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Dear Department team

Re: Draft National Urban Policy for Australia

We are delighted to provide the attached submission to the Draft National Urban Policy for Australia and commend the department for enabling this consultation. We are the Australian Community Land Trust Network (ACLTN), recently launched with the Hon. Rose Jackson MLC as the keynote speaker, to provide a national platform, resource base, network, and advocacy base for the country's emerging Community Land Trust (CLT) sector.

Community Land Trusts are a proven mechanism for channelling community needs and aspirations into permanently affordable housing and community benefit. Their community basis means they provide everything from affordable rental through to permanently affordable resale-restricted housing options. CLTs also have demonstrated resonance with Aboriginal housing and community aspirations and may also have relevance for Torres Strait Islander communities.

CLTs are proven to deliver high quality design outcomes, reduce environmental impacts, and build healthy homes that are easy to heat and cool. Increasingly, CLTs' place-based membership, perpetual presence as stewards of diverse residential and non-residential properties, and commitment to broad community and environmental justice issues, means they are being sought out as long-term partners in equitable development and just transition. These are pressing issues for our cities to address, and the experience and scale of the international sector shows CLTs are well placed to address the objectives and principles of the proposed National Urban Policy for Australia.

CLTs are a stable and long-term mechanism for the delivery of secure, stable, and dignified housing, as part of appropriate place-based development more broadly, and a model of ongoing collaborative governance. Our attached submission explores these points with regard to the Policy. We look forward to Government engagement with the sector to support and enable CLTs in the Australian context as ongoing partners in the delivery of sustainable and equitable urban futures.

Regards



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Australian Community Land Trust Network

Submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Draft National Urban Policy for Australia

July 2024

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Key messages

- The Policy speaks to multilevel government coordination but is silent on how community members, who are critical to success, might be involved as stakeholders.
- Community land trusts (CLTs) are a tested model of collaborative governance that should be considered as core partners in the delivery of the National Urban Policy.
- CLTs are place-based, community-led, and perpetual models of property stewardship that address and uphold diverse community objectives regarding housing diversity, quality, and affordability, alongside equitable community development.
- An increasing number of global cities are entering long-term partnerships with CLTs, seeing them as effective and appropriate partners to ensure equitable growth.
- CLTs exist as a growing global sector that is increasingly seen as an effective channel for addressing concerns such as net zero, circular economies, and just transition.
- CLTs' focus on land stewardship, community voice, and equity has been shown to align with First Nations aspirations for Country and community, and they are well placed to deliver Closing the Gap targets at the intersection of health and housing.
- The organisational structure and mission of CLTs aligns directly with the Policy's focus on collaborative governance, as CLTs embed diverse stakeholder voices in their organisational structure and governance.
- There are several key ways in which the sector can be enabled in Australia, following international precedents and successes.

Response to the Policy's Purpose

We are genuinely excited to see the Policy's recognition of the centrality of First Nations' knowledges and commitment to UN SDG 11. We welcome the Policy's recognition of "an opportunity to plan for and create future-proofed, adaptive urban environments in the face of change and uncertainty." We agree that "Australia's cities need to prepare for, and adapt to, the anticipated structural changes that will shape urban economies, industries and settlement patterns."

We believe community land trusts (CLTs) are uniquely placed to help address these challenges, due to their ongoing, community- and place-based commitment to equitable development through collaborative governance. This submission demonstrates their relevance to the Policy, making the case for policy support for CLTs and their exploration and development as vehicles to help deliver the Policy's Objectives.

Internationally, CLTs have an historical base in approaches to social and housing justice informed by land stewardship. On that base, CLTs have grown to not only maintain diverse and permanently affordable housing as a core programmatic objective, but also underpin developments such as renewable energy, regenerative farming, social enterprises, youth development, and a range of community and commercial spaces. All of these are stewarded

in perpetuity by CLTs as purpose-built, community-led, and place-based entities. For example, Community Land Trust Brussels, Belgium is focusing on affordable net-zero housing and looking to set up local energy co-operatives and shift development patterns towards greater walking and cycling.¹

Further, reflecting their resonance with First Peoples' concerns for social and land justice, Sogorea Te' Land Trust has been established on Lisjan Ohlone land in the East Bay area of San Francisco, California. Its initial programs include cultural revitalisation, one of a planned series of culturally based emergency response hubs, and a youth program. Australian research has demonstrated market interest in resale-restricted homeownership based on CLT principles and documented the resonance of CLT models and principles with the aspirations and objectives of Aboriginal communities and providers. Australia is uniquely placed to address the living on Country and self-determination aspirations of First Nations communities through specifically encouraging, as appropriate, culturally appropriate forms of CLTs. Actions to raise awareness, build capacity and promote opportunities for CLTs in First Nations communities could be a policy priority.

