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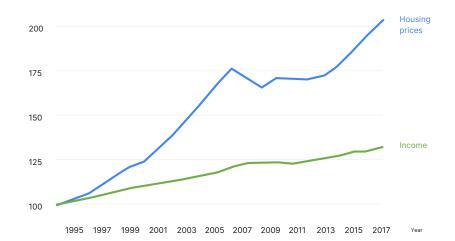
A vehicle for European CLTs to scale and deepen their social and environmental impact.

#### The problem

# A lack of affordable and sustainable housing

Households across Europe are being denied their right of access to adequate, secure and affordable housing mandated by the Geneva UN Charter for Sustainable Housing. The rising demand for urban land, the lagging growth in household incomes, and the financialization of housing as a vehicle for profitable investment are causing escalating housing costs in many cities across the world. The housing market is dominated by developers who too often produce unaffordable yet poor quality homes.

At the same time, the built environment consumes 40% of energy and contributes to 36% of greenhouse gas emissions in Europe(2). We must change the way we construct new housing and retrofit older housing in order to reduce carbon emissions.



House prices have increased much faster than middle incomes Evolution of real house prices and median household income since 1995, OECD average(1)

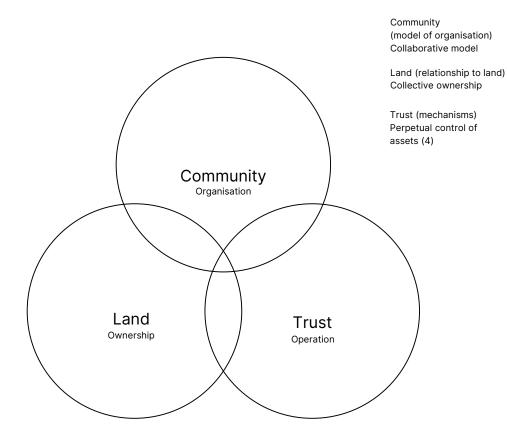
Source: Under Pressure: The Squeezed Middle Class (2019, May), OECD Publishing, Paris
 Source: Energy Efficiency in buildings (2020, February), European Commission, Brussels;
 Available online: <a href="https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17\_en">https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17\_en</a>

#### Introducing Community Land Trusts

# A proven solution to the just transition

Community Land Trusts ("CLTs") reimagine the fundamental components of land and housing to offer a proven solution to common challenges we face in achieving a just transition: affordable housing, development that respects planetary boundaries and agency through the central participation of low-income residents.

CLTs are non-profit, democratic, community-led organisations. They develop and manage homes that are affordable to low and middle income households, as well as other assets that contribute to thriving local communities. They act as long-term stewards of these assets, ensuring they remain permanently affordable(3).



(4) Source: John Emmeus Davis, *The growth of community land trusts in England and Europe* (2021); Center for CLT Innovation; TERRA NOSTRA PRESS, Madison, Wisconsin, USA

(3) Source: Sustainable Housing for Inclusive and Cohesive Cities (SHICC) project website, 2020; Available online: https://www.nweurope.eu/projects/...

Introducing the European CLT Network

# Connecting and scaling across Europe

Across the UK, Germany, France, Belgium, Netherlands and Spain there are over 300 CLTs. The European Network will connect and catalyse the movement, increasing the innovation capacity of CLTs to act as a solution for sustainable, affordable homes.

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#### The Network

# Vision

We want Community Land Trusts to be recognised as a mainstream option for affordable, inclusive and sustainable land use and housing across Europe in order to demonstrate innovative approaches to delivering both social and environmental impact.

### Mission

To enable the growth of CLTs across Europe and support them to maximise their long-term social and environmental impact.

# Why Community Land Trusts?

# Community Land Trusts Unique characteristics

#### Community Democratic and inclusive governance



CLTs are democratically governed ensuring a balance between community and individual interest. Many CLTs have a tripartite structure where three groups hold one-third of decision making power. Land Separate ownership of land and buildings



The land is owned collectively by the CLT. Residents buy or rent the building, it can also be run by a co-operative. This makes it affordable. Homes on CLT land are typically sold at about  $\frac{1}{3}$  of market rates.

Trust Permanently affordable



CLTs legally commit never to sell the land. Homes stay affordable thanks to a formula which limits the resale price. This keeps the housing permanently affordable.

#### **Community Land Trusts**

### Social, environmental and economic benefits



#### Housing affordability

CLTs acquire land to manage in the interests of the community and legally commit never to sell this land. The CLT owns the land, residents own or rent the individual buildings. Owners of the homes can only realise a limited capital gain if they decide to sell their dwelling. This resale mechanism ensures homes remain affordable to successive buyers, resale after resale, generation after generation.



