

Mémoire sur le devenir de Benny Farm

Le Groupe ^{CONSEIL A} **Pauvreté/Anti-Poverty Group** (GAP/APG) a Notre-Dame-de-Grace (annexe 1) s'est formé dans les années 90 pour éduquer et soutenir les personnes à revenus modestes dans l'exercice de leurs droits en tant que citoyens. Parmi ceux-ci, le droit à un logement abordable est cité à l'article 11 du Pacte relatif aux droits économiques, sociaux et culturels de l'ONU endossé par le Québec.

L'importance du projet communautaire Benny Farm (525 logements) dont la priorité est **l'abordabilité permanente** nous amène à présenter ce mémoire à l'intention de la Société immobilière du Canada (SIC) propriétaire du terrain.

Tenant compte que la SIC a pour but de présenter un projet à la fois viable, bien intégré dans son milieu et répondant aux besoins et aux attentes de la communauté locale, le projet présente quelques lacunes importantes que nous voulons signaler.

A)

L'échelle des revenus donnant accès au projet va de **30,000 \$ à 60,000 \$** pour acquitter un loyer dit "abordable" de **500 \$ à 1,100 \$**.

Pierre travaillant 40 hres au salaire minimum de 7,25\$ gagne un salaire annuel de 13,920\$. On estime couramment les frais de logement à 35% du revenu, soit 406 \$ /mois. Il lui reste 754 \$ pour couvrir l'impôt et ses cotisations, nourriture, vêtement, transport, médicaments, etc. L'accès à la propriété lui est interdit, à moins qu'un projet spécifique ne soit proposé ailleurs....

Actuellement la norme fixée par les programmes Accès Logis et les Coop pour calculer le montant affecté au loyer étant de 30%, un revenu brut de 30,000\$ dont 30 % doit être affecté au logement représente un loyer mensuel de **750\$** ... hors du barème fixe et par conséquent ces candidats se trouvent exclus du projet ! Il est donc important d'élargir l'accès au logement abordable pour répondre au besoin des nombreuses familles à revenu modeste.

B)

Il nous paraît impossible d'espérer un **loyer abordable de façon permanente** pour les 117 logements locatifs qui seront construits par le privé, étant donné la nécessité pour un propriétaire d'assumer les frais de construction et d'entretien et le profit attendu d'un investissement dans l'immobilier.

Il est donc important de fixer un mode d'administration de Benny Farm qui puisse assurer la permanence de l'affordabilité. Jusqu'ici, une diversité de modèles ont déjà répertoriés mais aucun ne présente une réelle permanence de l'affordabilité.

C)

Pour gérer l'administration du site créé sous le signe de l'abordabilité permanente, la Société Immobilière du Canada (SIC) se propose de former une association des propriétaires (occupants ou non le terrain). Sont exclus les logements déjà construits pour les vétérans dont elle est la propriétaire et qui relèvent du marché.

Nous proposons d'agir démocratiquement. Pour que le site se développe harmonieusement, il faut assurer la participation de chacun des ménages vivant sur les lieux, propriétaires ou non. Ainsi, l'association des locataires aurait un représentant à l'Association comme le propriétaire lui-même. Mieux encore, les habitants des rues avoisinantes seraient aussi représentés au Conseil d'administration de l'Association.

D)

La formule d'un fonds foncier, corporation sans buts lucratifs qui devient gestionnaire du terrain, serait selon nous à raffiner et ajuster au besoin. Ce mode d'opération facilite la négociation avec chaque nouveau client et développe une solidarité entre les groupes, les locataires et les propriétaires (Annexe 2 - The Community Land Trust Model by the Institute for Community Economics 4p.) Peut-on imaginer qu'un OSBL se porte acquéreur de Benny Farm étant entendu qu'il respecterait les engagements de la SIC à l'égard du logement abordable ? La Ville de Montréal pourrait-elle devenir propriétaire du site ? ?

Nos remerciements à la SIC, à la Ville de Montréal et aux commissaires de l'Office de consultation publique qui nous ont entendus.