Based on their demonstrated success, CLTs are increasingly targeted by municipal governments for long-term partnerships focused on equitable growth. This has direct applicability to the objectives, principles, and goals of the Policy.

What are community land trusts (CLTs)?

CLTs are member-based, not-for-profit organisations that hold title to property for the dual purposes of permanently affordable housing and community benefit, with each CLT drawing on the expertise of its membership base to determine what affordability and community benefit mean in its service context. This definition underpins the diversity in housing and other programs seen in the global CLT sector, as each CLT stewards residential and non-residential properties throughout its service area, on the basis of what is identified by diverse local stakeholders to be needed and appropriate. It also underpins the diversity of partnerships, legal forms, and funding mechanisms seen in the sector; again, these are all appropriate to their regional context.

Most CLTs have voting memberships that are larger and broader than their resident membership base. So, residents in CLT homes are members of the CLT, but so are any individual or corporate entities in the CLT's service who believe in the mission of the CLT. This brings a broader community presence into the organisation and ensures ongoing dialogue and partnerships between diverse stakeholders in the CLT's service area.

Encyclopaedia of Environmental Sociology. Northampton, MA: Edward Elgar Publishing, 92-97.

¹ https://www.adaptationclearinghouse.org/resources/community-land-trust-brussels-belgium.html

² https://sogoreate-landtrust.org/

³ Crabtree-Hayes, L. (forthcoming). Research, market, and policy implications of permanently affordable housing: lessons from Australian discussions about community land trusts. *International Journal of Housing Policy*, https://doi.org/10.1080/19491247.2024.2367830.

⁴ See Crabtree et al (2015). Community Land Trusts and Indigenous Communities – from Strategies to Outcomes. Final Report no. 239. AHURI, Melbourne. https://www.ahuri.edu.au/research/final-reports/239
⁵ See https://www.australiancltnetwork.org.au/ and Crabtree-Hayes, L. (2024) 'Community land trusts', Elgar

From their origin in the USA, CLTs have become established across not only the USA but also the UK, Europe, Asia, and Australia; see maps below.

CLTs and collaborative governance

Genuine and ongoing multi-stakeholder dialogue is embedded in the collaborative and transparent governance that lies at the heart of CLTs. In the "classic" CLT model, one-third of the CLT's Board positions are for resident CLT members, one-third are for non-resident CLT members, and the remaining third are strategic positions appointed by the other two-thirds, with a view to address strategic priorities or required skill sets; this is shown in Figure 3.

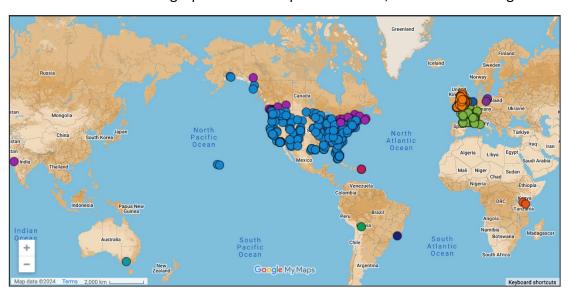


Figure 1. CLTs worldwide

Note the Australian entries are incomplete.

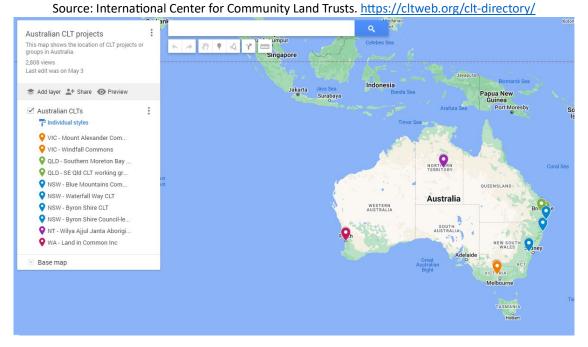


Figure 2. Australian CLT projects

Note this count is ongoing.

