

Saving Burlington Neighborhoods: In Land We Trust

BURLINGTON

IMAGINE THE CITY OF Burlington in the year 1988. The waterfront will be fully developed – with marinas, parks, bike paths, even a maritime museum. Naturally the property closest to the waterfront, including the Old North End, will have risen greatly in value. Picture that profiteers have bought huge tracts of land there, torn down the old buildings and built new ones for high income renters. Then all of the residents of the Old North End, no longer able to live in one of Burlington's most chic neighborhoods, will have had to move to trailer camps in Milton.

Although this is a fantasy, Burlington City Hall is taking steps to prevent it from becoming a reality. "Our office definitely fears that with the development of the waterfront, Old North End property values will rise too high and people will have to leave the neighborhood," says Michael Monte of Burlington's Community and Economic Development Office.

To prevent that from happening, Monte raised an innovative alternative to land ownership before the Burlington Progressive Coalition last Tuesday – the community land trust.

When most people think of land trusts, they imagine hundreds of rural acres being saved from ecological exploitation by "back to the land" settlers. But an urban land trust is the same

theme with an added advantage – it makes home ownership a real option for lower income and working class people.

A Burlington land trust could work in this way: Members of the community would form a land trust organization, establish a board of directors, draw up by-laws and incorporate as a non-profit charitable organization. They could buy a tract of land, with or without existing structures on it, and rent that land to others under a long term lease. Those leasing the land can buy the structures already on them, or build new ones. The lessees own the structures and any improvements made to them, while the land trust maintains ownership of the land. Specific by-laws would limit the equity that owners can get from their buildings should they decide to sell and assures their affordability for future generations.

In the example of the Old North End, Monte says that instead of selling out to profiteers, property owners could sell to the land trust. That way long term neighborhood residents have the option of buying in, instead of moving out.

The land trust alternative seems particularly appropriate for Burlington, a city plagued with housing shortages. Currently 65 percent of all city residents are renters. Monte says that some of these renters are spending 60-70 percent of their income on housing alone. Tenants often end up paying more for housing than landowners –

with no property to show for it.

In addition, many tenants are being displaced when their buildings are sold and the rents are raised by new owners. These displaced renters, along with the city's low income and working class people, are the ones being targeted by the CED's land trust plan.

To get the project rolling, the city has offered to lay down \$200,000 for a land trust fund. Monte hopes to generate \$200,000 in matching funds from "socially responsible" investors, and then persuade financial institutions to join in. Ultimately Monte hopes to raise close to one million dollars for the land trust fund. Any Burlington resident wishing to lease land can borrow the money from the land trust at low interest rates and without needing a down payment (the usual financial stumbling block).

The \$200,000 seed money makes Burlington the first city to provide this kind of active support and incentive for land trusts, a move that is making other cities take notice. "We're not downplaying home ownership or cooperatives as other viable alternatives," Monte says. "What we're trying to do is preserve a stock of housing that continues to be affordable through generations, without the need for capital from the city."

"It's really the right of the people to own their own homes, have some security, equity and legacy for their kids," Monte says. "It's taking the American dream of home ownership and adding a little community responsibility."

– Sara Eltnoff