sale of strategic public or private parcels of land; inclusionary housing policies; community desire to maintain long-term affordability and to preserve public subsidies for a sustained impact.

Key features of the CLT model are included in Appendix A, but the organization and tenure structure are highlighted below.

⁵ CMHC. 2005. Critical Success Factors for Community Land Trusts in Canada. Socio-Economic Series.

Tenure: CLTs have a unique tenure model. CLTs acquire and retain ownership of the land, and lease it to community members or organizations for the purpose of building affordable housing and making related improvements of benefit to the community. The land is typically leased through long-term leases, such as a 99-year-renewable agreement. Leaseholders retain most of the rights and responsibilities that go with ownership. They can use the land for as long as they wish, and transfer the agreement to their heirs. The uses of the land may be limited by the lease agreement, but other than that, the CLT does not interfere with the activities of leaseholder. Specific tenure arrangements for housing can be determined either by the CLT through the lease agreement (for example, for owner-occupied or rental housing), or by the leaseholder. The land can be leased to individuals, families, co-operatives, community organizations and small businesses. Leases are given only to those who will occupy the land; absentee ownership of land and housing is generally prohibited.

Organization: CLTs are controlled by their own membership. Like other non-profits, they are governed by a board of directors but a unique tripartite governance model ensures maximum community participation in decision-making. The CLT service area is typically geographically defined and membership is generally open to all residents but the tri-partite structure of the board of directors includes:

- 1/3 land leasers;
- 1/3 residents of the surrounding community who do not lease CLT land;
- 1/3 public officials, local funders, non-profit providers of housing or social services

CLTs are typically run by a small staff, and many rely entirely on volunteers. The staff are responsible for fundraising, property management, and the development and acquisition of land for the benefit of the community. One of the strong points of the board is its diversity as it includes not only tenants (as in the co-op model) but also community stakeholders. There is also a strong focus on long-term sustainable stewardship and affordability of the properties

Municipal Involvement

Community land trusts are one of a number of tools which can help bridge the gap between the affordability and the cost of housing of various populations. The extent to which municipalities are involved may vary depending on their mandate to build and manage social housing. As described in previous reports, cities in Canada have varying degrees of responsibility for the delivery of affordable housing programs depending on local legislation and funding agreements. Increasingly, regardless of formal mandate, local governments are working with other levels of government and community-based organizations to ensure that a fuller range of housing options exist in their communities. This is driven by the knowledge that safe and affordable housing is important to both social well-being and economic prosperity of cities, and public land (whether sold or leased) is perhaps one of the most straight-forward ways in which municipalities are able to support these goals.

Examples of CLTs operating in the Canadian context are described in Appendix B. In nearly all CLT case studies in both the US and Canada municipalities have been involved as a partner because CLTs often emerge as a way to leverage other sources of funding. Municipal support comes in a variety of forms, depending on how well established the CLT is and may include (depending on local legislation):

- administrative or financial support during the planning and start-up phase
- donations of city-owned land and grants or low interest loans for developing and financing projects
- help in acquiring and preserving housing provided by private developers to comply with inclusionary zoning, density bonuses, and other mandates or concessions
- capacity grants to help support CLT operations, and

- in some cases revised tax assessment practices to ensure fair treatment of resale-restricted homes built on CLT lands.

Local governments may at times inadvertently structure CLT funding and oversight in ways that undermine the effectiveness of the very model they are attempting to support, so the challenge lies in finding the most constructive ways of putting municipal resources to work in pursuit of common objectives (Lincoln Institute, 2015). Over the past decade, the relationship between municipalities and community land trusts has shifted from at times adversarial to collaborative as the two have joined in partnerships to achieve their common goals. This relationship may evolve even more significantly as cities play a more dominant role in the start-up and operation of CLTs, and as CLTs become more focused on stewardship than on development.

Assessment of the CLT Model

Recent research indicates that there is a great variation in the effectiveness of CLTs across the US and in Canada. The Champlain Community Land Trust in Vermont is the largest known CLT in the US with 389 buildings, 2,227 apartments and 33 commercial spaces. Other CLTs may have just a handful of units available for lease. The Vancouver Community Housing Land Trust Foundation is currently in the process of developing up to 358 units of non-market housing on four sites leased from the municipality. Some CLTs have been able to grow significantly while others have not, and some have ceased operation altogether. There are many possible reasons for this variation in success, including staff resources and skills; differences in mission; financing arrangements; ability to receive donations of land; and the strength or weakness of the local land and housing market. There are a number of benefits as well as challenges of the CLT Model, which are discussed below in the context of HRM.