Source: Australian Community Land Trust Network. https://www.australiancltnetwork.org.au/

The 'classic' Board structure was arrived at through decades of trial and error and balances the voices of resident members, the broader community, and the public interest. All Board members receive the same onboarding and understand their role to serve the perpetual mission of the organisation. That balancing act is also embedded in the organisational constitution and legal agreements.

For example, the legal agreement between the CLT and the owner of a resale-restricted home will stipulate the rights and responsibilities of both the resident and the CLT, including a resale formula that aims to balance equity gain to the resident with affordability to the next buyer. This ensures affordability into the future and locking any subsidies or other funds into homes that stay affordable and under the stewardship of the CLT. Studies to date show that CLTs make better use of subsidies than other forms of shared equity while both delivering equity gains and retaining affordability.⁶

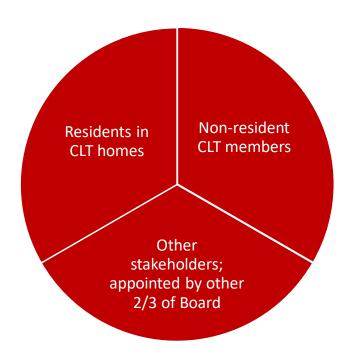


Figure 3. The 'classic' three-part CLT Board structure

This is not universal or mandatory and is often adapted to be appropriate to context.

⁶ Davis, J. E., & Demetrowitz, A. (2003). *Permanently Affordable Homeownership: Does the Community Land Trust Deliver on Its Promises?* Burlington Community Land Trust, Burlington, VT.

Temkin, K. M., Theodos, B., & Price, D. (2010). *Balancing Affordability and Opportunity: An Evaluation of Affordable Homeownership Programs*. Urban Institute.

https://www.urban.org/sites/default/files/publication/29291/412244-Balancing-Affordability-and-Opportunity-An-Evaluation-of-Affordable-Homeownership-Programs-with-Long-term-Affordability-Controls.PDF

Thaden, E. (2011). Stable Home Ownership in a Turbulent Economy: Delinquencies and Foreclosures Remain Low in Community Land Trusts. Lincoln Institute of Land Policy Working Paper (Lincoln Institute of Land Policy). https://www.lincolninst.edu/publications/working-papers/stable-home-ownership-turbulent-economy

The basis of CLTs in collaborative and transparent governance is directly relevant to the Draft National Urban Policy. We note the Policy's reference to the UN-Habitat New Urban Agenda in its Principles and flag the performance of CLTs in the UN-Habitat Awards:

- 2024 Bronze. New Ground Cohousing Community, London, UK.
- 2021 Gold. Introducing Community Land Trusts in Continental Europe, by Community Land Trust, Brussels, Belgium.
- 2016 Finalist. Granby Four Streets Community Land Trust, Liverpool, UK
- 2015 Winner. Caño Martín Peña Community Land Trust, Puerto Rico, USA.
- 2008 Winner. Champlain Housing Trust, Vermont, USA.
- 1997 Finalist. Tanzania Bondeni Community Land Trust Project. Kenya.

Government and broader support for CLTs

The two largest CLT sectors, the USA and UK, have been enabled by national recognition of CLTs as unique entities. In the USA, a national definition of CLTs was written into Section 233 of the *Cranston-Gonzales National Affordable Housing Act (42 U.S.C 12773)* in 1992. In the UK, CLTs were defined in Sections 59 and 79 of the *Housing and Regeneration Act 2008.*⁷ Additionally, in the USA, federal loan programs and state-based subsidy programs have targeted CLTs due to their demonstrated efficacy in subsidy retention. This has included the creation of a sector-specific CLT mortgage addendum by the federal mortgage agency to ensure the use of appropriate lending products.

Municipal governments are also increasingly looking to long-term partnerships with CLTs. Examples include the City of London, the City of New York, the City of Berlin, and the City of Barcelona looking to embed their objectives for permanent affordability, equitable place-based development, and collaborative governance.

For example, the City of London used a three-way partnership between the City, a CLT, and a private developer to establish the St Clements development by the London CLT. Following community input into the design (see Figure 4), the resulting development (Figure 5) includes homes with purchase prices indexed to local working wages. Expanding the City of London's approach, the City of Barcelona is now establishing a multi-partner framework to create a City-wide CLT platform and an affiliated revolving loan fund (see Figure 6).

