

Reinventing Real Estate: The Community Land Trust As a Social Invention in Affordable Housing

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Abstract

The community land trust (CLT) is a social invention designed to solve several problems in land ownership, from affordability to preservation. This article traces the history of the CLT from concept to implementation, through a network of theorists and activists, and discusses the present extent of CLTs in the United States. It concludes with a case study of the Dudley Street Neighborhood Initiative (DSNI), a community development organization in Boston, that has used the CLT model as part of its holistic strategy to redevelop a neighborhood that has suffered from redlining, arson, and abandonment. DSNI is perhaps the only community organization in the United States to have attained the power of eminent domain to acquire land for housing development.

Keywords

change, community action research, housing, nonprofits, regional development, urban

In the summer of 2012, San Bernardino County, California, along with the cities of Fontana and Ontario, announced a plan to use the power of eminent domain to seize and restructure mortgages to benefit homeowners who found themselves “underwater” as a result of housing market deflation.

David Wert, a spokesman for the county, said the program is worth exploring because it could offer a solution to one of the region’s most entrenched problems: the vast number of loans that are stuck underwater, with more money owed than the property is worth. If the program were to go countywide, it could benefit 20,000 to 30,000 homeowners, he said. (Lazo 2012)

The county was willing to attempt to use this controversial power not just for the benefit of the individual homeowners but for the benefit of the community. The economy of the county could be devastated by foreclosures, with attendant problems of crime and blight.

On the opposite coastline, in Boston, Massachusetts, a community organization in the low-income Roxbury and Dorchester neighborhoods took stock of its 30-year campaign to create affordable housing and revitalize the area. When the Dudley Street Neighborhood Initiative

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(DSNI) began its work, the neighborhood was not only in decay but also had vast areas of vacant land left by landlord arson. DSNI after years of struggle obtained much of that vacant land, built more than 400 new homes and rehabilitated 500 others. Two factors make DSNI an important case study in affordable housing. The first is that the housing they developed is situated on a community land trust (CLT), an innovation in real estate that separates home ownership by individuals from land owned by the community. The second factor (and this is the tie to the news from San Bernardino) is that they obtained much of this land through eminent domain, a rare and perhaps unique use of this power by a grassroots community organization. The land trust has stood the test of several housing market recessions, with this most recent one beginning in 2007 posing a special challenge. In this low-income neighborhood, foreclosures have not been uncommon. Among the houses situated on the DSNI-sponsored land trust, there have been several defaults, but there has not been a single foreclosure (Abromowitz and Greenstein 2008).

The CLT is a little-known community development strategy. This article is intended to introduce the CLT to a sociological public, situating it within the study of social inventions for addressing social problems. The article discusses the concept of social invention, and offers a history of how the CLT as a social invention was conceived and actualized against the background of a particular cultural tradition, through the creativity of a network of community activists. It discusses the present extent of CLTs in the United States, and then returns to the DSNI as a case study which perhaps best represents the potential for the CLT to be transformative as part of a comprehensive community development strategy.

The CLT As a Social Invention

In his 1981 Presidential Address to the American Sociological Association, William F. Whyte proposed reorienting sociology to the study of social inventions created to solve social problems. In Whyte's (1982) formulation,

a social invention can be a new element in organizational structure or interorganizational relations, new sets of procedures for shaping human interactions and activities and the relations of humans to the natural and social environment, a new policy in action (that is, not just on paper), or a new role or new set of roles. (P. 1)

Whyte was critical of social science for so often concentrating on what he calls the "standard situation" and overlooking or failing to make the effort to seek out innovations in social organizations to study. In standard situations,

The people concerned diagnose their problems in standard ways and arrive at standard policies and programs that may do little to solve those problems. This style of research gives us the illusion of scientific virtue because, whatever our conclusions, they will apply to a large number of cases. The drawback is that this style leaves out of focus cases in which creative individuals have defined the problems in non-standard ways and have devised social inventions that appear to be solving the problems better than the standard non-solutions. (Whyte 1986:562)

But Whyte was not expressing interest in social inventions for their own sake, however interesting they may be for pure theory. He was concerned to build an understanding of how any particular social invention contributes to progressive social change and he stressed the need for studying how "small scale changes, built on participatory strategies" relate to broad-scale reform or revolutionary social change. He put this approach into practice by becoming involved with employee ownership and industrial democracy efforts in several localities as researcher and social change agent.

Whyte's emphasis on the importance of the invention of new social institutions for solving social problems in a sense brings sociology full circle. It echoes the contention of Robert Nisbet and other commentators that the history of social organizations is largely the history of social inventions (Abbott 1987; Nisbet 1975). The sociological tradition was shaped early on by the attempt to understand the types of organizations and institutions that had come into being as a result of the historical transformation of the feudal world to the modern world. The institutions of that former world—the manor, the guilds, the monastery, and such—were replaced in importance by institutions rooted in entirely new functional necessities, such as the capitalist corporation, state bureaucracies, and labor unions. As Karl Polanyi (1957) demonstrated, the institutions and organizations that constitute the market economy did not emerge out of a clear vision and in one piece, but as a gradual invention to address the problems of various social interests at the micro- and macro levels of society. The persistent social problems of the transition raised and continue to raise the question of how new consciously created institutions could better address human needs.

The social invention framework for the study of social change has the advantage of incorporating human beings into the sociological narrative. As Phillip Abbott (1987) contended, this is a useful balance to the description of new institutions in terms of biological or mechanistic metaphors. Considering institutions as “rising,” “growing,” “forming,” or “crystallizing” out of the currents of historical change often simply covers our ignorance of just when and where these institutions began and who the social entrepreneurs were who promoted them and worked to have them accepted. Collective forms of behavior, with some transitory exceptions, do not arise spontaneously. Fortunately, when studying contemporary innovations of this kind, we can trace their origins and stages of development from a time when a handful of people were involved with their invention to the point where they become ongoing forms of collective enterprise.

As Polanyi and others have shown, the transition from the feudal type of society to the capitalist-industrial society involved the transformation of fundamental property relationships. But Alvin Gouldner (1958) offered the criticism that there has been a “common neglect of property institutions by sociologists” (p. vii). The three fundamental types of property institutions and relationships have traditionally been taken to be those of land, labor, and capital (more recently, knowledge has been added). Gouldner's criticism is especially pertinent given the fact concurrent with the development and evolution of capitalism, there have been many attempts to decommodify land, labor, and capital through the creation of new types of social organizations, including worker cooperatives, community development credit unions, and, the subject of this study, CLTs (Bruyn and Meehan 1987). Such institutions compose, in principle, a “social market” that is conceptually different from either the capitalist profit market or the bureaucratic state. As defined by Severyn Bruyn (1995),

A social market (in a factual sense) is a system of exchange in which both economic and human factors are present. A social market (in a normative sense) is a self-accountable system of exchange which is more productive, profitable, efficient, responsible, nonbureaucratic, humanly-focused, self-managed, decentralized, and community-oriented. A social market sets norms in the public interest through its own system of self-accountability and through stakeholder involvement. (Pp. 1–2)

Social market institutions ideally attempt to embody these normative principles in their everyday operations. Rather than adhering to a “bottom-line” emphasis on profits, they seek to find a balance between economic and social values. Taking up Gouldner's challenge, developing theory and research around social market institutions should be a task for current sociology at a time when mainstream institutions have failed to fully address human needs.