### Planetary boundaries

As the permanent owners of the land, CLTs invest in sustainable housing which takes into account future generations.

They integrate circular building solutions and shared spaces, renovate inefficient homes, offer test beds for innovation and organise training to facilitate sharing resources and promote sustainable mobility.



#### Empowered and resilient communities

CLTs give residents a central role in the design, development and management of their homes from the outset.

CLTs support residents to take initiatives that improve their lives and strengthen their ties. Homework classes, community gardens and conversation tables are examples of initiatives undertaken through CLTs.



#### Diverse communities

CLTs are community led organisations formed by groups of diverse individuals. People from different backgrounds, cultures, occupations and religions live together, learn from and support each other.

In Brussels, 44% of residents have income less than 14,700 Euros. 83% of residents come from outside of Belgium, from 66 different countries of origin.



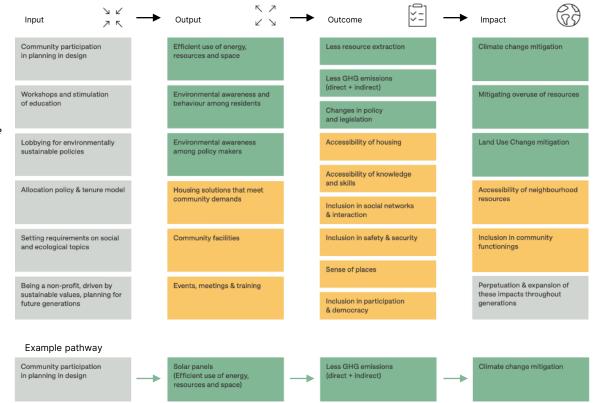
### A viable model

In England, research found that over thirty years, each pound of public support delivers 3.1 pounds of benefit when health and benefit savings, wellbeing and income distribution benefits are allowed for. This is in the high value for money category. In Brussels, research commissioned by the SOHONET network shows that public investment into CLT housing is cost effective.

# Community Land Trusts

"I'm still mildly sort of euphoric about what I have. It utterly transformed our life... we have our own home, which is big enough, in the place that we set down roots twenty years ago, with... a Cemetery Park down there, green space over there, the canal there, you know, the schools, the friends, the neighbours, I mean, that's still there every day." London CLT Resident

Due to CLTs unique characteristics such as **community participation** in planning and design and **long-term** stewardship embedded in affordability and allocation policies, CLTs offer an opportunity to improve and spread positive social and environmental impact.



Environmental

Social

#### Impact investment possibilities

# Pathways for scaling impact

#### **Case studies & pilots**

The Network will support local CLTs to develop case specific investable propositions related to local regulatory context.

#### Investable propositions

Pilot cases can be translated into propositions that will enable CLTs across Europe to offer specific, measurable impacts to investors.

#### Impact measurement

Using shared impact measurement schemes CLTs would be able to approach public and private funders and investors.

#### **Mixed funding**

CLTs will likely need to source mixed funding (public and private). Public funding can help reach return on investment expectations from private investors.



# Evolution of Community Land Trusts

European CLT network

Inopean CET network

 Image: Sector Sector

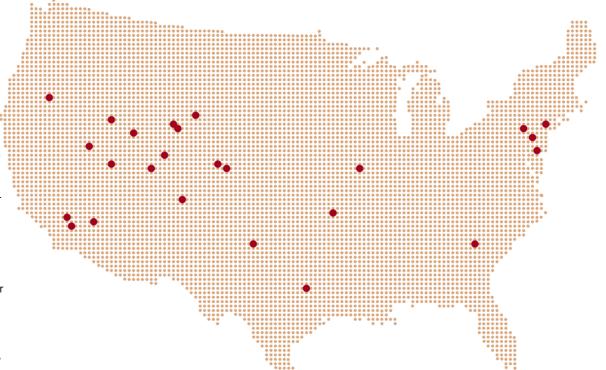
#### Origin of the movement

### Roots in the USA

"The community land trust (CLT) was a long time coming. It took over thirty years for this new model of tenure, forged in the Civil Rights struggle in the American South, to become firmly established and widely distributed across the landscape. (...) Not until the turn of the century did the number and variety of CLTs reach the point where it was fair to speak of a CLT "movement," although the model's proponents had been brazenly using that term since the early 1980s.

There are now over 260 CLTs in 46 states, Puerto Rico, and the District of Columbia. CLTs have begun appearing in other countries as well, including Australia, Belgium, Canada, and England."