⁷ See Appendix 4 in Crabtree et al. (2013). *The Australian Community Land Trust Manual*. University of Western Sydney. https://www.westernsydney.edu.au/ data/assets/pdf file/0006/600567/Australian CLT Manual.pdf



Figure 4. One of the community design workshops for St Clements, London CLT Source: https://www.londonclt.org/st-clement-s



Figure 5. St Clements, London CLT
Source: https://www.londonclt.org/st-clement-s

In 2021, the City of Berlin held a referendum in which the majority of voters supported the transfer of 240,000 apartments into a CLT. The City of New York has supported the establishment and growth of CLTs through funding and most recently, a proposed legislative change to level the playing field in the housing system by supporting tenants and CLTs to buy properties. 8 CLTs are now also being discussed across Europe as appropriate vehicles for

⁸ Gebbia, C. (2023). In New York, proposed legislation grants opportunity to tenants and community land trusts to purchase land or buildings. *The Architect's Newspaper*. https://www.archpaper.com/2023/09/new-york-proposed-legislation-tenants-community-land-trust/

both circular economies and just transition, due to the resonance of their core mission and organisational design with the priorities of both circularity and just transition.⁹

ESAL Agreement (our CLT)

Memorandum of Understanding between:

- Barcelona City Council
- Non-profit and cooperative housing developers (Cohabitac, FCHC and XES)
- Catalan Federation of Social Housing Developers (GHS)

> Public-community partnership based on:

- Long-term lease on municipal land (99 years).
- 60% rental, 40% cooperative.
- Municipal returnable subsidy (7-16%).
- Support in the access to financing from ICF and ICO.
- End goal: fully-fledged Community Land Trust.

Figure 6. Ajuntament de Barcelona's CLT platform proposal.

Source: Office of the Housing Councilor, Ajuntament de Barcelona (2024).

Given the centrality of collaborative governance to CLTs and the resonance with the Policy Principles, we now discuss the relevance of CLTs to the Policy's Principles and the Objectives.

⁹ Parker-Tong, L., Hennis, T., & Gieben, T. (2024). *A Social Foundation for Material Impact: Community land trusts as drivers of circularity for a just transition*. And the People, European CLT Network, Circular Buildings Coalition. https://cdn.prod.website-

<u>files.com/6540cf880126ab97b2f349fc/65d3ca8c9a4ac088583ed959 240215-Whitepaper-And The People-Social Foundation for Material Impact compressed.pdf.</u>

CLTs and the Policy Principles

1. City planning and governance must be collaborative and adaptive

This is perhaps the defining feature of CLTs and the overarching argument for their relevance to the Policy.

The balancing act at the centre of CLT governance reflects a focus on collaborative and adaptive governance. The Policy demonstrates an awareness of the principles of adaptive and collaborative governance, which extensive research has demonstrated needs to be based in trust and iterative learning, enabled by clear and effective channels of communication and the ability to hold diverse knowledge in genuine dialogue. Research and experience also show that collaboration must translate into outcomes, or trust is eroded and outcomes foregone. 11

CLTs embed collaboration in their governance and are constituted specifically to deliver outcomes, and so speak directly to Principle 1, especially the Principle's commitment to place-based approaches that deliver shared value. CLTs have been demonstrated to: uphold meaningful engagement, including with, for, and by First Peoples; create functional, aesthetic and regenerative designs that are reflective of local places; demonstrate and uphold transparency and accountability in perpetuity; and, ensure communities are on pathways to viable futures by staying in place as perpetual stewards.

Due to these attributes, governments are increasingly looking to support and partner with CLTs, as discussed earlier under <u>Government and broader support for CLTs</u>. We discuss how this might be considered in Australia under <u>CLTs</u> in the <u>Australian context</u>.

2. Purposeful place making increases wellbeing and connection

CLTs are fundamentally place-based and community-driven and consequently focus on building and supporting community and addressing wellbeing outcomes. This Principle's focus on ecological limits, wellbeing, and connection to nature is welcome and aligns with the focus of CLTs on green spaces, systems of care, and urban amenity. For example, Troy Gardens in Madison Wisconsin, undertaken by the Madison Area CLT, combines energy-efficient, affordable, and universally designed cohousing with restoration of a prairie, community gardens, a working organic farm, edible woodland, and a sensory garden. ¹²

¹⁰ Ansell, C., & Gash, A. (2008). Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory, 18*(4), 543–571. https://doi.org/10.1093/jopart/mum032
Camrass, K. (2022). Urban regenerative thinking and practice: A systematic literature review. *Building Research & Information, 50*(3), 339–350. https://doi.org/10.1080/09613218.2021.1922266
Olsson, P., Folke, C., & Hahn, T. (2004). Social-ecological transformation for ecosystem management: the development of adaptive co-management of a wetland landscape in southern Sweden. *Ecology and Society, 9*(4), https://www.ecologyandsociety.org/vol9/iss4/.

