

# GETTING ESTABLISHED

CRITICAL DECISIONS TO BE MADE BEFORE  
SETTING UP A COMMUNITY LAND TRUST

(c) Burlington Associates in Community Development

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## ORGANIZATIONAL STRUCTURE

- Options
  - New, standalone, nonprofit organization
  - Modification of existing nonprofit organization
  - Program of existing nonprofit organization
  - Subsidiary of existing nonprofit organization

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## CREATE NEW ORGANIZATION

- Pros:
  - Community acceptance and legitimacy
  - Understanding of local issues
  - No political baggage
- Cons:
  - Takes time and money to create new organization
  - Takes time and money to build capacity and credibility
  - Competition for funding and other resources

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## GRAFT UNTO EXISTING ORGANIZATION (Conversion, Program, Subsidiary)

- Pros:
  - Build on existing capacity of 'parent' organization
  - Potential to get rolling sooner
- Cons:
  - Inherit political baggage?
  - Divided loyalties/multiple commitments
  - Potential rigidity/unwillingness to incorporate critical CLT components

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## OPERATE CLT AS GOVERNMENT PROGRAM

- Pros:
  - Access to resources
- Cons:
  - Suspicion of government
  - Shifting political priorities, due to electoral process
  - Bureaucracy and distance from local community and residents
  - It's never worked

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## MEMBERSHIP & GOVERNANCE

- Who are community land trust's members?
- Who governs and set directions for CLT organization?
  - What is composition of CLT board of directors?
  - How are directors elected to CLT board?

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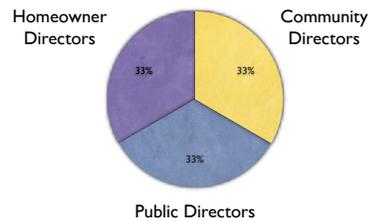
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## COMMUNITY-BASED GOVERNANCE



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## SERVICE AREA

- What will be CLT's service area?
  - Single community?
  - Entire county and all communities within?
  - Region - with multiple counties?

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## TARGETING

- Who will CLT initially serve? Who will live in CLT's homes?
  - Household income?
  - Other eligibility requirements?
- What kind of housing does target clientele *need*?
- What kind of housing does target clientele *want*?
- How much does it cost to develop this housing?

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## SUBSIDIES

- How much can target market afford to pay for housing?
- What are the gaps between what housing costs and what your target market afford to pay for housing?
  - Affordability gap?
  - Value gap?
  - Both?

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## SUBSIDIES

- Where will subsidies come from to bridge these gaps?
  - Public sector?
  - Private sector?
- How much is available for your CLT?
  - Each year?
  - Beginning when?
- What, if any, "strings" are attached to these funds?

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## THE CLT 'DEAL'

- What are the terms - the benefits and requirements - of the 'deal' your CLT will offer its target clientele?
  - CLT ground lease
    - Restrictions on **use**
    - Restrictions on **occupancy**
    - Restrictions on **transfer of property**

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**BUILDING BASE  
OF AWARENESS & SUPPORT**

- Non-traditional, unfamiliar concept
- Who needs to know and to "buy in" to CLT's mission:
  - potential homebuyers
  - lenders and funders
  - real estate professionals
  - general public

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**BUSINESS PLANNING &  
ORGANIZATIONAL SUSTAINABILITY**

- CLTs make bold promises and long-term commitments
- How will your CLT ensure it has capacity needed to manage day-to-day, month-to-month commitments?
- How will your CLT ensure that it maintains this capacity for next 99 years - and beyond?

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