26 Novembre 2003



Mission

We believe that poverty is a societal problem not an individual one and that we must all challenge the social structures which keep people in poverty.

Goals

Through collective efforts we seek to empower, to educate, and to provide material aid to low income people.

Objectives

With the help of our members and volunteers, the NDG Anti-Poverty Group provides to individuals and the community the following:

- **Advocacy & Referral**
 - Welfare rights
 - Referrals to needed resources

- **Education**
 - Welfare rights and Information services for individuals and community organizations

- **Empowerment**
 - WILL Women Inspired for Life and Learning

- **Social Justice**
 - Member of Table du Securitie Alimentaire NDG

- **Political Action.**
 - Bill C12,
 - Zero Poverty Campaign,
 - Minimum Benefits Campaign (Barem Plancher)

- **Direct Services**
 - Emergency food
 - Clothing donations
 - Tax clinics*
 - Christmas Baskets
 - Provide employability tools - computer, internet, fax, photocopies



The Community Land Trust Model

What is a CLT?

Why a CLT?

Important features of a CLT

What is a CLT?

A community land trust (CLT) is a democratically controlled nonprofit organization that owns real estate in order to provide benefits to its local community - and in particular to make land and housing available to residents who cannot otherwise afford them.

CLTs have been established in different kinds of communities, with different kinds of projects meeting different community needs, but they share some important features, including a distinctive approach to the ownership of real estate, and a distinctive approach to community-based governance.

A Distinctive Approach to Ownership.

Acquiring Land for the Community. Sometimes CLTs acquire vacant land and arrange for the development of housing or other structures on it. At other times, CLTs acquire land and buildings together. In both cases, CLTs treat land and buildings differently. The land is held permanently by the land trust so that it will always benefit the community. Buildings can be owned by those who use them.

Homeownership on Community Land. Buildings on CLT land may serve different needs, but, when possible, CLTs help people to own their own homes on this land. When a CLT sells homes, it leases the underlying land to the homeowners through a long-term (usually 99-year) renewable lease, which gives the residents and their descendants the right to use the land for as long as they wish to live there.

Still Affordable for the Next Homeowners. When CLT homeowners decide to move out of their homes, they can sell them. However, the land lease requires that the home be sold either back to the CLT or to another lower income household, and for an affordable price.

A Distinctive Approach to Governance.

Membership organization. CLTs are usually organized as "membership corporations," with boards of directors elected by the members. Usually there are two groups of voting members. One group is made up of all the people who live in CLT homes (or use CLT land in other ways). The other group is made up of other people in the community who are interested in what the CLT is doing - including neighbors of CLT residents, and people who may want to have CLT homes in the future.

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Board structure. Usually the CLT board includes three kinds of directors - those representing resident members, those representing members who are not CLT residents, and those representing the broader community interest. In this way, control of the organization is balanced to protect both the residents and the community as a whole.

Why a CLT?

In Growing Communities.

In many communities today population growth and economic investment are driving up real estate prices so that fewer and fewer working people can afford to live in the communities where they work. Fewer still can afford to buy homes in those communities. Limited public funds are available to subsidize housing costs for lower income households, but the gap between the amount of subsidy needed and the amount of subsidy available continues to widen as housing costs soar.

To address this problem, community land trusts are being developed in a growing number of communities - in expanding metropolitan areas from Cleveland, Ohio to Portland, Oregon; in university communities from State College, Pennsylvania, to Boulder, Colorado; in expensive resort communities from the Florida Keys to the San Juan Islands of Washington State and in many other communities as well. These CLTs control housing costs by permanently limiting land costs and "locking in" subsidies so that they benefit one homeowner after another and do not need to be repeated each time a home is sold.

And in Disinvested Neighborhoods.

The problems of low-income neighborhoods typically revolve around disinvestment and absentee ownership. As homeownership declines older buildings are likely to be bought by absentee investors who allow the buildings to deteriorate while charging high rents. The rent paid to these absentee owners leaves the community. It is not saved by the residents, not spent in local stores, not used to improve the community. If residents do organize themselves to improve their neighborhood, it will be the absentee owners who will reap the benefits of increased property values.