Perrings, C. (1998). Resilience in the dynamics of economy-environment systems. *Environmental and Resource Economics*, *11*(3–4), 503–520; p.221. https://doi.org/10.1023/A:1008255614276

¹¹ Camrass, K. (2022). Urban regenerative thinking and practice: A systematic literature review. *Building Research & Information*, *50*(3), 339–350. https://doi.org/10.1080/09613218.2021.1922266

¹² See the case study archive at https://cltweb.org/case-studies/troygardens/



Figure 7. Troy Gardens on Madison Area CLT land, Madison, Wisconsin.

Source: https://www.madcitydreamhomes.com/blog/madison-area-community-gardens.html

Research has shown that CLTs can be driven by place attachment¹³ and create a sense of community, including residents' sense of connection with future imagined members of the CLT.¹⁴ Research on CLTs in the USA showed CLTs' interest in:

- fostering leadership, betterment, and improved quality of life among residents
- creating community control of land and neighbourhoods
- building community
- promoting civic engagement
- ensuring resident-driven organizational decision-making and strategic planning, and
- bolstering organizational sustainability.

¹³ Moore, T. (2021). Planning for place: Place attachment and the founding of rural community land trusts. *Journal of Rural Studies*, 83, 21–29. https://doi.org/10.1016/j.jrurstud.2021.02.007

¹⁴ Kruger, R., DeFilippis, J., Williams, O. R., Esfahani, A. H., Martin, D. G., & Pierce, J. (2020). The production of community in Community Land Trusts. *City & Community, 19*(3), 638-655. https://doi.org/10.1111/cico.12452

¹⁵ Thaden, E. & Lowe, J. S. (2014) *Resident and Community Engagement in Community Land Trusts*. Cambridge, MA: Lincoln Institute of Land Policy.

https://etd723z5379.exactdn.com/app/uploads/2024/04/2429 1774 thaden wp14et1.pdf

3. Urban development should actively improve social, environmental and economic outcomes

We categorically agree with this Principle's assertion that "We cannot achieve sustainable urban development through business-as-usual approaches".

Due to their focus on affordability and community benefit, CLTs are a stepwise change away from failed dominant approaches to urban development and instead deliver place-based programs that speak to social, environmental, and ecological justice. Their membership base and Board structure ensure that understandings of social, environmental, and ecological justice are derived from and based in place, taking diverse stakeholder knowledges into account and responding to these in a transparent manner.

This Principle appropriately prioritises circularity and net zero approaches. CLTs have recently been identified as centrally placed to address the driving objectives of circularity and just transition, due to fundamental structural and mission alignment. ¹⁶

This principle also connects to Principle 4.

4. Improving the evidence base will underpin urban innovation

The CLT sector has documented its impacts and lessons for decades. This has included academic and sector studies on housing outcomes, senses and roles of community, governance outcomes, relationships with government, subsidy retention, and resale and affordability outcomes. There is extensive published and sectoral knowledge that can be drawn on, and is being drawn on, to underpin innovation.

Rather than attempt to provide a comprehensive bibliography here, links to key national and regional peak bodies with relevant libraries and searchable knowledge bases are shown below. Most recently, the International Center for Community Land Trusts has started establishing a research program to channel the CLT sector's objectives into a coherent research program and liaise between CLTs and researchers in academia and government. This will build on the Center's existing global network of researchers and practitioners. Part of this program will focus on the growing interest in focused on CLTs and just transition, and the Australian CLT Network is actively involved in its establishment.

- Australian CLT Network (https://www.australiancltnetwork.org.au/)
- UK CLT Network (https://www.communitylandtrusts.org.uk)
- USA Grounded Solutions Network (https://groundedsolutions.org/strengthening-neighborhoods/community-land-trusts/)
- European CLT Network (https://www.clteurope.org/)
- International Center for Community Land Trusts (https://cltweb.org/)

¹⁶ Parker-Tong, L., Hennis, T., & Gieben, T. (2024). *A Social Foundation for Material Impact: Community land trusts as drivers of circularity for a just transition*. And the People, European CLT Network, Circular Buildings Coalition. https://cdn.prod.website-

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5. Fair and inclusive development builds equitable communities.