The CLT represents an attempt to apply social market principles to the fundamental factor of land (Meehan 1996). Since the late-1960s, activists in scattered communities across America

have been advocating and creating this new form of property as a way of accomplishing social purposes. The CLT is an organization that holds land for what it conceives to be the public interest while providing for the private use of the land through lease agreements. Through community ownership of the land, the CLT is in a position to place limits on resale prices, thus its contribution to sustained affordability. This conjunction of community ownership of land and private ownership of the economic improvements on the land—usually housing or crops—represents an innovative combination of tenure forms. In the United States, people usually think of land as either privately owned or owned by the government. The CLT is a private organization but quasi public in its aims and operations. It represents a collective ownership of land, but does not seek collective ownership of the improvements, such as housing (in contrast to public housing). It is a social invention designed to address social problems that its originators did not feel were being adequately addressed by either private or public forms of tenure.

From Idea to Reality

A Tradition of Land Reform

Very early on a Tuesday morning in January of 1994, while the citizens of St. Paul, Minnesota slept, three trucks inched slowly along Snelling Avenue from Macalester College on their way to locations in the University-Summit neighborhood. Utility cables were detached from their poles and lowered to the ground where boards protected them as the trucks rolled over. This was a necessary step because the cargo each truck carried was too large to clear under the cables and heavy enough to damage them as they rolled over. What each truck carried was a complete house. The houses had been lifted off their foundations and removed from the College, which was donating them to an affordable housing organization (McAuliffe 1993).

The temporary physical severance of the houses from the land was unintentionally but richly symbolic. The organization receiving the houses was a recently formed CLT. When the houses were carefully lowered on to plots owned by the Rondo CLT, they once again became anchored to the land. Of course, houses are not usually moved on to CLT land in such dramatic fashion. But the temporary physical separation that took place was a fortunate occurrence that clearly illustrates the legal, economic, and ethical separation that CLT models seek to advance. This separation represents the principle of decommodification of land. How did this model of tenure evolve? What ideas and actions created this separation so dramatically represented that day in St. Paul?

The ideas that have gone into the CLT as an ideal type have come from many sources, including Henry George's nineteenth century "single tax" attack on land speculation, the Gramdan movement for land distribution in India, the Jewish National Fund that set up the *moshavim* settlements in Israel, precapitalist forms of collective land control such as the practices of Native Americans, and the American tradition of land-based utopian communities. There is a broad historical tradition of land reform efforts in the United States and the CLT has emerged from one particular intellectual strain of that movement. The contemporary model was conceptualized by Robert Swann, a versatile builder, peace and civil rights activist, and community economics theorist. Swann and several African American activists organized the first actual CLT in Georgia in the early-1970s to allow African American farmers to gain access to productive land.

Swann was heir to a long tradition of land reform. Swann drew on this tradition for his own innovative contribution, worked with others to implement the first CLT, and continued to be an advocate for the idea until his death. Once the idea began to catch on, of course, it became a social endeavor involving numerous people. But sociological analysis should not overlook the contributions of individuals: Swann stands as an essential link between two social processes, an

individual filter through which the cultural tradition passed and was modified by individual creativity to emerge again into the collective realm as a social process. He was able to operate as a link due to personal relationships with social innovators involved with this tradition.

Henry George: The Single Tax on Land

Henry George is a good starting point. Unlike Marx, whose critique of capitalism centered on the relations of production, George (1962) focused on profit from the private ownership of land as the crucial failure of capitalism. Society as a whole, through its productive growth, increases the value of land, but this is then drawn off privately as profit. Private individuals reap the benefit of socially produced wealth. Land speculation, in which land is passively held waiting for the value to rise, represents an unproductive form of ownership. George considered this a contribution to economic instability, as well as to social injustice, because speculation was the driving force behind inflation bubbles and deflating collapses causing detrimental effects throughout the economy. The collapse of real estate in the recession of 2008 is just the latest example, with the effects being glaringly apparent in places like San Bernardino.

George's remedy was a single tax on land, a tax that would take the profit motive out of land ownership by taxing away all increase in value. As an analysis of the problems of capitalism, George's thought is rather reductionist, but his popularity (he ran for mayor of New York City at one point) stemmed not from the strength of his theory as science but rather its strength as moral critique. George raised the issue of determining the just compensation due to the individual from that due to society in relation to land ownership. This is Henry George's legacy to the idea of the CLT.

Ralph Borsodi: Trusterty and the Modern Homestead

The next figure in this lineage was Ralph Borsodi. Borsodi carried on the concerns of Henry George and updated them for the economic conditions of the twentieth century, particularly the Great Depression. In the midst of the Depression, he sought ways for people to regain self-reliance and control over their economic fates that had been lost in the historical process of industrialization. Borsodi made two key contributions to the idea of the CLT: one was his analysis of what he called "the possessional problem," that is, the issue of ownership and access to land and other resources for survival; the other was the idea and practical example of the land-based cooperative homestead as an alternative to wages in the capitalist economy. Let us examine each briefly in turn.

The possessional problem. Borsodi sought to steer a middle ground between what he conceived of as the extreme views of ownership fostered by capitalist and Marxist ideology. Instead, he believed possessions should be sorted out by their different origins into two different categories: property as it is commonly understood, and what he called "trusterty" (Borsodi 1968).

The sorting principle is human labor: those things that came into existence through human labor can properly be considered property, whether they are material things such as manufactured objects or less tangible things such as skills, debts, or formulas; things that came into being through other means are properly considered trusterty. The first of these consists of those things that are of natural origin, such as human beings, land, and natural resources. They should not be "owned" and considered property by individuals but can only be "entrusted" to them, as in the parent's relationship to a child. The second group is legal acts granting access to economic resources, such as titles to land and natural reserves, charters to corporations, licenses and permits, or laws upholding slavery. These cannot be owned because they are not created by the effort of those who seek to own them but are bestowed, whether legitimately or illegitimately, by society.

For the two categories to be consistent, it is clear that no legal grant could be considered legitimate if it allows someone to own those things—such as human beings, or, in Borsodi's view, the land—that cannot be properly considered property: the principle of absolute ownership of land and other natural resources should be replaced with agreements of tenure in trust.

The homestead model. Alongside this intellectual history is a history of models and experiments attempting to implement the trusterty concept. Followers of Henry George had set up prototypical land trusts toward the end of the nineteenth century, cooperative communities such as Free Acres in New Jersey, Arden in Delaware, and Freehope in Alabama. Borsodi, who was a practical as well as a speculative philosopher, had himself set up communities in Suffern, New York during the Great Depression, and later Bryn Gwelled, outside Philadelphia. Borsodi's homestead model, developed in reaction to the insecurity of workers of all types under capitalism, as dramatized in the Depression, is essentially an alternative to the modern industrial division of labor. By retaining the option of land-based direct production (making use of modern technology as applicable), the homestead puts a floor under the worker to prevent the free-fall into destitution that workers routinely experienced before the advent of the social safety net.

Private ownership of housing and produce, and sharing of some equipment and tasks, addressed the ethical and practical aspects of the possessional problem. Borsodi promoted his ethical and practical ideas through a "School of Living" that was variously associated with several of the homestead trusts. The idea of trusterty and the homestead trust as a practical semicomunal alternative to full exposure to the labor market were thus added to George's legacy and passed on as a second stage of development of the idea of the CLT.