Through a CLT, however, residents themselves can capture the value they create so that it benefits their own community rather than absentee investors. For instance, when residents of Boston's Dudley Street neighborhood organized to rebuild their community, they decided to establish a CLT so they would not ever lose control of what they had worked to build. Their slogan was "Take a Stand, Own the Land."

Important Features of a CLT

• Acquiring Land for the Community

Sometimes CLTs buy undeveloped land and arrange to have new homes built on it; sometimes they buy land and buildings together. In either case, the CLT treats land and buildings differently. CLT land is held permanently - never sold - so that it

can always be used in the community's best interest. Buildings on CLT land, however, may be owned by the residents.

- Access for Low-Income People

The CLT provides access to land and housing for people who are otherwise priced out of the housing market. Some CLT homes are rented, but, when possible, the CLT helps people to purchase homes on affordable terms. The land beneath the homes is then leased to the homeowners through a long-term (usually 99-year) renewable lease. Residents and their descendants can use the land for as long as they wish to live there.

- Prices Stay Affordable

When CLT homeowners decide to move, they can sell their homes. The land lease agreement gives the CLT the right to buy each home back for an amount determined limited by the CLT's resale formula. Each CLT designs its own resale formula - to give homeowners a fair return for their investment, while keeping the price affordable for other lower income people.

- Owner-Occupancy Preserved

The land lease requires that owners live in their homes as their primary residences. When homes are resold, the lease ensures that the new owners will also be residents - not absentee owners.

- Multi-Family Buildings

A CLT can work with various ownership structures for multi-family buildings. The CLT itself may own and manage a building as rental housing, another non-profit may own it, or the residents may own it as a cooperative or as condominiums. In each case, the CLT will ensure long-term affordability.

- Helping New Homeowners

CLTs can provide a variety of training opportunities and other services to first-time homeowners, and can provide crucial support if homeowners face unexpected home repairs or financial problems. In these cases the CLT can often help residents to find a practical solution, and may help to make necessary financial arrangements.

- A Flexible Approach

CLTs have been established to serve inner-city neighborhoods, small cities, clusters of towns, and rural areas. A CLT working in a small city neighborhood may be the only local housing group, though it may collaborate with citywide and regional organizations. Other CLTs, serving larger geographical areas, may work closely with a variety of local organizations. CLTs may develop housing themselves or may hold land beneath housing produced by other non-profit (and sometimes for-profit) developers.

AFFORDABLE HOMEOWNERSHIP ON BENNY FARM

*Theresa Shuler
Access*

The objectives of the long-term homeownership affordability measures are:

- Residential stability – ensure that the measures do not encourage rapid resale of the properties.
- A model that is easy to understand and apply.
- Flexibility to allow adjustment to changes in the housing market or in the need for housing.
- ← • Maximization of the impact by helping the most households to become homeowners.
- ✕ • Ensure that the measures are in place for at least one generation.

The Option to Buy model:

The difference between the market value and the purchase price is included in an option to buy. For example, if the unit is bought at 85% of market value, the purchaser must sell it in the future at 85% of market value.

The market value of the property is evaluated each time the property is sold (including the first time).

A default clause ensures that the purchaser respects the conditions of the option to buy.

An organisation/legal entity (e.g. Benny Farm Homeownership Access) holds the option to buy and can transfer this to a qualified buyer. (The BFHA, which is formed of all the co-owners of Benny Farm and financial partners, if pertinent, also manages the waiting list.)

The new purchaser buys with the same conditions (i.e. option to buy at the percentage of market value determined in the first sale).

Evaluation of the measures and their impact after 10 years to assess whether changes or adjustments are necessary to better respond to housing needs and market conditions.

The advantages:

- It is simple and clear.

The amount to be repaid fluctuates with market conditions, not penalizing the owner if there is a downturn in the market.

The owner's investment in maintenance, improvements, and renovation is reflected in the market value.

The BFHA does not need funds to purchase from a buyer, nor manage any funds upon the resale of the property.

The option to buy can be exercised as long as a need for the housing exists (e.g. as demonstrated by the waiting list).