This Principle prioritises addressing housing affordability and social equity, including inclusivity, environmental wellbeing, green space, and safe and restorative communities. These are foundational principles and objectives of CLTs. Underpinning this Principle is a focus on restorative placemaking. An example of the alignment of CLTs with restorative approaches is seen in the establishment of Regenerative Community Land Trust in Colorado, USA, with the mission to "acquire land that is held perpetually by a network of bioregional community land trusts and work collaboratively with other organizations to educate, research, and implement systemic solutions to the connected social, economic, and environmental crises of our time."



Figure 8. Regenerative CLT website

Source: https://sphere-triangle-43t4.squarespace.com/

6. Fostering innovation and creativity hubs enhance diversity and broadens opportunities

CLTs' dual focus on permanent affordability and community benefit enables them to identify and deliver not only diverse and appropriate forms of affordable housing, but also non-residential uses that align with place-based aspirations and opportunities. Internationally, this has included opportunities across food, retail, construction, renewable energy, care, and other sectors, often with a focus on addressing specific local needs for diverse community members such as youth employment or education programs, or programs for recently arrived immigrants.

The Principle's focus on education is welcome. For CLTs, education refers not only to partnering with and enabling educational providers, but also on education and capacity development within and through the organisation. In addition to the onboarding of Board members discussed under CLTs and collaborative governance, many CLTs focus on capacity

building and education amongst their members, including financial literacy and governance training.

For example, the Dudley Street Neighbourhood Initiative (DSNI) in Boston, MA, is known for its diverse housing and non-housing programs, including a cultural corridor and a community storytelling platform. DSNI established a CLT as its development arm, which includes City staff as Board members alongside DSNI representatives. Uniquely, the DSNI Board comprises 34 positions according to community demographics, including targeted seats for CLT members under 18. This provides a vital platform for young people to use their voice and become effective advocates and planning stakeholders.



Figure 9. The Dudley Street Neighbourhood Initiatives Board (standing), 2008. Source: author.

Crucially, CLTs' inclusion of permanently affordable housing ensures that people are able to live and work in their communities; this is often overlooked in efforts for creativity and innovation hubs that can drive gentrification and displacement. Due to their awareness of this, CLTs often refer to themselves as undertaking "development without displacement".

The arrival and expansion of smart technologies raises issues not only of connectivity, but privacy, access, equity, and data sovereignty. Many urban centres have rushed to embrace smart technology without consideration of its possible impacts on equity and inclusivity. CLTs have shown themselves to be innovators, such as through their partnerships with social enterprises and commitments to next zero and just transition. This positions CLTs well to partner with agencies looking to deploy smart technology, to provide and ensure appropriate social license.

This must include consideration of the environmental and social impacts of such technologies, including issues regarding materials sourcing and recycling. CLTs are ideally placed to enable communities and stakeholders to examine the purported benefits of smart technologies, ground-truth these according to local needs and aspirations, and filter them according to the obligations of net zero and circularity.

CLTs and the Policy Objectives

Below we highlight key ways in which CLTs have demonstrated relevance to the Policy Objectives.

Objective 1: no-one and no place left behind

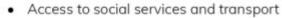
No-one and no place left behind



- Housing availability
- · Housing affordability



· Homelessness and overcrowding



Urban development patterns

CLTs provide diverse, high-quality, and permanently affordable homes in a range of tenure forms according to local need and aspirations.

CLTs' focus on appropriate residential and non-residential development drives superior urban design outcomes.

Objective 2: all people belong and are welcome

All people belong and are welcome



- Accessible participation in community life
- Access to arts and culture
- Preservation of First Nations cultural heritage



- Night-time economy management
- · Sustainability and accessibility in tourism
- Protection of natural and culturally important heritage sites and landmarks
- Investments in sport infrastructure

CLT membership is open to anyone who lives in the CLT's service area and supports its mission, whether they live in a CLT home or not.

In addition to CLTs' resonance with First Peoples' aspirations, their sensitivity to place foregrounds engagement with Traditional Owners, First Nations individuals more broadly, and cultural knowledge as appropriate to place.