2.0 Opportunities and Barriers for HRM involvement

It has been suggested that the conversation about the role of government in housing in Canada began with the work of the Halifax Relief Commission⁶. Prior to amalgamation both the City of Halifax and the City Dartmouth were active in establishing arms-length housing non-profit organizations, contributing to the creation of hundreds of units of social housing. The City of Halifax has also been a partner of Urban Renewal Agreements, and both cities entered into long-term lease agreements at times jointly led with Province, CMHC and various co-ops. To staff's knowledge an evaluation of these long-term programs has not been conducted to date but it is fair to say that, regardless of the specific funding arrangements, a significant portion of today's non-market housing stock is the direct result of these agreements. The potential of the CLT model must be therefore informed by the Municipality's previous involvement in similar arrangements, some of which continue to this day.

Strengths & Success Factors

- The approach is suitable in a variety of areas, including small communities, urban neighbourhoods and even rural areas, which can be seen as a benefit for the HRM context. Depending on the specific CLT location within a region, CLTs can help bridge a mismatch between the location of employment opportunities and the location of unemployed job seekers by providing access to housing in areas with access to transportation, health care, libraries and public schools, all of which have direct and indirect effects on quality of life and economic opportunities. **The CLT model may be attractive in areas of HRM experiencing an imbalance between employment and affordable housing opportunities.**

⁶ Bacher, J. From Study to Reality: The Establishment of Public Housing in Halifax, 1930-1953
<https://journals.lib.unb.ca/index.php/Acadiensis/article/viewFile/12261/13105>

- CLTs are unique among community based organizations in that their concerns are geographically focused and include economic relationships, the governance structure of the organization, and the provision of direct services. Some CLTs build local social capital by providing its residents with employment, training programs and other supports through connections to other organizations. **The CLT model may be appropriate in areas of HRM experiencing rapid increase in real estate and housing prices, or in areas with limited private sector investment.**
- CLTs provide ownership housing at a price below the going market rate, by removing the cost of the land from the price of the house; over time, depending on how the enhanced equity is split upon resale, the units can become even more affordable while providing the right to earn limited equity. This is the essence of the model which maintains the original subsidy for future generations. **The CLT model may be attractive in HRM communities where ownership opportunities are scarce or are not affordable to the average household. There are Census Tracts in the Municipality with household rental rates approaching 90%.**
- CLTs can support affordable housing requiring fewer resources than other strategies as they can be started with one unit and then expanded one unit at a time as money and property become available. CLTs can also be run with minimal staff, because the homeowners or co-ops are responsible for maintaining their own units. This model is also helpful to co-ops because the price of land is covered by a modest lease and mortgage is only paid on the price of the building. **In HRM the non-profit sector is relatively small and in some cases challenged to maintain the current stock of affordable housing in a state of good repair. The CLT model could provide partnership opportunities or an incentive to combine operations, but the formation of a new organization may also divert energy from more urgent issues.**
- CLT housing typically requires subsidies for the purchase of land and/or house construction which typically come from various government sources or private foundations, but one of the premises of the CLT model is that these subsidies are recycled later to reclaim the value of the subsidies and to benefit future owners. For homeownership programs public subsidies are no longer needed when a CLT house is sold under the resale formula. For rental programs, the municipality or other donors may be able to transfer surplus lands to ensure long-term (e.g. 99-year terms) affordability as opposed to transferring lands to individual non-profits provided that financing can be secured. Ownership-based CLT models are fairly complex and rare in Canada but affordable home-ownership programs (although structured differently) are the focus of Habitat for Humanity. a. The *Halifax Charter* gives the Municipality the ability to hold land in-trust for charitable purposes and to lease properties at less-than-market rates. **Long-term municipal leases have in the past, and may continue to (upon re-negotiation), ensure that some lands are reserved for affordable or mixed-income housing.**
- CLTs may qualify for charitable status for income tax purposes which allows them to issue tax receipts and access to diverse range of financing types and sources (e.g. *New Market Funds* which raises capital funds for social enterprise initiatives in a number of provinces). Social housing agreements of the past typically included rigid income and rent thresholds without providing adequate subsidies to maintain the non-market housing stock in a good condition. The CLT portfolio approach can also enable economies of scale and the redistribution of capital across various sites and cross-subsidization of units. **The CLT approach can provide much flexibility, can attract mixed sources of funding and demonstrate the effectiveness of a mixed-housing portfolio.**

