



HOME COMMITTEE REVIEW

Community Land Trusts – Municipal Involvement

Rubric

Project Specific Information

AMI/population targets	60- 120% Area Median Income (AMI)
Unit Creation Potential	Medium
Type of Housing	Can be utilized for both rental and homeownership. Supports single-family, missing middle, and multi-family developments.

Partnership Opportunities

Private partnerships	Yes. Existing CLT or other non-profit organizations.
Community partnerships	Yes. Existing CLT like Rooted Homes, Thistle & Nest, and others.

Considerations For Implementation

Program Readiness timeline	<6 months. Identify municipal land opportunities and pursue surplus opportunities that support CLT (if available).
Additional Staff Required	Medium
Magnitude of initial investment	\$500,000 - \$1m (foregone revenues on land sales)
Risks	Municipal land availability & land acquisition; Operational funding; Public perception & community engagement
Proven track record in Oregon	Yes
Notes	Successful model nationwide. Municipality role typically at the front end, assisting with land surplus and acquisition, and disposition of property to existing CLT organizations.
Anticipated Award per Project	> \$500,000



Packet

Description of Program:

A Community Land Trust (CLT) is a nonprofit or public entity that acquires and holds land permanently to provide long-term, resale-restricted affordable housing. Households purchase or rent housing units at below-market cost while the CLT retains ownership of the underlying land, typically through a renewable 99-year ground lease. This organizational structure removes land from the speculative market, which lowers the cost of the physical housing, and has the potential of ensuring that affordability is preserved for each generation of homeowner, rather than expiring after a fixed compliance period.

CLTs operate across a wide range of local contexts, including large cities, mid-sized cities, and smaller or rural communities. A 2024 national study of 202 CLTs across 44 states found that CLTs vary significantly in size, but the most important predictors of scale are internal organizational characteristics, not local socioeconomic conditions alone. CLTs that have been operating longer, that include rental housing in addition to homeownership, and that are publicly initiated and/or supported are significantly more likely to control a larger number of affordable housing units. This indicates that CLTs work most effectively when embedded and incorporated into municipal housing strategies and supported through sustained public partnership rather than treated solely as grassroots nonprofits.

CLTs permanently secure affordable housing, promote housing stability, and reduce displacement pressures in changing or high-cost markets. Research shows that CLT homeowners experience far lower foreclosure and delinquency rates than comparable households in the conventional market, even during economic downturns. Beyond individual households, CLTs can stabilize neighborhoods, mitigate speculative pressures, and function as a form of long-term civic infrastructure that supports broader housing and economic resilience.

Benefits to the Community:

- **Permanent affordability:** CLTs preserve affordability across multiple ownership cycles, addressing the problem of expiring affordability in other subsidy programs.
- **Efficient use of public investment:** The value of the one-time public subsidy is reused repeatedly rather than lost at each resale.
- **Housing stability:** CLTs are associated with lower foreclosure and delinquency rates and fewer household moves over time.
- **Flexibility to serve different income levels:** CLTs increasingly include rental units, allowing them to serve very low-income households for whom ownership is not feasible while still maintaining a permanent affordability framework.
- **Neighborhood stabilization:** Evidence shows CLTs can stabilize or even modestly support surrounding property values during market downturns without triggering displacement.



- **Local implementation potential:** The study finds that CLTs are not limited to large cities; many successful CLTs operate in small and mid-sized communities, including growing municipalities.

Risks:

- **Scaling without public support:** Without sustained funding, land access, or operational support, CLTs often remain very small or stall entirely.
- **Operational and funding constraints:** CLTs can face challenges accessing development capital, land, and operating funds—especially in high-cost markets requiring larger subsidies.
- **Modest wealth accumulation:** Shared-equity ownership can limit the improvement appreciation; while this preserves affordability, it may result in lower overall wealth gains than unrestricted ownership, particularly for moderate-income households.
- **Community control tensions:** As CLTs scale geographically or administratively, some research suggests community engagement and local control can diminish if not intentionally maintained.
- **Public perception challenges:** Homeownership without landownership can be confusing or politically sensitive if not well explained.