CLTs' sensitivity to place and to local economic development places them ideally to enable nighttime economies, underpin heritage protection, support the arts and culture, and support tourism and sports infrastructure, again as appropriate to place. This foregrounds not only economic development but also equitable employment and appropriate place-based opportunities such as slow tourism. Further, their focus on diverse and permanently affordable housing can ensure that employees in these sectors can live and work in their communities.

Objective 3: our urban areas are safe

Our urban areas are safe



- Inclusivity and safety in public spaces
- Safety for marginalised groups
- Crime prevention and community safety
- Safety in movement
- Resilience

CLTs' focus on diverse community input into placemaking ensures public spaces are designed according to community need with a focus on inclusivity.

CLT governance is designed according to key lessons from resilience thinking. In San Francisco, the Sogorea Te' Land Trust is using a CLT to establish culturally based emergency centres with a focus on resilience.

Objective 4: our urban areas are sustainable

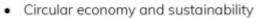
Our urban areas are sustainable



- Net zero and urban emissions reduction
- · Transport emissions



· Building and construction emissions





CLTs are often at the forefront of environmental objectives and have created green space through their activities alongside development. CLT Brussels is looking to mandate zero-carbon homes.

A recent whitepaper detailed the role of CLTs in enabling circular economies and just transition, highlighting the resonance between the objectives of CLTs, circularity, and just transition.¹⁷

Objective 5: our urban environments and communities promote health and wellbeing

Our urban environments and communities promote health and wellbeing



Urban health and liveability





In addition to housing affordability, CLTs increasingly focus on the quality, durability, and environmental impact of their homes. This makes them cheaper to heat and cool and healthier to live in.

CLTs also provide diverse forms of social infrastructure through non-residential and open space provision.

¹⁷ Parker-Tong, L., Hennis, T., & Gieben, T. (2024). *A Social Foundation for Material Impact: Community land trusts as drivers of circularity for a just transition*. And the People, European CLT Network, Circular Buildings Coalition. https://cdn.prod.website-

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Objective 6: our urban areas promote productivity

Our urban areas promote productivity



- Labour mobility
- Income inequality



- · Transport and enabling infrastructure
- Active and public transport
- Future technologies
- Skills shortages
- · Digital connectivity
- · Urban freight and land use planning

By providing diverse and affordable housing options, CLTs can enable both mobility and stability. Davis and Demetrowitz (2003) documented the mobility of CLT residents.

The increasing role of CLTs in underpinning social enterprises and partnering with missionaligned organisation addresses key issues of equitable livelihoods and fair employment.

CLTs' presence as place-based "developers who don't go away" means they are ideally placed to work with mission-aligned partners to identify and redress employment and business opportunities and address these in ways that ensure skills development and equitable outcomes for businesses and employees.

CLTs have partnered with businesses and co-operatives to diversify and stabilise local economies through appropriate local enterprises across construction, food, care, retail, hospitality, energy, and other sectors.

CLTs in the Australian context

There is an emerging and growing CLT sector in Australia, driven by a range of imperatives.

Firstly, Australia has a critical absence of permanently affordable homeownership options. This is creating bottlenecks and dysfunction in the housing system as people are increasingly unable to transition into ownership from rental or maintain ownership. Given the centrality of homeownership in providing stability and the reliance on homeownership in welfare policies, especially aged pension assumptions, the housing sector needs to diversity to include permanently affordable ownership options.

Current shared equity models under development and roll-out in Australia are based on models that internationally have been shown to be inflationary and lose affordability over time. Hence there is a need for a purpose-built, permanently affordable sector.

Secondly, and beyond a need for affordability, Australia has a critical absence of housing and urban development models that embed and uphold ongoing mechanisms for genuine resident and community input into collaborative forms of governance. Much urban development is premised on and/or experiences immense community opposition and antagonism, driven partly by a history of bad actors and poor faith.

CLTs address this directly, referring to themselves as "developers who don't go away" and as undertaking "development without displacement." Both of those phrases speak to the seriousness with which CLTs approach their ongoing presence and responsibility. They also speak to a fundamentally different approach to urban development and community involvement, supplanting tokenistic and after-the-fact "consultation" with a genuine and ongoing voice in dialogue with diverse stakeholders and aligned agencies.