Challenges & Barriers

There are also some challenges to consider prior to investing in this model:

- Although very successful in US jurisdictions in Canada CLTs have not yet produced high volumes of new housing and the model is also not easily transferred from the US.
- While CLTs can provide many community and individual benefits, individual real estate profits are limited by the design of the resale formula which may vary among the different CLTs. The resale controls must strike an appropriate balance between ensuring the long-term affordability of the unit and allowing homeowners/lease-holder to get a reasonable amount of equity. The legal agreement between the CLT and the homeowner/leaseholder is more complex than conventional mortgages therefore some lawyers and financial institutions may be initially reluctant to have their clients accept the agreement.
- Currently some non-profit organizations in the Regional Centre are struggling with rising real estate prices and property taxes (despite partial exemptions); the limited equity model could eventually be recognized in land assessments and therefore could lead to lower taxes.
- The development of a successful CLT model requires significant investment of time, a strong business model and ongoing community support given the complexity of the model and limited government funding.
- Charitable status may be difficult to receive for some CLTs, particularly those structured around lease-to-own model. Given that a much greater proportion of renter households in HRM face affordability challenges than homeowner households (42.7% vs. 15.1%) the CLT model holds the greatest potential in securing long-term affordable rental housing.

3.0 Conclusion

There are benefits to the CLT model and there is some community interest in exploring the model further in Halifax. The Affordable Housing Working Group (AHWG) indicated a willingness to further explore the model through future community conversations on the CLT potential to meet the group's three strategic goals which are to:

- **Increase the supply of affordable housing options that meet people's needs**
- **Reduce the number of residents living in core housing need**
- **Foster a strong housing sector.**

As members of the AHWG, staff can support community dialogue on the potential of the CLT model but further involvement would require Council direction on the role the Municipality should adopt. In anticipation of potential federal government reinvestment in social housing, the Municipality may also wish to consider how it could leverage any additional funding for affordable housing with strategic parcels of the remaining Urban Renewal lands or other surplus lands. CP&ED has also requested staff report on the potential of planning tools to address the loss of affordable units and of inclusionary zoning, which will be forthcoming. Community land trusts are a promising approach yet must also be viewed in a larger policy the context, and Council priority areas.

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

COMMUNITY ENGAGEMENT

Initial findings of this report were presented to the Affordable Housing Working Group (AHWG) of the Housing and Homelessness Partnership. The AHWG Strategy identifies Community Land Trust model as a potential tools to increase the supply of affordable housing. The working group saw merit in exploring the model further through its community outreach and potential projects.

ATTACHMENTS

Appendix A Key Features of CLT Model Source

Appendix B Canadian CLT Case Studies

Appendix C Municipal Support for Community Land Trusts. 2008. The City-CLT Partnership Lincoln Institute Policy Focus Report. http://www.lincolninst.edu/pubs/1395_The-City-CLT-Partnership

Appendix D Critical Success Factors for Community Land Trusts in Canada (CMHC Research Highlights 63913) <http://www.cmhc-schl.gc.ca/odpub/pdf/63913.pdf>

Appendix E Vancouver Community Land Trust Foundation. Examining a model for long-term housing affordability. <http://tikvahousing.org/wp/wp-content/uploads/2015/06/Vancouver-Community-Land-Trust-Case-Study.pdf>; <http://www.chf.bc.ca/partner/the-land-trusts>

Appendix F City of Vancouver Administrative Report Agreements with the Community Housing Land Trust <http://council.vancouver.ca/20130515/documents/rr1opt.pdf>

Appendix G US National CLT Network <http://cltnetwork.org/>

Appendix H UK National CLT Network <http://www.communitylandtrusts.org.uk/>

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Kasia Tota, Community Developer, (902) 490-5190

Report Approved by: Original Signed by

Bob Bjerke, Chief Planner and Director Planning & Development

Appendix A Key Features of CLT Model Source; adapted from Davis, J. E. and Jacobus, R. 2008. The City–CLT Partnership Municipal Support for Community Land Trusts. Policy Focus Report. Lincoln Institute of Land Policy.