Robert Swann: From Idea to Implementation

Robert Swann first came into contact with the various analytical and practical contributions of the broad American tradition of land reform and community development under what might have seemed to be inauspicious circumstances.¹ Swann was imprisoned as a conscientious objector (CO) during World War II. A number of the COs imprisoned together in Ashland, Kentucky, organized a study group in economics, centered on the Gandhian approach to economic development based on the principles of nonviolence, mutual aid, and local self-development. Following up on these interests, they came into contact with Arthur Morgan, a former administrator of the Tennessee Valley Authority (TVA) and president of Antioch College in Yellow Springs, Ohio. Morgan had founded a nonprofit organization called Community Service to promote community development and he taught courses at Antioch concerning "the small community" in theory and practice. He gave a correspondence course to the CO's in the Kentucky prison on this subject, and in the course Swann learned of intentional communities that had been set up around the United States in the prewar years. As a result of this contact, Swann was invited to go to Yellow Springs to work with Morgan, after his release, in the years 1946–1949.

At the end of this period, Swann followed an interest in building and architecture which was to lead him to another influence, Frank Lloyd Wright. Wright himself espoused a decentralist philosophy inspired by Henry George, making him perhaps the most famous of George's disciples. Wright combined a land ethic taken from George, Borsodi's homestead idea, and his own interests in innovative low-cost architecture to formulate an ideal community called Broadacre City. Swann worked with Wright building houses on cooperative land in Kalamazoo, Michigan, using an innovative building technique based on a simple concrete building block called the Usonian block, designed to make building possible with less skilled labor.

At the Upjohn Chemical plant in Michigan, in Kalamazoo, there was a group of chemists there that hired Wright to do a design for them before World War II ('38 or '39), but they shelved the plans because of

the war . . . They had bought two tracts of land on both sides of Kalamazoo and had set them up as cooperatives—not as land trusts, but as cooperatives. I don't know if they had any ties with Borsodi or not . . . They may have . . . I was already familiar with Borsodi's ideas on homesteading, the homestead he set up in . . . Suffern, New York. That was the first one set up, right in the middle of the Depression. I don't think these guys from Kalamazoo were particularly influenced by that one, but I knew of all of these . . . Morgan had also set up a similar cooperative down in North Carolina, Celo, not far from Asheville . . . Morgan had looked upon it as experimental, tied in with TVA . . . I think he was influenced by Borsodi in that he modeled it in a similar way to Suffern. It had the same kind of lease agreement. So I was familiar with the lease approach.

From these various influences, the idea of cooperative ownership with individual leaseholds, which was to become part of the CLT model, became impressed into Swann's thinking.

Swann was also interested in integrated housing. A civil rights activist, Morris Milgram, had initiated a project in about 1954 on the outskirts of Philadelphia, which was meant to become a model of racially integrated housing development. Milgram knew Swann and knew of his interest in integrated housing, and invited him in 1956 to work on the Philadelphia project. Swann and his wife eventually moved into one of the houses on the tract of 150 homes. Milgram's development happened to be near one of Borsodi's cooperatives. Swann built a few houses there and became familiar with several of the people. This cooperative, Bryn Gwelled, was set up on the Borsodi formula of leaseholds on two acre homesteads.

Swann by this time had observed a weakness in all these projects. Celo, the Kalamazoo co-op, Suffern, and Bryn Gwelled were all innovative in that the land was held cooperatively and individual homesteads were held by leasehold. But only the people who lived on the cooperative's land were involved. They were, in Swann's words, "enclaves" that had no mechanism to reach out to the larger society—either to change landholding patterns in the larger society or to allow input from citizens. Swann began to conceive of the CLT as a community organization that leased land to households but opened its membership to everyone in a defined locality. He called on his knowledge of foreign models, such as the Gramdan movement in India and the Jewish National Fund in Israel, to visualize the land trust as a social movement vehicle. This open membership was the third foundational pier in the CLT idea: cooperatively owned land, private leasing of homesteads, and open membership for the community.

Swann was now to work toward founding the first CLT based on his model and an advocacy organization to spread the idea. I will cover the latter first.

As Swann was now concerned with promoting the CLT as a vehicle for social reform, and not just as more enclaves, an advocacy organization would be essential. A series of events led somewhat serendipitously to the founding of the Institute for Community Economics (ICE), which was to publicize, promote, and support CLTs as they began to develop around the country in the years after the 1960s. The organization began as a collaboration between Swann and the by now aged Borsodi. Borsodi had gone to India in 1960 to teach at the College of Ahmedabad, and got the idea for an investment program for the Gramdan movement. Gramdan had successfully obtained many thousands of acres of land for poor farmers, but these farmers were so poverty-stricken that they did not have the essential tools to work the land. Borsodi at this time met Jayaprakesh Narayan, the founder of the related Sarvodaya movement and a key leader in Gramdan, who had been educated in the United States. Borsodi proposed to Narayan that they develop an international investment fund to funnel money and real goods (fertilizer, tools, etc.) to these Gramdan farmers. This was to be set up in the form of a revolving loan fund.

Borsodi returned to the United States to seek collaborators and developed a relationship with Robert Swann. They founded an organization, on paper, called the International Independence Institute to be a model for joint efforts in cooperative development between the citizens of advanced and developing societies. The plan was for Narayan to make a fund-raising speaking

tour of the United States, but the scheme fell through when Narayan's health failed. Then Borsodi, who was in his 80s, had to withdraw due to his own health problems. So, as Swann relates,

I inherited the whole thing. Now we're talking about 1968 or '69, so at the same time I was working in the South. So I thought, okay, if we can't go international, can't go to India, whatever, let's start in Georgia and get a land trust going in Georgia. And so the land trust, in a way, in my mind anyway, was the Gramdan movement in the United States . . . so all the energy started moving in that direction.

The name of the organization was eventually changed to ICE. Although the revolving loan proposal for India came to nothing, the Institute was later to develop a community loan fund (CLF) along the same lines, to support land trusts and other community development efforts.

The First CLT: New Communities, Inc

Another series of serendipitous events led Swann to become involved with the land problems of African Americans in Albany, Georgia. Swann was part of a prototype land trust in Voluntown, Connecticut, which was the base of operations for a community of peace activists, the Community for Non-Violent Action.

One of the focuses of the CNVA was the effort to bring together the peace movement and the civil rights movement . . . In 1963 CNVA organized a walk from Quebec to Guantanamo—that was the plan anyway . . . part of the purpose of the . . . walk was to break down segregation along the way. And one of the areas where the effort came to be focused was Albany, Georgia, where one of Martin Luther King's co-workers, Slater King—in fact he was also a relative—had been leading an effort to break down segregation. Members of the march—and I wasn't on the march at the time—spent a month or more in jail in Albany and went on a fast, which helped to cement the relationship between members of the walk in CNVA and the members of the black civil rights movement in Albany . . . I became acquainted with Slater King through all this, and I proposed to Slater that we start a movement out of the civil rights movement that would break the pattern of land-holding in the South. There was a growing awareness of blacks being pushed off the land.

They came up with the idea of obtaining a large piece of land for blacks to settle and develop, based on the Borsodi leasehold but with an open community membership similar to the Jewish National Fund. The strategy of helping Southern blacks maintain a presence on the land suggested itself for economic and political reasons. Blacks in the South were in a state of near-feudal dependency that made it very difficult to assert themselves politically. People were losing their land-based livelihood through a combination of fraudulence and structural changes. The government was much help. The Farmer's Home Administration was not giving loans to blacks; the Federal Land Bank was controlled by the white farmers, as was the Agricultural Stabilization Conservation Service.

