

Legal Models for Community Land Stewardship

Community Land Trusts (CLT)

Prevalence: over 240 CLTs in the US

Legal Structure Basics: *state nonprofit, specific policies in bylaws. May be eligible for federal 501c3 status.*

Characteristics: *Land owned by nonprofit which is managed by board, leased with long term (usually 99 year lease) to residents with stipulations of sales of lease. Buildings and improvements either shared rented or owned by leasee. Has a board for oversight and mission integrity*

Model benefits: *Permanent affordable community housing, access to donor and grant funding opportunities, protects land in perpetuity*

Model Challenges: *no private sector funding opportunities, hard or impossible for individuals to cash out on investment*

Local Examples:

- Celo Community - very early
- Asheville Buncombe County Land Trust

Resources: <https://groundedsolutions.org/tools-for-success/resource-library/community-land-trust-technical-manual>

Agrarian Trusts

Prevalence: *12 commons listed on agrarian commons website, new model*

Legal Structure Basics: *501c2 or 501c25 'agrarian commons' holding entity, with qualified 501 org (usually 501c3) to receive profits - may use [Agrarian Trust](#) org as 501c3.*

Characteristics: *agricultural conservation, has a board for oversight and mission integrity*

Model benefits: *works well with agriculture, community and farmer run model, protects land in perpetuity*

Model Challenges: *difficult to 'cash out', doesn't provide clear pathway on its own for housing and other social infrastructure for farmers living onsite (good to pair with Housing Coops or other entity for housing)*

Local Examples:

- None current formed locally, [see national list](#)
 - Local community exploring Paradise Gardens (Joe Hollace's land) as possible Agrarian Commons location; talk to Zev for more details

Resources: <https://www.agrariantrust.org/>

Cooperative

Prevalence: *common, long history*

Legal Structure Basics: *varies state to state, in NC LLC is most common with cooperative bylaws*

Characteristics: *multi-owner model, suitable for any sort of cooperative endeavor from ownership to operation, usually directly owner operated. Note: See the "Permanent Real Estate Cooperative" model for land-trust like values.*

Model benefits: *very flexible legal structure, also compatible with renting and interlocking cooperatives, can allow private investment and transfer of land, facilitates collective creation and management of infrastructure like microgrids, water systems, car coops, bath-houses, etc.*

Model Challenges: *lawyers may not have cooperative expertise, may require multiple cooperatives to function effectively*

Local Examples:

- Earthaven Neighborhoods like Hut Hamlet
- [Poder Emma](#)

Resources: <https://www.theselc.org/cooperatives> & the [Permanent Real Estate Cooperative Model](#)

Resources compiled by [Cooperate WNC](#)'s Cooperative Land Access practice group 2022.

Updated 2024 by [Weave the People Cooperative](#) (www.weavethepeople.info).

This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](#).

Home Owners Association (HOA) & Townhomes/Condo Associations

Prevalence: *HOA's are the most common community entity in the United States - condo associations are also common*

Legal Structure Basics: *nonprofit, but not tax deductible - state nonprofit in NC, lots of [specific legal framework for HOAs](#)*

Characteristics: *conventional model often used for community land in conjunction with private plot ownership. Most subdivisions use this model to establish community culture and agreements and manage some community assets.*

Model benefits: *common legal structure (easy to find lawyers to help)*

Model Challenges: *missing land protections; negative associations for some people, not necessarily structured for community*

Local Examples:

- Most new developments have an HOA
- Earthaven employs an HOA as a part of its Hybrid model which owns forestry and ag land, water and energy infrastructure, roads and other commons, but does not include actual housing (housing is in neighborhoods which are each their own entity)
- Westwood Cohousing in Asheville is a condo association

Resources:

- Basic info from law firm: <https://www.cedarmanagementgroup.com/north-carolina-hoa-laws/>

Hybrid Models

Prevalence: *most projects involve some level of collaborative hybridization!*

Legal Structure Basics: *Up to you! Mix and match :)*

Characteristics: *Mixing the above and other legal structures to suit your specific needs!*

Model benefits: *flexible, allows different individuals in a community to participate in the things that they have the most interest/sense of ownership in*

Model Challenges: *complex choose your own adventure! More bureaucracy and admin energy required to maintain. Potential fracturing along organizational lines if some members feed some legal entities but others.*

Local Examples:

- Earthaven Ecovillage
 - HOA manages physical infrastructure
 - Earthaven Community Association (ECA) manages community affairs, cultural and ritual and educational events
 - Culture's Edge 501c3 Nonprofit supports educational programs
 - 10 Various neighborhoods each have cooperative, nonprofit, or LLC entity which owns the parcel
 - Private businesses also exist within Earthaven community, which lease property/land from entities to do their business on
- Many organizations ultimately entail some hybridization depending on circumstances

Resources: - N/A

Religious Community/Commune

Prevalence: *common*

Legal Structure Basics: *flexible, probably a 501(d) "Religious and Apostolic Association" organization - Twin Oaks is like this*

Characteristics: *Members give up almost all personal property ownership*

Model benefits: *can have simple legal structure*

Model Challenges: *require very high commitment and philosophical buy in from members, no space for personal equity*

Local Examples:

- Unsure of WNC examples
- Twin Oaks Community

Resources: N/A

Resources compiled by [Cooperate WNC](#)'s Cooperative Land Access practice group 2022.

Updated 2024 by [Weave the People Cooperative](#) (www.weavethepeople.info).

This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](#).