Thirdly, our pressing need for appropriate and regenerative development, informed by Country and its stewards as appropriate, foregrounds the need for approaches that move beyond business-as-usual and into spaces in which innovation can occur. As shown in the examples throughout this submission, CLTs are increasingly being recognised and adopted as speaking directly to this need.

Fourthly, and perhaps most importantly, we consider Australia to be uniquely placed to address the living on Country and self-determination aspirations of First Nations communities through specifically encouraging, as appropriate and determined by community, culturally appropriate forms of CLTs. Actions to raise awareness, build capacity, and promote opportunities for CLTs in First Nations communities on that basis could be a policy priority.

Internationally, as discussed under <u>Government and broader support for CLTs</u>, the two largest CLT sectors (USA and UK) have been enabled by a national definition of the model and of the sector. A comparable definition is needed in Australia for the following three reasons.

¹⁸ Milcheva, S., Damianov, D. & Williams, P. (2023). *The Maturing Shared Ownership Market: A Data-Led Analysis*. University College London. https://discovery.ucl.ac.uk/id/eprint/10183951/

1. Consistency and commitment to core objectives

It is crucial that the CLT sector be made watertight to ensure consistency and that key partners and stakeholders have familiarity regarding CLT structures and objectives, and to exclude bad actors. This would also then create the basis for inclusion of CLTs as organisations eligible to apply for appropriate and targeted funding or other support schemes.

2. Appropriate legal treatment

A national definition will enable appropriate interpretation of CLTs. For example, currently ASIC is working to understand CLTs and whether they are Managed Investment Schemes (MISs). MISs are speculative investment products and deeply misaligned from CLT objectives. This confusion is placing a drag on the emergence of the sector; a national CLT definition would provide grounds for appropriate their consideration and treatment.

3. Current misalignment with Trust law

It is critical to understand that despite their global name, CLTs are **not** Trusts as understood under Australian trust law. Australian trust law generally would perceive the presence of CLT residents on the Board as a conflict of interest and may expose individual CLT members to unacceptable levels of risk. ¹⁹ Therefore, Australian CLTs are incorporating as not-for-profit associations and corporations, and some may incorporate as co-operatives. ²⁰ A national CLT definition could provide grounds for permission to use the word "trust" in a CLT name without being subject to Trust law, if CLTs seek to pursue that course.

In summary, internationally, national definitions and enabling policy environments propelled the emergence and growth of CLT sectors. Australia is well placed to replicate that process.

The final word

Internationally, local, state, and national governments see CLTs as appropriate, ongoing governance partners and targets for policy programs that seek collaborative approaches to addressing intertwined issues of social, ecological, and economic justice.

The National Urban Policy is timely and necessary, speaking to pressing issues when agencies within Australian Local, State, and Federal governments are demonstrating interest in CLTs. We commend the Policy's authors for the depth of thought given to issues of governance, equity, and resilience, and look forward to the ongoing presence of a thriving CLT sector as a key partner in the articulation and delivery of sustainable and equitable urban futures in Australia.

¹⁹ see chapter 8 in Crabtree et al. (2019). *Enabling Community Land Trusts in Australia*. Melbourne: ARENA Publications. https://arena.org.au/enabling-community-land-trusts-in-australia/

²⁰ This places CLTs in an analogous position to Australia's existing community housing providers (CHPs), with the core difference that CHPs do not have large voting memberships that include the broader community and so do not have the same ability as CLTs to channel diverse community voices into the stewardship of equitable development. That said, there are CHPs looking to draw on CLT principles to develop permanently affordable ownership products, a point of origin for CLT-type options that has also been seen internationally.

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https://www.lincolninst.edu/publications/working-papers/stable-home-ownership-turbulent-economy

Peak body and selected CLT websites

Australian CLT Network

https://www.australiancltnetwork.org.au/

Community Land Trust Brussels, Belgium case study

https://www.adaptationclearinghouse.org/resources/community-land-trust-brussels-belgium.html

European CLT Network

https://www.clteurope.org/

Grounded Solutions Network USA

https://groundedsolutions.org/strengthening-neighborhoods/community-land-trusts/

International Center for Community Land Trusts

https://cltweb.org/

Regenerative Community Land Trust

https://sphere-triangle-43t4.squarespace.com/

Sogorea Te' Land Trust

https://sogoreate-landtrust.org/

Troy Gardens case study archive

https://cltweb.org/case-studies/troygardens/

UK CLT Network

https://www.communitylandtrusts.org.uk