



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 44

Agenda Date: October 31, 2024

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Community Land Trust Designation Policy

SUMMARY:

An ordinance adopting a Community Land Trust Designation Policy to create lasting affordability for participating homeowners. The Strategic Housing Implementation Plan (SHIP) includes a strategy to establish a Community Land Trust through the creation of a Community Land Trust Designation Policy.

BACKGROUND INFORMATION:

The Strategic Housing Implementation Plan (SHIP) includes a strategy to establish or empower a non-profit to establish a Community Land Trust (CLT).

CLTs are organizational structures which facilitate collective ownership of land, and permanently restrict its resale value, ensuring lasting affordability for homeowners who are part of the trust. This model is used to help stabilize neighborhoods and build wealth for homeowners who would otherwise be unlikely to buy a home.

ISSUE:

CLTs work by removing property from the speculative market and must be appraised differently. In Texas, prospective CLT organizations must receive a designation from the municipality they operate in for their properties to be appraised as CLTs.

Neighborhood and Housing Services Department (NHSD) drafted a policy for outlining the threshold requirements to receive a CLT designation from City Council including organizational information, affordability levels, financial viability, and community impact. The Community Land Trust Designation Policy also outlines how a CLT can request a 50% city tax exemption if they provide a complete audit. After initial designation, CLTs are required by the State to complete an annual redesignation to receive continued CLT appraisal treatment and maintain any tax exemptions. This process can be handled administratively and the policy recommends that NHSD complete redesignations without additional Council action.

The policy draft has been reviewed by non-profits currently considering CLT designation, Housing Commission, and other stakeholders. The Planning & Community Development Committee was briefed on October 24, 2024.

ALTERNATIVES:

Council may recommend changes to the policy or elect not to adopt a policy, which will prevent CLTs from receiving appropriate appraisal treatment.

FISCAL IMPACT:

The adoption of the CLT policy has no fiscal impact. However, any future fiscal impact is dependent on the number of eligible CLT organizations and eligible properties.

RECOMMENDATION:

Staff recommends adoption of the CLT Designation Policy.