The CLT, which had been taking shape in Swann's mind as an idea, now was discussed as a practical model for African Americans in the South to achieve political and economic self-development through collective ownership of a land resource base. A group of interested activists coalesced around study and discussion of such a project and the effort to found the first CLT was underway.

Swann was able to organize a trip to Israel for himself, Slater King, and several other civil rights leaders in June of 1968. They obtained a small foundation grant to study the Jewish National Fund. While they were put off by the discrimination against Arabs that was part of the practical working of the fund, they returned to the South convinced that the fundamental principles could be adapted to their needs. Upon return, they held a meeting that resulted in the formation of a planning committee (one of whose members, John Lewis, is now a U.S. representative

from Georgia; Meehan 1996:382, based on my 1994 interview with Robert Swann). The organizers were faced with two essential tasks: (1) to codify the principles of their model in a legal form that would be acceptable to the broader civil rights community, and (2) raise the money needed to finance the project.

They met with a lot of skepticism in the debates that followed as they presented this new model of tenure to the civil rights community in Albany:

The initial discussion on land ownership raised both question and concern over the issue of control and of lease agreements. The idea of the leasehold principle—and trusteeship—can be expected to be resisted by individuals who had never had a chance to own land. Members of minority groups who have been excluded from land ownership over the years see ownership as the only way to gain control of both land and their own lives; the demand for “local control” is thus understandable in reaction to generations of exclusion . . . Convincing some of the more militant blacks that the leasehold system was not antithetical to black control and ownership and that such a system could—and indeed, would—provide land tenure security presented a problem. The concept of land ownership and private property was and is strong (even though ownership is usually only nominal, with land often mortgaged by poor farmers and then lost to creditors). Although history has shown that the leasehold principle is needed to keep people from losing their land; to prevent land speculation, absentee ownership, and exploitation; and to assure land utilization for maximum usage, people would need time to learn to accept this form of land tenure. (Swann et al. 1972:18)

A methodical process of meetings and committee work through the fall and winter of 1968 eventually brought about consensus, and by the spring of 1969, the group was quietly looking for land—quietly so as not to stir up opposition to a large-scale land purchase by blacks. A farm was located, and in late spring of 1969, the board of directors decided to take an option:

The property contained 4,800 acres; 3,000 acres were good cultivated land and the rest wooded. There were a number of buildings in varying states of repair, including six houses. The president of the corporation negotiated a one year option on the property at a total sale price of \$1,080,000 for \$50,000, which was put up by the National Sharecroppers Fund. At \$225 per acre, the price seemed good. This left \$1,030,000 to be raised within one year. (Swann et al. 1972:22)

The CLT now had to raise this extraordinary sum of money. The hope was to avoid saddling the experimental community with enormous debt. They did receive a verbal promise from a philanthropist for one million dollars, but unfortunately the philanthropist died and the donation died with him. They next approached the federal Office of Economic Opportunity (OEO) from which they gained the promise of \$1,000,000 to buy the land. They received a grant for \$100,000 to organize planning charrettes, but before they could collect the large grant for the land an election intervened. The Nixon administration was less enthusiastic about making a large grant for an experimental project by poor black farmers. The organizers persevered and were able to put together a complicated package of debt financing relying on social investors, and there was a closing on the land on January 9, 1970. The first CLT was now operational. But New Communities, Inc., as it was called, was to operate under a debt service of almost \$100,000 in interest payments per year, an enormous burden for a community of poverty-stricken black farmers.

The seeds of failure were thus present from the start, but were aggravated by other misfortunes. Slater King was killed in an auto accident, and the project lost one of its few leaders with managerial experience. A further setback occurred when all four members of the farm committee (key participants in the early work of setting up the CLT) were severely injured in another automobile accident and the community lacked farm supervision at a crucial time in its development. Nevertheless, the CLT made some progress and represented a hopeful turn for a new era in land tenure for Southern black farmers. As such, it attracted some attention from political activists:

Substantial progress was achieved in 1970. During this first crop year 1,200 acres were utilized for various crops, including peanuts, soy beans, watermelons, and hay. All of the existing houses were repaired as needed and seven families moved onto the trust land. One house was remodeled for a day care center and two others for housing volunteer workers. During that year of the highly publicized “Venceremos Brigade” of Americans who worked in Cuba on the sugar harvest, a less publicized “Georgia Brigade”—mostly students, some from as far away as Los Angeles and Boston—traveled to Georgia to swell the labor force. By the end of that year an educational program was launched for teenagers, utilizing another of the existing buildings. (Swann et al. 1972:24)

Plans for the future included technological and social innovations designed to create a microcosm of a new society. As described in a contemporary account:

Besides farming and education, various forms of industry are also envisioned. These include a horticultural greenhouse operation, catfish farming (three streams run through the land), recreational facilities, and processing plants for locally grown produce. There is a plan to establish ties between the local welfare department and New Communities community development corporation so that welfare families can participate as worker-owners of the farm. (Swann et al. 1972:24–25)

In 1981, a published account by one of the early members of the International Independence Institute group noted the progress New Communities, Inc., had made in the intervening decade toward sustaining itself:

It lays claim to being the largest landholding controlled by a black community anywhere in America. Its annual operating budget exceeds half a million dollars. Some 35 families are currently earning their livelihood from NCI, though most of these families do not yet physically live on the land. The major operation is agricultural . . . NCI also operates a roadside farmers market/grocery store, a day care center, and a remedial education program. In its alliance with the Southwest Georgia Project, NCI conducts a variety of community organization activities such as voter registration drives, and sponsors occasional cultural events such as a black fashion show and an annual Fourth of July community outing. (Gottschalk 1981:166–67)

But this account also listed in detail the major problems faced by the CLT as a social experiment: (1) a heavy debt burden; (2) inexperienced management and inadequate planning; (3) loss of an OEO grant due to local and state opposition; (4) cultural conflicts between volunteer student workers and local people; (5) labor conflict, with paid farm workers seeking affiliation with the United Farm Workers Union; (6) slow progress in developing housing; and (7) suspected racial harassment, including suspicious forest fires, dishonest commercial dealings by local merchants, and unreasonably burdensome ordinance enforcement by local authorities. While beneficial to the farm, one event was troubling in that it seemed a retreat from CLT principles: given their financial situation, the Board of New Communities, Inc., decided to sell off 1,350 acres of land. Ten years of land appreciation meant that they gained a considerable profit, contrary to the principle of decommmodification of land (Swann et al. 1972:173).

These problems were not surprising in light of the underlying social difficulties faced by a social invention trying to reverse a structural context of poverty in place for so long. In the long run, the burden of debt combined with the poverty and managerial inexperience of the community proved to be too much. New Communities, Inc., carried on for 20 years of struggle but eventually the land had to be sold off to private ownership. As the first CLT, however, it did demonstrate that the model could be taken from ideal to fact, and thus inaugurated what has become a small-scale land reform movement in the United States. By the time New Communities went out of existence, there were several dozen other organizations in the United States modeled on this original example. The CLT had successfully replicated.

The Growth and Spread of CLTs

Concurrent with the efforts to establish New Communities, Inc., Marie Cirillo, a nun and social activist, attended a workshop sponsored by Appalachian community organizers in which Robert Swann explained the CLT as an ideal and social experiment. Cirillo took the idea back to Clairfield, Tennessee, and began working with local residents in antipoverty efforts.² Floods in the area in 1977 caused considerable loss and suffering among low-income people and led to discussion of land issues. Out of these discussions, the Community Land Association (CLA) was founded in 1978 to operate as a CLT concerned with affordable housing and management of natural resources. CLA became the second southern rural CLT.