Utilization of This Tool in Oregon or Similar Community:

Proud Ground – Portland Metro & Southwest Washington

Proud Ground, formerly the Portland Community Land Trust, is the largest CLT in the Pacific Northwest, serving six counties. The City of Portland has supported Proud Ground through land disposition, funding, and policy alignment, including its use in implementing the **N/NE Preference Policy** to address historic displacement. Proud Ground currently stewards hundreds of homes and partners extensively with Habitat for Humanity and local governments to maintain permanent affordability.

Central Oregon – Bend & Region

In Central Oregon, organizations such as RootedHomes (formerly K̄OR Community Land Trust), Thistle & Nest, and Habitat for Humanity have used the CLT model to address workforce housing shortages in a rapidly appreciating market. The City of Bend has participated through grants, infrastructure support, and funding partnerships with local CLT's to help foster homeownership opportunities.

Much of the City's surplus land that has been sold to affordable housing developers has been available to CLTs if these organizations had a project for the land offered. Recently, the City surplussed property at cost to Habitat for Humanity and Thistle & Nest, and the City entered into a long-term ground lease with Housing Works for the Summit Park Apartments on NE Full Moon Dr., functionally creating a municipally supported CLT for rental housing.



Key Takeaways:

- **Municipal support:** Involvement matters – publicly initiated or supported CLTs are statistically more likely to achieve scale.
- **CLTs are a long-term strategy:** Time matters—older CLTs consistently control more housing units, emphasizing the importance of early and sustained commitment.
- **Rental + ownership models are strongest:** CLTs that include rental housing alongside ownership are far more likely to grow and remain financially stable.

Case Studies:

Chelan & Port Angeles, Washington;

- **Context:** Smaller cities and rural communities often face acute affordability pressures driven by tourism, second home markets, or constrained land supply, yet they typically lack large housing bureaus or redevelopment authorities. Communities such as Chelan and Port Angeles in Washington, have used Community Land Trusts to create permanent affordability without building extensive internal staff capacity.
- **Municipal Role and Program Design:** In these communities, local governments pursued incremental but sustained support models rather than large capital infusions. Cities and counties provided:
 - Modest annual operating contributions to CLT partners (generally in the range of \$20,000–\$50,000 per year)
 - Targeted infrastructure investments (e.g., sewer or utility extensions) that reduced per-unit development costs
 - Discounted or donated public land to remove land costs from project feasibility
 - Long-term partnerships rather than one-time grants.

For example, in Chelan, the city and county committed recurring general fund support and ARPA dollars to the local housing trust (**Chelan Valley Housing Trust**), enabling the organization to build organizational capacity before scaling development. Similarly, Port Angeles partnered with a CLT to purchase and rehabilitate vacant or underutilized properties rather than relying exclusively on new construction (**Olympic Housing Trust**).

- **Outcomes and Evidence of Effectiveness:** These communities demonstrate that CLTs can reach meaningful scale even without large municipal housing departments, particularly when operated over time. CLTs in small and midsize—and growing—communities often control as many or more units than those in very large cities, once organizational maturity and public partnership are taken into account. Critically, the evidence shows that total population size is not positively associated with CLT scale, while years of operation and public initiation or support are strong predictors of success.