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| 1. Non-profit, tax-exempt corporation | A community land trust is an independent, non-profit corporation. Most CLTs are started from the ground-up but, but some are grafted onto existing non-profit corporations. Most CLTs target their activities and resources toward charitable goals such as providing housing for low-income people and redeveloping neighborhoods, and are therefore eligible for charitable status. |
| 2. Dual ownership | The CLT acquires multiple parcels of land throughout a targeted geographic area with the intention of retaining ownership permanently. The parcels do not need to be contiguous. Any buildings already located or later constructed on the land are sold to individual homeowners, condo owners, cooperative housing corporations, non-profit developers of rental housing, or other non-profit, governmental, or for-profit entities. Resales are governed by the terms in the lease agreement which s typically attempt to recoup the equity stake while also keeping the price affordable for future lower-income owners. |
| 3. Leased land | CLTs provide for the exclusive use of their land by the owners of any buildings located thereon. Parcels of land are conveyed to individual homeowners (or the owners of other types of residential or commercial structures) through long-term ground leases. |
| 4. Perpetual affordability | By design and by intent, the CLT is committed to preserving the affordability of housing and other structures on its land. The CLT retains an option to repurchase any structures located upon its land if their owners choose to sell. The resale price is set by a formula in the ground lease providing current owners a fair return on their investments and future buyers fair access to housing at an affordable price. |
| 5. Perpetual responsibility | As the owner of the underlying land and of an option to repurchase any buildings located on that land, the CLT has an abiding interest in what happens to these structures and to the people who occupy them. The ground lease requires owner occupancy and responsible use of the premises. If buildings become hazardous, the CLT has the right to force repairs. If property owners default on their mortgages, the CLT has the right to cure the default, forestalling foreclosure. |
| 6. Open, place-based membership | The CLT operates within the boundaries of a targeted area. It is guided by, and accountable to, the people who call this locale their home. Any adult who resides on the CLT's land or within the area the CLT deems as its "community" can become a voting member. The community may comprise a single neighborhood, multiple neighborhoods, or even an entire town, city, or county. |
| 7. Community control | Voting members who either live on the CLT's land or reside in the CLT's targeted area nominate and elect two-thirds of a CLT's board of directors; in Nova Scotia this would have to be set-out in the society's by-laws. |
| 8. Tripartite governance | The board of directors of the classic CLT has three parts, each with an equal number of seats. One-third represents the interests of people who lease land from the CLT; one-third represents the interests of residents of the surrounding community who do not lease CLT land; and one-third is made up of public officials, local funders, non-profit providers of housing or social services, and other individuals presumed to speak for the public interest. |
| 9. Expansionist program | CLTs are committed to an active acquisition and development program that is aimed at expanding their holdings of land and increasing the supply of affordable housing and other structures under their stewardship. As with other non-profit organizations, a sustainable business plan, including reasonable financial expectations and an effective growth strategy, is a critical success factor. |
| 10. Flexible development | While land is always the key ingredient, the types of projects that CLTs pursue and the roles they play in developing the projects vary widely. Many CLTs do development with their own staff, while others delegate this responsibility to partners. Some focus on a single type and tenure of housing, while others develop housing of many types and tenures. Other CLTs focus more broadly on comprehensive community development. |

Appendix B Canadian Case Studies

CLTs vary in their geographic focus and tenure models. Many CLTs focus on homeownership to allow families to build equity and have security of tenure but the activities of many CLTs have expanded in recent years. There are now several models operating in Canada, including co-operative CLTs, lease-to-own CLTs and facilitative CLTs. In all of these cases, the emphasis remains on continuing to own the land, and ensuring that there will be continued affordability for future generations. Many of the CLTs include community development and community economic development within their mandates. There are generally three different types of CLTs operating in the Canadian context:

Co-operative CLTs promote the long-term affordability of co-op housing and to help individual co-ops maintain their non-profit status.

Lease-to-own CLTs assist low-income households move into homeownership. Households pay a rental rate to the CLT over a given period of time after which they may choose to purchase the unit with a portion of the rent paid to date credited towards a down payment. The household takes ownership of the unit but continues to lease the land from the CLT through a long-term leasehold agreement.