Also in 1970, Lucy Poulin, an activist nun in Hancock County, Maine, began a cooperative for unemployed shoe factory workers to make and market local crafts. This co-op, Homemakers Organized for More Employment (HOME), would spin off the Covenant CLT in 1978 that has used its land base in a similar way to the CLA in Tennessee. HOME met with skepticism and bureaucratic roadblocks in its attempt to work with government agencies to finance homes on Covenant land, which was part of the inspiration for ICE to work to create a financial and technical support infrastructure for CLTs in the 1980s. The CLT had now appeared in the North.

These CLTs kept alive the model and practice of rural land trusts as a vehicle for making land a resource base for the poor. A perhaps unexpected turn in the development of the CLT occurred in 1976 with the founding of the Columbia Heights Ownership Project in Washington, D.C. Although this did not succeed in establishing a permanent CLT, it was an early indication that the CLT would be as relevant to the problems of urban neighborhoods as to rural ones (the neighborhood did eventually establish a successful CLT). The problems of housing affordability, displacement, and redlining that inner-city residents faced led organizers to find philosophical and practical relevance in the CLT model. By the end of the 1980s, there were a handful of CLTs scattered throughout the north- and southeast. These pioneers engaged in difficult campaigns to gain acceptance by mainstream private and public funding institutions. The difficulties they faced suggested the need for a supportive financial infrastructure for CLTs. The establishment of ICE Revolving Loan Fund in 1979 closed the period of slow diffusion of the CLT and opened a period of more rapid growth.

In the closing years of the twentieth century, land trusts geared toward keeping housing affordable appeared in many urban areas. Economic restructuring led to overheated housing markets in areas that were favored by a shift from a manufacturing to a service economy (a forerunner of the housing inflation of the 2000s). The cost of renting and owning escalated rapidly, leading to speculative investments that fueled the process further. In areas *not* favored (such as former industrial cities), housing costs did not rise but incomes fell, so that the effect was the same: an affordability crisis. The problem was aggravated by the Reagan administration's retreat from housing assistance. At the same time that costs were rising, federal subsidies were drying up. Local communities became sites of activism as local leaders and citizens sought ways of coping with the affordability crisis. Many activists learned of the CLT and saw it as a mechanism that directly confronted the issue of speculation.

Increasingly, CLTs became an urban phenomenon. Developed as a model for rural development, the CLT spread to cities and towns much more rapidly than to rural areas. As mentioned, the first urban CLT had been founded in Washington, D.C., in 1976. This was followed by CLTs in Cincinnati, Ohio (1980); Minneapolis, Minnesota (1981); Trenton, New Jersey and Atlanta, Georgia (1982); Dallas, Texas (1983); Burlington, Vermont (1984); Camden, New Jersey and Boston, Massachusetts (1985); Norwich, Connecticut (1986); and New York City, New York (1988), among others. The process of CLT development became more consolidated as ICE began to play a key role in trying to organize a movement through its publications, technical assistance, financial supports, conferences, and other networking activities. Robert Swann left ICE in 1980

to found the CLT in the Southern Berkshires, and was replaced as director by Chuck Matthei, a longtime peace and social justice activist who had been involved with Swann in the Community for Non-Violent Action. The CLT model began to gain acceptance by funders and by some government agencies, as well as awards and other signs of recognition, as it began to prove itself a useful tool for addressing the problem of housing affordability that had become acute in many regions.

The ICE Revolving Loan Fund began to be replicated as well. ICE codified the essential characteristics of its model CLF as an “ideal-type.” It then consulted with coalitions of community activists to develop CLFs in New Hampshire and Boston, and eventually provided assistance to at least 15 of the many CLFs that developed in the United States. By 1985, there were so many CLFs extant that ICE organized a national conference at which it proposed the creation of a national organization of CLFs. Conference participants unanimously agreed, and the National Association of Community Development Loan Funds (NACDLF) was incorporated in the following summer with a membership of 25 loan funds with \$19 million in capitalization. For the first three years of operation, NACDLF was housed and staffed by ICE and continued to sponsor national conferences and expand the membership base. By 1989, the child had matured and was ready to leave the parent. NACDLF hired its first director, Martin Trimble, and relocated to Philadelphia. The CLT movement had spun off a second social invention, a social invention aimed at decommodifying development capital. But that is a story for another day.

By the time ICE held what it billed as the First National Conference of CLTs in 1987 in Atlanta, there were 24 established and developing CLTs in attendance, a number that doubled at the following year’s conference in Long Island, New York. As ICE learned from the experience of pioneer CLTs in different locales, it was increasingly able to offer consultant services not only to groups trying to get CLTs up and running but also to public authorities exploring the possibilities of the model as an approach to affordable housing. In 1984, the city government of Burlington, Vermont, contracted with ICE for consultant assistance in starting the Burlington CLT, which was to become one of the CLTs with the largest numbers of housing properties. State and local governments began to contribute to the support infrastructure for CLTs. In 1984, the Maine Housing Authority began to provide mortgage loans to leaseholders on the Covenant CLT. Three years later, state legislatures in Connecticut and Vermont approved bills to recognize and fund CLTs. The very conservative state of New Hampshire assisted the development of a CLT in Concord, the state capital. Local CLT directors, in interviews I conducted in the late-1980s and early- to mid-1990s, explained the willingness of public agencies to become involved in a somewhat radical model of land ownership by the fact that not only did CLTs develop affordable housing but also housing stayed affordable because the community ownership of the land, and restrictions placed on profit in the leaseholds, allowed public subsidies to stay with the houses rather than being lost when the owners sold in the rising housing market. The decade of the 1980s ended on a dramatic note for the CLTs, when the city of Boston, following the lead of Mayor Raymond Flynn, offered the ultimate mark of recognition and legitimation by granting the power of eminent domain to the DSNI that used this power to incorporate vacant land into a CLT. DSNI will be examined as a case study in the next section of this article.

At present, there are about 243 CLTs in the United States, according to the National CLT Network,³ operating in 42 states plus the District of Columbia. The largest number of CLTs is based in the state of Washington (21), followed by California (20), Florida (18), and New York and Massachusetts with 15 each. The largest CLT in the United States, in terms of housing units, is the Champlain Housing Trust, based in Burlington, Vermont, which manages 1,500 apartments and leases land to 500 owner-occupied homes. The Champlain Housing Trust was recognized for its innovative efforts toward affordable housing by a 2008 United Nations World Habitat Award for a model that is “sustainable, durable, and replicable” throughout the world. It is safe to say

that CLT is an established social invention, though it has yet to achieve widespread attention from academics, the media, or the public.

This brings us back to today's housing crisis and the comparison between San Bernardino County's consideration of eminent domain as a rescue strategy and the long-term success of the DSNI in using the CLT model as a strategy for a nongentrification-based revitalization of the community, the creation and maintenance of affordable housing, and the avoidance of foreclosures in the face of the housing market collapse. An examination of DSNI as a case study, will, at this point be valuable for demonstrating the establishment, use, and development potential of the CLT in an urban area.