Eugene, Oregon

- **Context:** Traditional affordable rental housing and shelter responses were not meeting the full range of needs, particularly for households seeking long-term stability, community connection, and a pathway out of homelessness that did not rely on conventional private-market homeownership. In response, **SquareOne Villages** began as a grassroots effort focused on non-congregate shelter and transitional housing. Over time, the organization evolved into a Community Land Trust (CLT) specializing in limited-equity cooperative housing, adapting the CLT model to serve households for whom individualized homeownership would not be feasible. Eugene’s housing context—high need, limited land availability, and a strong emphasis on housing innovation—made it a suitable environment for testing a hybrid CLT-cooperative approach.
- **Municipal Role and Program Design:** SquareOne Villages permanently owns land through the CLT and assumes long term stewardship, while residents collectively own their homes through resident-controlled cooperatives. Rather than deeded ownership, residents purchase a membership share, gaining long term housing security, democratic governance, and restricted equity growth. The City of Eugene has supported the model by:
 - Providing capital via the Affordable Housing Trust Fund and federal HOME funds;
 - Granting property tax exemptions, fee reductions, and SDC exemptions;
 - Recognizing cooperative CLT housing as an eligible affordable housing product;
 - Facilitating access to appropriate sites, including underutilized institutional land.
- **Outcomes and Evidence of Effectiveness:** SquareOne Villages has delivered and is developing multiple permanent cooperative communities, including: Peace Village Co op (70 homes), Rosa Village Co-op (52 homes), OUR Village Co-op (44 homes). These projects primarily serve households below 60–80% AMI, including individuals transitioning out of homelessness. Homes remain permanently affordable through CLT land ownership and limited equity resale restrictions, while cooperative governance promotes resident stability and community control. Eugene’s experience demonstrates that CLTs can successfully support cooperative housing at meaningful scale, even in a mid-sized city, when municipal funding, land access, and policy alignment are in place—without requiring the city to directly own or manage housing long term.

Cleveland/Cuyahoga County, Ohio

- **Context:** Cuyahoga County and the City of Cleveland experienced widespread property vacancy and foreclosure following decades of population loss and the 2008 housing crisis. In response, the County established the **Cuyahoga County Land Reutilization Corporation** (CCLRC)—one of the nation’s first and most active countywide land banks—to acquire tax-foreclosed, vacant, and abandoned properties at scale. While the



land bank succeeded in stabilizing neighborhoods and returning properties to productive use, local leaders recognized that land banking alone did not ensure permanent affordability, particularly as reinvestment returned to stronger-market neighborhoods.

- **Municipal Role and Program Design:** Cuyahoga County intentionally paired its formal land bank with a Community Land Trust model operated by **CHN Housing Partners**, a nonprofit housing developer and steward.
 - The Cuyahoga County Land Bank acquires properties through tax foreclosure and other statutory powers;
 - Selected properties are transferred at nominal or reduced cost to CHN Housing Partners;
 - CHN places homes into a Community Land Trust structure, retaining ownership of the land permanently;
 - Homes are sold to income-qualified buyers with resale restrictions that preserve long-term affordability;
 - The CLT provides ongoing stewardship, homeowner support, and resale oversight.

This division of labor allows the land bank to focus on acquisition and disposition, while the CLT ensures permanent affordability and stability.

- **Outcomes and Evidence of Effectiveness:** The Cleveland-area CLT has produced hundreds of permanently affordable homeownership units, primarily serving households below 80% AMI. Evaluations show strong homeowner stability and low foreclosure rates; efficient reuse of land-banked properties; and, protection of public investment from market loss as neighborhoods recover.

Key Contacts:

- Eliza Wilson, Executive Director, Rooted Homes – eliza@rootedhomes.org; 541-316-0129
- Amy Warren, Founder & President, Thistle & Nest - amy@thistleandnest.org; 541-330-8758

Additional Resources:

- **National League of Cities (2021) – Community Land Trusts: A Guide for Local Governments**
- **Bridges (2023) – Municipal Research and Services Center (MRSC) Insight Blog: How Local Governments Can Effectively Partner with Community Land Trusts**



- **Davis, Jacobus & Hickey (2008) – Building Better City-CLT Partnerships**
 - **Palmer (2019) – Strategies for Sustainable Growth in CLTs**
 - **Grounded Solutions Network – CLT & shared-equity resources**
 - **Wang, Wandio, Bennett, Spicer, Corugedo, Thaden (2023), Lincoln Institute – 2022 Census of Community Land Trusts and Shared Equity Entities**
 - **LA County Community Land Trust Partnership (2022) - Preventing Tenant Displacement through Community Ownership Pathways**
 - **Permanent Affordability: How Portland Land Trusts are Combatting Housing Displacement – Portland Brief**
 - Additional National Qualitative Study of CLTs included below:
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