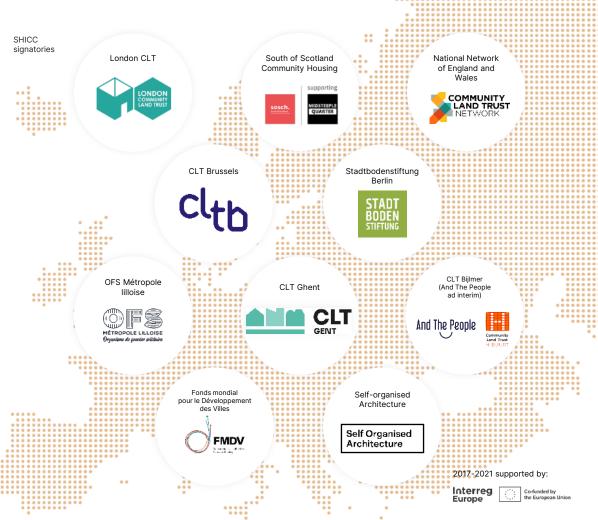
(5) Source: John Emmeus Davis, Origins and Evolution of Community Land Trust in the United States (2014)



Sustainable Housing for Inclusive and Cohesive Cities

# **CLTs in Europe**

In Europe, an important accelerator has been the European project - The Sustainable Housing for Inclusive and Cohesive Cities (SHICC). This four-year project has contributed to an exponential growth of urban Community Land Trusts from 33 CLTs in 2017 to over 200 in 2021.



#### Tried and tested

# **CLT** recognition

SHICC gained the recognition of the European Commission through the RegioStars Award awarded in October 2020 in the "Citizens' engagement for cohesive cities" category.

At the European level, the CLT model has started to appear in policy documents. The EU Urban Agenda on Housing recognises CLTs as 'best practice' and encourages their replication. In addition, the European Parliament Report on Housing for All calls on the EU and Member States to support CLTs. The CLT model is also internationally acknowledged as a successful collaborative and anti-speculative model that helps promote cohesive neighbourhoods. It has been recognised as a best practice in the Habitat III UN's New Urban Agenda (UN, 2017, Art. 107 and 137) and in the most recent "Cities for Adequate Housing Declaration" (UCLG, 2018).

Community Land Trust Brussels won the **UN World Habitat Gold Award** in 2021 for its alternative route to affordable homeownership for people on low incomes.



2017-2021 supported by:



Co-funded by the European Union

Network strategy European CLT network

#### Objectives



# New economic thinking

CLTs become understood by a wide audience, picked up by broad coalitions, firmly on the political agenda and ultimately become a mainstream idea.



#### Influence public policy

Policy makers create a supportive environment for CLTs to grow by reforming housing and land laws and policies.



#### Change market practice

Businesses transform their practices by collaborating with CLTs on their development projects.



#### Key activities

#### Communicate

To raise external awareness of the CLT model across Europe.

By website; branding; outreach campaigns; story telling, shared narratives; common definitions.

#### Campaign

To advocate for a supportive policy environment for CLTs.

By policy and advocacy strategy at European level; tools, training, promotional materials to support advocacy efforts at local/national level.

#### Connect

To increase efficiency across members and amplify learning between members.

By knowledge exchange between thematic groups; distil and share information including opportunities for funding.

#### **Capacity building**

To help new and existing members become more effective.

By webinars; standardised resource banks and training; consultancy services offered from within membership; standardised approach to impact measurement.

#### Collaborate

To work with industry players to change market practice.

By undertaking action learning research\* with housing associations and private developers to develop common understanding of barriers to partnership; work with lenders to standardise loans; help to package investable products for CLTs as a route to impact investment.

#### Create

To support the formation of new or emerging CLTs.

Through the CLT start-up fund\* and consultancy support\*.

#### Catalyse

To spearhead innovation and technical progress.

By transnational research\*, development and action learning activities.

Work with impact investors to develop 'investable propositions and paths for leverage of non-grant funding.

\* Further explanation of key research and development activities are provided on the next slide.

#### Spotlight on research and development activities

#### Research Industry action learning research

Action learning research into partnerships between community-led housing models and industry (private developers, social housing developers, housing associations and large landowners).

#### It will:

- Identify recurring issues these partnerships face in finance, contracting and division of responsibilities
- Identify replicable patterns
- Develop services and business models to attract investment and scale up these partnerships

#### Research Gender Equality and Social Inclusion

Research into the impact of CLTs in terms of Gender Equality and Social Inclusion, with a focus on how this can support CLTs to make the case for impact investors. Some initial ideas include:

- Study on the gender and ethnic diversity of residents in CLTs across Europe
- Comparison of CLT model to regular housing association blocks to compare diversity of residents;
- Research into the diversity of the governance of the Network itself;
- Qualitative analysis of residents' satisfaction in relation to diversity.

#### Funding CLT start-up fund

The SHICC project aimed at developing a support infrastructure for new CLTs through supporting 33 urban CLTs across North-West Europe with the capacity, knowledge and skills to develop their project and achieve key milestones. The scheme was successful in creating a community of experts and demonstrated an appetite from budding CLTs for early stage support.