DSNI

Dudley Neighbors, Inc. (DNI) is a CLT that was formed as part of the DSNI. DSNI is one of the most important examples of community development in the United States because of its sweeping scope of community planning and success in achieving much of the power and resources to help implement its plans. When DSNI began in the 1980s, the Dudley neighborhood was a textbook case of inner-city devastation. Boston's post-World War II development had been shaped by the same historical forces at work in other large American cities. The opening up of the suburbs in the 1960s hastened the patterns of ethnic transition already occurring. Because of discrimination barriers to African Americans entering suburban housing, the flow of residents from the neighborhood to the suburbs was of primarily white residents (most of Irish and Italian background) and the neighborhood became more heavily African American in composition. As urban renewal in the nearby South End of Boston in the 1960s displaced many lower income, particularly Hispanic, residents, many migrated to the Dudley area. The ethnic mix was further enriched by immigrants from Cape Verde.

As this transition to a predominantly nonwhite community occurred, city services began to be cut back and disinvestment by private funders began, initiating a downward spiral of community decay. Jobs followed the white outflow to the suburbs, compounding the effects. Blockbusting, redlining, and arson followed. Indeed, arson became so frequent that life in the neighborhood took on a nightmarish quality, as one resident described:

They were burning down very quickly. You could go up after dinner onto the roof of this house and watch them burn down just any night you wanted to watch. And it was scary because the sparks would blow right over from these fires and we [feared] that sooner or later one of [our] houses would catch. But I was interested also in the underlying causes of this kind of thing. What could . . . make it so that so many houses had burned down so quickly when [so] many people needed housing? (Medoff and Sklar 1994:30)

The dramatic nature of this trial by fire drew attention to the forces affecting the neighborhood, as the Boston Arson Prevention Commission's report substantiated: rapid depreciation made it profitable for landlords to get rid of unwanted buildings by burning them for insurance, while the lure of appreciating values tied to gentrification also made it practical to burn out lower income tenants so the sites could be quickly made available for redevelopment.

Equally dramatic was the visual impact of the fires and other types of abandonment. A Boston Redevelopment Authority (BRA) report found approximately 840 vacant lots covering 177 acres of land. The lots attracted illegal trash dumpers and soon became a health hazard as well as contributing to the aura of degradation that inspired further abuse. A group of residents began to meet and approach the city for help in dealing with these threats to their well-being, but their concerns were dismissed outright. But the issue of land and how it was to be used had been raised, and as the 1980s began, the ground was set for local initiative.

The initial organizing grew out of two academic studies. In 1981, students from Roxbury Community College surveyed neighborhood residents concerning community problems, and called a meeting to discuss the issues raised in the study. One of the local organizations attending, La Alianza Hispana, commissioned a more detailed study by Massachusetts Institute of Technology (MIT) graduate students. The resulting study, appropriately titled *From the Ground Up*, recommended that residents be organized to build on local resources, and specifically suggested gaining control over the land base through a land trust for community development (Medoff and Sklar 1994:39). The dramatic impact of the mass of vacant lots had put land at the center of attention right from the beginning of the process.

La Alianza Hispana and another community organization, Nuestra Comunidad Development Corporation, approached a foundation known for getting closely involved in the local projects they funded, the Riley Foundation, and in a fortunate concurrence of interests Riley was looking for an innovative project to support. They planned to devote considerable funds in a concentrated manner, in contrast to the usual foundation approach of scattering resources across various initiatives. Meetings began and the DSNI was launched.

The work of organizing was given urgency by fears of displacement. The BRA's plan for the area, leaked to the press, envisioned "a 'New Town' strategy with a \$750 million complex of office towers, hotels, housing, historical parks, and light manufacturing . . . Many saw the 'New Town' strategy as the old 'urban renewal'" (Medoff and Sklar 1994:50–51). The first DSNI community meeting on February 23, 1985, attracted 200 people from the various ethnic groups of the neighborhood. Organizers planned to present their vision of an "organization of organizations," in which existing groups would take the lead. But the event proved to be dramatic as residents angrily asserted their right to participate in planning for redevelopment and expressed fears that DSNI would be a top-down "expert" driven action, which might be as threatening as the BRA plan. They made their point, and the organizers realized the need for an inclusive approach to constructing DSNI.

The result of work in the ensuing months was a membership organization that balanced the interest of individuals, organizations, and ethnicities in its governing structure that began to shape a broad mandate for land use and planning in the neighborhood. This effort coincided with a city administration led by Mayor Ray Flynn that presented itself as populist and neighborhood-oriented. The congruence of these two developments provided a fruitful climate for an innovative community development strategy.

The Land Issue and the Planning Process

In its grant proposal to the Riley Foundation, DSNI cited three basic goals: (1) to develop a comprehensive revitalization plan, (2) to devise a strategy to take control of vacant land, and (3) to involve area residents in the process. DSNI's campaign had a defensive phase and a proactive phase. The defensive phase concentrated on shutting down the illegal trash transfer stations and other dumping. The holistic, long-range proactive plan called for preserving ethnic diversity while creating 1,000 new units of housing and rehabilitating another 1,000 units, an urban village core, economic development and job training, improved human services, and community control and development of vacant land. Land provided the focus for DSNI's first action, as the situation with the trash-strewn lots (numbering more than 1,300) was intolerable. Through an organizing campaign titled "Don't Dump on Us," they pressured the Flynn administration while building their local strength. Eventually, community protests led to a meeting with Flynn and the beginning of an ongoing working relationship. The dumps began to get cleaned up, and DSNI was able to move on to its core concern, planning for land-based community revitalization.

DSNI wanted to work with the city to redevelop the area, but with full community participation to avoid the "top-down" approach of urban renewal. They began to negotiate over the

disposition of city-owned land in their area. The Flynn administration had set a goal of disposing of city-owned land in the neighborhood by the end of its first term in office, but DSNI sought control over this disposition process. The city agreed that the disposition process would be held up until DSNI could produce a long-range community plan for the land. DSNI mobilized consultants from various professions in a process culminating in June of 1987 with design charrettes open to the community. The plan that resulted was built around the core vision of an “urban village,” a center for revitalized neighborhood life that would strengthen the cultural identity of the neighborhood and increase security. It was approved by the community that September, and Mayor Flynn committed to the plan as the city’s own, inaugurating a new era of development.

Having won legitimation for its role, DSNI began to work on the details of the difficult task of implementing the plan. The community was promised the city-owned parcels of vacant land for the urban village, but these were interspersed with private lots in a pattern that would make it impossible to implement the holistic plan in any practical manner. Organizers and consultants sought a way to create a “critical mass” amount of development that would have a focused impact, rather than a drawn-out process of in-fill development. To achieve this critical mass, they came up with the idea of using a legal tool that, ironically, had in the past been part of the devastation of urban communities by urban renewal: the power of eminent domain.

Winning the Power of Eminent Domain

Eminent domain had evolved in legal usage as the power of the state to take land for the public purpose upon just compensation of owners. It had gained notoriety in the urban renewal era because the benefits tended to be “public” in only a very abstract sense. City and state agencies had used the power to take properties in working-class neighborhoods (often against the owner’s will), clearing the land at public expense, and turning it over to private interests to develop for profit and in ways that often benefited a more affluent clientele than the original owners. Herbert Gans (1962) described how the West End of Boston was razed, and its working-class residents scattered, to build luxury apartment highrises. Many residents of the Dudley area had themselves been displaced by eminent domain land clearance in the South End of Boston.