Facilitative CLTs bring together the tools and resources to provide affordable housing, but do not develop or manage housing on their land. Instead, the CLT partners with local groups possessing the organizational capacity, expertise and resources to successfully develop and manage housing projects

Montreal: The Société d'Amélioration Milton-Parc (SAMP) was established by Héritage Montréal in 1987 in response to community outcry over a rapid loss of heritage buildings in the neighbourhood. Initially the non-profit owned all of the buildings, but later transferred properties to the housing cooperatives and the non-profit groups. In 1994 revision of the Quebec Civil Code allowed these groups to form a housing cooperative syndicate where members of the cooperative are not individuals but social organizations, in essence a CLT. Their goal is the preservation of affordable housing in the city center and the safeguarding of architectural heritage. CMP houses more than 1,500 people in low and moderate income housing in 616 apartments. It includes 146 residential buildings and two commercial buildings. The current members are all co-owners: fifteen co-ops, six low-income housing buildings (NPOs, including rooming houses), SDC Milton Park (SDC), owner of the commercial properties, a community-based organization two other organizations with a commercial vocation.

Winnipeg: The West Broadway Community Organization (WBCO) was incorporated in 1997 as a not-for-profit, charitable organization working to coordinate and support renewal efforts in Winnipeg's West Broadway neighbourhood. WBCO is governed by a Board of Directors comprised of community residents, organizations and stakeholders in the West Broadway neighbourhood. The mandate of the Community Organization is to plan and coordinate neighbourhood renewal efforts through community development and community economic development. Core funding is provided from Neighbourhoods Alive!, an initiative of the Province of Manitoba and the City of Winnipeg.

Saskatoon: The City of Saskatoon has been active in the business of land development sales since the 1920s. In 1954, the City formalized its land-banking function by introducing a program to actively purchase land for future residential, institutional and industrial development. Saskatoon is the only City in Canada that has maintained and expanded its role as a land bank. The current Land Bank Program operates on a for-profit basis, with profits allocated for reinvestment in the community. Saskatoon's Land Development business line plays a very important role in financing municipal infrastructure that supports the housing, commercial, institutional and industrial sectors. The Affordable Housing Reserve supports the City of Saskatoon's affordable housing initiatives. The City has an annual target of 500 affordable dwelling units that are to be financed through the reserve.

Edmonton: The Central Edmonton Community Land Trust (CECLT) began in 1997 when a group of residents, members of local community groups, and social service agencies began meeting to discuss potential solutions to the lack of adequate and affordable housing in inner city Edmonton. CECLT was officially incorporated as a non-profit corporation in September 1998. For its first housing project, the CECLT Board of Directors looked at over 100 existing properties in the inner city (McCauley and Norwood neighbourhoods) and eventually purchased 14 single-family homes and 3 duplexes (six units). Each of these properties was in substandard condition and in need of renovation. Since then, CECLT has purchased an additional two single family homes, bringing its total portfolio to 16 single family homes and three duplexes (22 units). Original funding was from a series of grants from a variety of governmental and non-governmental sources, as well as a loan.

Calgary: The Calgary Community Land Trust Society (CCLT) was established in 2002 as a non-profit managed by the Calgary Homeless Foundation. The CCLT acquires and manages land through donation or purchase. Land is held in trust and leased on 99 year terms only to other charitable and non-profit organizations with the goal of providing shelters, transitional housing, and permanent affordable housing. A number of projects have been completed, including a project targeted towards aboriginal persons with disabilities on land purchased and renovated using over \$1 million from the Government of Canada's Homelessness Fund. The Calgary Foundation currently has a portfolio of over 360 units of rental housing in 20 buildings. Non-profit agencies provide support for tenants living at each building.

Vancouver: The Vancouver Community Land Trust Foundation (Land Trust), a project being implemented in Vancouver, BC by a consortium of non-profit organizations, social finance institutions and the municipal government. The Mayor's Taskforce on Affordable Housing, and a resulting Request for Expressions of Interest (RFEOI) put forward by the City of Vancouver in August 2012 provided the catalyst for the consortium to come together under the umbrella of the Land Trust. The Land Trust project will provide 358 units of non-market rental housing on four sites by 2017/18. The City of Vancouver is leasing the land at the four sites through 99-year leases at a nominal rate. The Land Trust, a non-profit organization established by the Co-op Housing Federation of BC, is the lead proponent in the project. Non-profit and co-operative organizations will operate units for a diverse range of tenants, including low-income families and individuals with mental health and / or addictions. A key feature of the project is a 'portfolio approach' that is enabling efficiencies in developing and operating the site, as well as enabling cross subsidization from higher rent units to lower end of market units across the portfolio. Units will rent at varying levels of affordability ranging from units for those living on income assistance to units renting at close to market rates. Overall units will rent at an aggregated maximum of 76% of market; within this aggregate, rents will range from 23% of market rents to 90% of market.