



MAYOR'S OFFICE OF HOUSING + THE HOUSING FUND: COMMUNITY LAND TRUST

In 2017, the Metropolitan Housing Trust Fund Commission approved the creation of Nashville's first Community Land Trust (CLT) and selected The Housing Fund as its partner to develop and steward this model. This CLT will be the first city-wide entity to provide permanently affordable homeownership opportunities to better meet the needs of working families in Nashville. The goal of the CLT is to protect local residents from displacement by ensuring working families can afford to live in their community and keep homes in their community affordable for generations to come.

WHAT IS A COMMUNITY LAND TRUST?

A CLT is an entity that maintains control and oversight of its affordable housing resources through ownership of land. The CLT's land ownership, paired with a governance structure that reflects the interests of CLT housing residents and the broader community, offers a unique housing model that empowers residents and neighborhoods.

WHY CREATE A COMMUNITY LAND TRUST IN NASHVILLE?

By removing land from the market and holding it in perpetuity, a CLT buffers its housing and other land uses from the volatility of economic crises that often disproportionately impact low-income residents and communities of color. Likewise, CLTs preserve affordability and access when rising rents and home prices in hot markets threaten the stability of vulnerable families.

HOW ARE THE HOMES PERMANENTLY AFFORDABLE?

In exchange for an affordable and below market purchase price, homeowners agree to resale arrangements that provide a seller with a share of the homes equity while ensuring the home remains affordable for another low- to moderate-income homebuyer. This arrangement is guaranteed through a legal agreement between the Nashville CLT and the homeowner. Homebuyers review these legal agreements and participate in pre and post purchase counseling to understand all the details before purchasing a Nashville CLT home.

COMMUNITY LAND TRUST ≠ LAND BANK

Land Banking has a few key differences from CLTs. It is short-term ownership of vacant and blighted lands and conveyance to private owners for reuse and redevelopment. The strategy is used primarily by public agencies or quasi-public municipal corporations, and the board of a land bank is composed of political appointees. A CLT is typically private and a non-profit, and has a board made up of lease-holders, community representatives, and public representatives. Land held by a land bank is exempt from property taxes, while CLTs are not. Moreover, land banking does not consider long-term affordability of land and buildings, nor does it impose long-term responsibility on homeowners.

We are your partner in developing housing in Nashville. Let's continue the conversation.

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