DSNI planned to stand the standard practice on its head: instead of being a tool of private interests to remove a powerless community, eminent domain would become the community’s tool for gathering up the abused land held by private interests to use it for the revitalization of the neighborhood and the benefit of its existing members. Eminent domain would not only allow for implementation of their development agenda but “also provide long-term land control, through ownership, that could survive changes in city policies and provide DSNI with leverage in dealing with future administrations” (Medoff and Sklar 1994:119).

Legal consultants determined that the use of eminent domain was authorized under Massachusetts law for two entities seeking to develop affordable housing: the BRA, or “an urban redevelopment corporation” authorized by the BRA. Although legally available, DSNI had two hurdles to cross to gain this power: (1) convincing community residents, who had seen the past abuse of eminent domain, that this tool could be used to benefit rather than hurt a local community; and (2) convince the BRA to authorize DSNI as an organization eligible to be granted this power.

DSNI worked to assure local residents in open community-wide meetings, while at the same time mounting a campaign to convince the BRA board of directors. The latter effort benefited from the support of Mayor Flynn and the director of the BRA. DSNI’s argument balanced the community’s and the city’s agendas. Granting eminent domain would (1) allow for prevention of displacement and land speculation; (2) allow for a more effective, concentrated development of the area beyond what could be accomplished using only the scattered city-owned parcels; and (3) avoid the political battles that would ensue if the city tried to use eminent domain on its own, given Boston’s past history.

Meanwhile, in the community meetings, DSNI worked to build support by focusing on the threat of speculation and gentrification in the Dudley area, which bordered the highly gentrified South End. They won community support, and in August 1988, the legal vehicle for implementing eminent domain was incorporated as DNI, a CLT. A number of factors suggested the CLT form: (1) a legal entity needed to be the means of implementing eminent domain; (2) a goal of the process was to maintain housing affordability, while this could have been achieved by using deed restrictions or other covenants, the land trust model fit with the third goal; and (3) the establishment of a permanent community organization mandated to effect land ownership in the Dudley neighborhood.

The original campaign to acquire the land, organized around the slogan “Take a Stand, Own the Land,” was originally initiated without the idea of a CLT. As the CLT’s first director, Paul Yelder, explained why the CLT model was eventually adopted:

I wasn’t that familiar at the time with ground leases in a residential setting rather than a commercial or industrial setting. Creating the land trust fit with the “Take a Stand” piece but also with maintaining permanent affordability. You could see in the *Boston Globe*, in their headline, “750 million to be invested in Dudley” . . . and you look at all that vacant land out there! So much of the energy behind DSNI was a creative plan not to prevent development but to prevent displacement.⁴

The ICE provided technical assistance while Boston attorney David Abromowitz, a legal expert on CLTs, offered pro bono consulting. DNI’s board of directors was designed to achieve a balance of representation of community and broader interests: six representatives from DSNI, two neighborhood residents appointed by the local neighborhood council, and the district’s city councilor, along with two nonvoting members appointed by the district’s state senator and representative.

Planning for Community Development

With a concrete entity to organize around, DSNI’s “Take a Stand, Own the Land” campaign went into full force. The *Boston Globe* gave editorial support for the plan in October 1988, giving it public visibility. The plan was approved in a tumultuous BRA hearing on October 13 and the DNI CLT became the first, and so far the only CLT to be granted the power of eminent domain to obtain land for community control. A new phase of organization began as DSNI faced the next task of bringing together the financial and human resources needed to actually develop the land.

One of the first pieces in the land development plan had already fallen into place during the time that DSNI was campaigning for eminent domain. The focus of the land redevelopment plan was a town common, traditionally the symbolic center of New England communities. The Massachusetts Department of Environmental Management had a “City and Town Commons” program, which funded projects aimed at revitalizing this traditional community focus. There were two obstacles: (1) only one award was to be given in a particular town or city, and the Boston Common had already applied; and (2) they had never in the past funded a project in a deprived area. DSNI’s proposal set a precedent by winning the first grant for an “inner-city” area. The city of Boston contributed \$500,000 to complement the \$1 million grant. This success held great meaning for an organizing initiative that was built around the land as the key aspect of community revitalization.

Having obtained eminent domain power, DSNI had the legal tool for gathering a land base around the town common, but needed to mobilize the financial resources. The city would sell its parcels for a nominal dollar. To purchase the private land, DSNI approached the Ford Foundation seeking a program-related investment of \$2 million for a 10-year, two-phase development program:

first 5-year phase for purchasing and combining the land in the core area of the neighborhood and developing 500 units of housing; and a second 5-year phase for building an additional 500 units in the area adjacent to the core. This ambitious proposal won approval from the Foundation in principle, and an arduous period of working out the details began, which was to go on for 2 years.

At the same time as DSNI was working out the loan and the legal process for eminent domain, it was developing the actual building plan. After a series of community meetings, a build-out plan was drawn up. The target goal was reduced from 500 units to 296 due to market conditions, among other reasons, and commercial development, tot lots, and two community centers were also included. The plan was ratified by the membership on June 21, 1989. The Ford Foundation loan was closed in March of 1992, but the original period of eminent domain authority had expired. Fortunately, it was extended by the BRA. Throughout this three-year period of complex coordination, DSNI managed to maintain momentum and keep the community focused on the long-range goals, though not without some effort. The external factors influencing whether or not the CLT was to become an effective reality were slowly being implemented. The other necessary task was to manage the internal factors.

Just about the time that DSNI held its 10th anniversary celebration on May 12, 1994, with actor Danny Glover as guest speaker, a Superior Court ruling cleared the way for actual exercise of eminent domain. Fifteen acres of absentee-owned land was acquired, and with another 15 acres donated by the city made up a substantial base of CLT land for the initial redevelopment phase. By the spring of 1995, building was in the final stages on the land in the original target area. DNI had organized leaseholders to move into the housing: 36 single-family houses and 41 cooperative units for a total of 77 units. Homes were available to people with incomes as low as \$18,000. Homeownership classes had been offered to educate a pool of qualified homebuyers. The effort began, with the goal of revitalizing the area without triggering gentrification.

The Dilemmas of Community Land Ownership

The area's high crime rate had been a deterrent to gentrification in the past, but the decreases in crime as the 1990s moved on, and the new feeling of revitalization as DSNI's plan unfolded, raised the possibility that the Dudley neighborhood could become an attractive location for professionals as the availability of good deals in the nearby South End shrunk to close to zero. The CLT's control of a large percentage of the land gave hope that widespread displacement would be avoided if gentrification did get underway. Yet, while it worried about the impact of more affluent gentrifiers, the land trust found that economic fluctuations also threatened to make it difficult to find the low- to moderate-income home buyers that CLT was intended to serve. DNI found itself having to deal with the dilemmas of creating nonmarket housing in a market society. While the original concern had been rising costs, by the time building started the housing market had entered a cyclical collapse. The affordable units being built on the land trust had to compete with a suburban market of diminished prices, where homebuyers could get a house without the complication of not owning the land under it. The city of Boston became concerned as well. There was a fear that the many units coming on line would go unsold as buyers took advantage of the weak market to purchase homes without resale restrictions at close to the same cost. The city wanted to work with DSNI to bring down the price by coming up with deeper subsidies. But this ran into opposition from the local membership, who felt that it would cheapen the new development. The land trust found that it would have to walk a delicate line between halting the rise of property values and actually lowering them. Concerned as they were not to let housing values fall too low, the members of the land trust set a strict formula to keep them from rising too much. Paul Yelder explains the essential philosophy, which is key to the CLT model's ability to maintain permanently affordable housing:

We have a resale formula that's unique. It came out of the development committee meeting and meeting and meeting on this. Ours scales up to a 5% increase over ten years: a half percent increase per year leveling off at 5%. The thought was to really encourage people to stay. Who says that housing has to keep pace with inflation? We're saying that an allowable increase is 5%. Inflation is what burned us before! Inflation kicked the last people out of the houses. Inflation will limit what a person can do, but that person got in at a lower rate and was able to invest the savings they got this way. The shelter has to be there, whatever the rest of the economy is doing.