The Network will set up a start-up fund that will both support emerging CLTs across Europe and contribute to the creation/expansion of a support infrastructure for CLT projects.

#### Support Consultancy service

Several Network Members have been active in providing consultancy to public and private actors on CLT-related issues, such as feasibility studies and advice on implementation.

The Network will set up a service where Network Members act as consultants to local/regional/national governments, social housing organisations, development organisations and the private sector, provided the consulting requested complies with the values of the Network.

#### Members and affiliates

# Who can be a <u>member</u>?

- Community Land Trusts
- National CLT networks
- CLT supporting/enabling organisations that meet the definition of a Community Land Trust

What are the benefits for members?

Access to member resources and activities

Voting rights at General Assembly

 $\checkmark$ 

Can join board

Membership fee

# Who can be an <u>affiliate</u>?

Public, private, national or regional organisations working within and supporting the community ownership movement such as Housing Associations, industry representatives, co-operatives.

What are the benefits for affiliates?

Access to member resources and activities

Voting rights

Can join board

Membership fee

€250

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#### Partners

International Community Land Trust Partners

Center for Community Land Trust Innovation



The Center for Community Land Trust Innovation is a not-for-profit nongovernmental organization established in 2018 to promote and to support community land trusts and similar strategies of community-led development on community-owned land in countries throughout the world.

#### **England and Wales**



We are the national membership body for community land trusts (CLTs) in England and Wales. We lead a movement working for a community land trust in every community that wants one. We are mainstreaming the community ownership of affordable housing and land in public policy and market practice. Grounded solutions Network, USA



Grounded Solutions Network supports strong communities from the ground up. They work across the US), connecting local experts with the networks, knowledge, and support they need. They help promote housing solutions that will stay affordable for generations.

#### Canada Network



The CNCLT is a knowledge-sharing forum. We are creating a pan-Canadian community to ensure the success and growth of the Community Land Trust (CLT) model throughout Canada. Our goal is a healthy ecosystem of community-owned affordable housing and other real estate assets in urban areas. Friends within the affordable housing movement

Housing Europe



urbaMonde

Housing Europe, the European Federation of Public, Cooperative and Social Housing providers is a network of 40 national and regional federations in 22 countries, including 18 EU Member States.

#### France Network



Foncier Solidaire France is the network of Organismes de foncier solidaire (the French adaptation of the CLT model) which aims to capitalise on experiences from its members to foster mutual learning, and be the representative organisation of the sector towards other actors and public authorities.. Convinced that inhabitants and users of urban spaces should be at the center of all processes that produce the city, urbaMonde's mission is to support groups of inhabitants who implement community-led housing projects and who are committed to making their cities more sustainable and inclusive.

#### FEANTSA



The European Federation of National Organisations working with the Homeless, is the only major European network that focuses exclusively on homelessness at European level and receives financial support from the European Commission for the implementation of its activities



#### Time to act

### Signals of change



#### **City governments**

are looking at CLTs as a solution to their housing affordability issues and starting to introduce policies that support their growth.

#### **Ethical financiers**

are increasingly interested in investing in sustainable built environment.

#### **Private developers**

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are interested in partnering with the CLTs, learning from their best practices and use as a test bed for social innovation.

#### Mainstream banks

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are starting to demonstrate openness in lending to residents of community-led housing.

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#### Time to act

### Signals of change

#### **England and Wales**

Approximately half of CLTs partner with housing associations or developers to finance, build and manage their homes.

#### Ireland

Community Land Trusts were recognised in the Affordable Housing Act 2021 along with Community-Led Housing and Cooperatives. This had cross-party support.

#### Scotland

There were 120 community-owned assets in towns and cities at the end of 2020. This growth has been supported by the extension in 2016 of Community Right to Buy and the Scottish Land Fund to urban areas.

#### Brussels

CLT Brussels developed ts first housing operations in partnership with social housing agency Fonds du Logement, who integrated community participation in its operation and sold the land to CLTB and the homes to the residents.

#### **The Netherlands**

The first and fourth largest real estate developers in the country are interested in the CLT as a model for a development and are working with CLTNL to configure a model to scale CLTs in new area developments that would not rely on external funds

#### Berlin

CLT Berlin is pioneering a new approach working with existing housing cooperatives and existing buildings and communities. By focusing on privately-owned rental buildings, it ensures communities can carry on living in the same place.

#### **Paris**

The city government committed to building 20,000 new affordable homes before 2026, using the OFS model (the French version of CLTs).

#### **Barcelona**

The city government and the social economy and cooperative sectors are setting up a city wide CLT. Public land will be transferred to this CLT for the development of new community led housing operations.



# Let's do this together!