The strict control of resale entails a logic very different from the idea of upward mobility through home ownership:

The argument has been, well, homeownership has been the vehicle for the accumulation of wealth for the middle class. But the other side is to say, gee that's why this neighborhood flipped over from being middle class—because people flipped out of this neighborhood. So do we want to constantly go through the process of reinventing neighborhoods or do we want to look at other vehicles. As the middle class flipped out to the suburbs they completely abandoned these neighborhoods. The myth of “stepping up” ignores the reality of “leaving behind.” Instead of building up what you have and creating a vibrant community it's been “well let's just step up and move to another community.” The land trust really takes away that mobility and creates an incentive for people to go for the long haul, and to improve and maintain where they are.

There are competing values at work here, the value of community pride and neighborhood attachment and the value of upward mobility. In practice, the sense of belonging to a community has turned out to be a selling point for the land trust that overrides the restriction on resale. There is a support system built in, as the land trust is tied to an organization undertaking a comprehensive community development effort that assists individuals and raises the quality of neighborhood life.

And this brings us back to where we started, how DSNI and its land trust housing fared in the most recent and ongoing housing crisis. While the mortgage crisis was less severe in the strong Boston housing market than in other parts of the United States, the percentage of low-income homeowners in the Dudley area inevitably meant a local rise in foreclosures. As mentioned, not a single home on CLT land has been forced into foreclosure.

Gaining the power of eminent domain is not likely to be feasible for many CLTs, and in many cases would not be useful. The importance of the Dudley experience is in serving as a “best-case scenario” of the role that this form of community land ownership and control can contribute to local development and communal well-being.

Conclusion

Evaluation of the CLT as a social invention (or of individual CLTs already in operation) is beyond the scope of this article, the purpose of which is to introduce the model to a social science audience. Longitudinal macro- and micro-level research is required for an understanding of how CLTs actually perform over time. Social inventions, by their nature as innovations, are not guaranteed success. They may gain or fail to gain a foothold in the social structure. For any social invention, the first criteria to examine are survival and replication. Those inventions that are highly successful in these terms are what we think of as institutions, often forgetting that they were once experiments. Innovations that seek to contribute to progressive social change have the added burden of fulfilling their chosen mission, to at least some extent. All organizations face the possibility of being deflected from their original mission by the exigencies of survival and achieving pragmatic goals. Such social inventions not only have to be studied for their viability but they also need to be analyzed in terms of their effect or potential effects on society, in light of their specified values.

The CLT embodies values that seem to cut across common ideologies and thus has a multiplicity of goals: community ownership and decommmodification of land; private ownership but limits to commodification of housing; internal democracy, with open membership and egalitarian participation; and external democracy, as a vehicle for citizen participation in land-use planning and economic development. While seeking to fulfill these fundamental goals, the CLT has been visualized as being applicable to diverse practical purposes as well, such as maintaining affordable housing, contributing to economic development of low-income urban or rural areas, and protecting environmental quality. Some of its aspects have proven compatible with market and state, which has allowed CLTs to claim access to a rung on the “tenure ladder.” This success confronts the CLT with the possible danger of being a useful practical tool for managing problematic urban housing markets, while losing sight of the wider vision and social critique.

Social analysts disagree on the potential for decentralized reforms to lead to broad structural transformation. Pessimists feel that reforms only strengthen the system, as they relieve the pressure of pressing social problems and then are absorbed into dominant practice, blunting their critical edge. Optimists, in contrast, suggest that reforms can escape the dominant social logic, and become reconfigurations of an alternative social system, if they embody a distinctive structural innovation. Andre Gorz (1964), for example, made the case for the necessity of developing prefigurative forms within capitalist society. He answered the concern that reforms only serve to strengthen the system by making the distinction between reforms that reinforce the dominant logic (which he called reformist reforms) and those that call into question dominant practices (nonreformist reforms).

Nonreformist reforms can work to widen the limits of the possible by suggesting alternative possibilities and then demonstrating their practical applicability, while making however-so-slight a structural transformation. In practice, it is not always clear when such a transformation has taken place. It is clear that CLTs, in their diverse character and situations, walk the fine dividing line between the two tendencies of reformist and nonreformist. In many cases, the CLT legal model has been used as a gimmick to keep low-income housing costs low (thus taking pressure of the state and the private sector). In others, they play a role in raising local consciousness to the realities of power in regard to land, questioning speculative ownership of land, and enabling some degree of community control over the local land base. Soifer (1990), fine tuning Gorz’s dichotomy, characterized the CLT as a “limited or partial non-reformist reform.” Partial nonreformist reforms are structural reforms *in potential*. There are three dimensions to the issue of CLTs fulfilling their potential as nonreformist reform: (1) How far will they develop in the direction of internal democracy, as egalitarian membership communities; (2) to what extent can they bring about external transformation, by bringing more and more space under social control, and by delegitimizing the treatment of land as a commodity; and (3) to what extent they can unite and act as a broad movement to affect land policy regionally and nationally.

As sociologist Ulrich Beck (2005) reminded us, “Nothing has ever been done that someone has not been the first to do and that every good thing in existence is the fruit of originality” (p. 190). Beck compared critique to what he called creative construction:

Critique serves what currently exists . . . in the sense that it only criticizes and does not replace it. The creation of something new, on the other hand, develops its own field of force and power. A critique of what exists is entailed in the living contradiction between things currently taken for granted and the new certainties . . . At the same time, however, the amazing new alternative brings pressure to bear on the existing system of beliefs, putting it to the test both intellectually and politically . . . [Creative construction] is the *besieging of what exists with provocative alternatives*. (Beck 2005:190, emphasis in original)

We have traced, in this article, the individuals and groups that implemented this particular originality, the creative construction of a new model of land tenure. In practical terms, CLTs

stand as positive contrasts to the failure of the housing market in the areas they serve. More theoretically, the CLT plays a role, however limited in practice, in “liberating space” from commodity logic and practice. It allows for, in however limited a manner, self-management by a mutually supportive community without the alienation of either market or state bureaucratic mediation. And it creates a liberated space for social experimentation, to find creative approaches to weaken dependency on market and state institutions.

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Notes

1. Unless otherwise attributed, information and quotes come from my interview with Robert Swann on June 3, 1994. The history of the idea of the land trust and the events leading up to the first actual CLT are covered in greater detail in Meehan (1996) and Davis (2010).
2. Historical details are drawn from several sources, brought together in Meehan (1996). The excellent history by John Emmeus Davis (2010) offers more extensive detail.
3. Information on many aspects of community land trust (CLT) development today can be obtained from their Web site (<http://www.cltnetwork.org/>). Since this article was written, a 2014 report gives the following updated information on the extent of CLTs: “There are now 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” (Davis, 2014, page 4).
4. All quotes by Paul Yelder are from my interview with him on March 20, 1995.

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