YIMBY TOWN '26

Combatting the Speculative Land Market

Land Value Tax, Community Land Trusts, and Public Land Leasing | Nov. 17

Russell Richie, *Director of Strategy and Impact, Progress and Poverty Institute*
Ryan McKinless, *Development Manager, Birdsong Housing Partners*
Brittany Palmer, *Executive Director, Front Step Community Land Trust*
Dayna Lazarus, *Housing Technical Advisor, Florida Housing Coalition*



Agenda

- **Framing & History of Land Valuation** (Dayna Lazarus, Florida Housing Coalition, 5 min)
- Tools as alternatives to speculative market for land and homes:
  - **Community Land Trust** (Brittany Palmer, Front Step CLT, 10 min)
  - **Public Land Leasing** (Ryan McKinless, Birdsong Housing Partners, 10 min)
  - **Land Value Tax** (Russell Richie, Progress and Poverty Institute, 10 min)
- **Summary (**Russell Richie leads, 5 min**)**
  - *Where do these tools succeed best?*
  - *What are the biggest strengths of these tool?*
  - *Can these tools work together in a utopian future?*
- **Audience Q&A (**10 min**)**

Why “Combat” Speculative Commodified Land Market?

- **Affordable housing shortage** exacerbated by vacant properties/speculation
- **Corporate land ownership** rather than individual wealth-building opportunities (wealth inequality)
- **Urban sprawl** driven by inner-city value increases
- **Global financial instability/bubbles** leading to economic collapse/recession. “Overinflated land values untethered to actual economic productivity can collapse sharply.”

YIMBY is rooted in economic concepts of supply and demand.

Can’t dissect entire issue in today’s session.



(image source: blog.landeconomics.org/p/the-housing-crisis-as-a-land-crisis)

Why is land valuable?

Three features that make land a uniquely valuable financial asset (Mike Bird):

- Finite/fixed amount
- Cannot be moved (or hidden)
- Does not physically decay (is extremely long-lived; does not depreciate)

Land was identified as the perfect way to **kickstart the American economy** shortly after the country was founded because productive land was abundant.

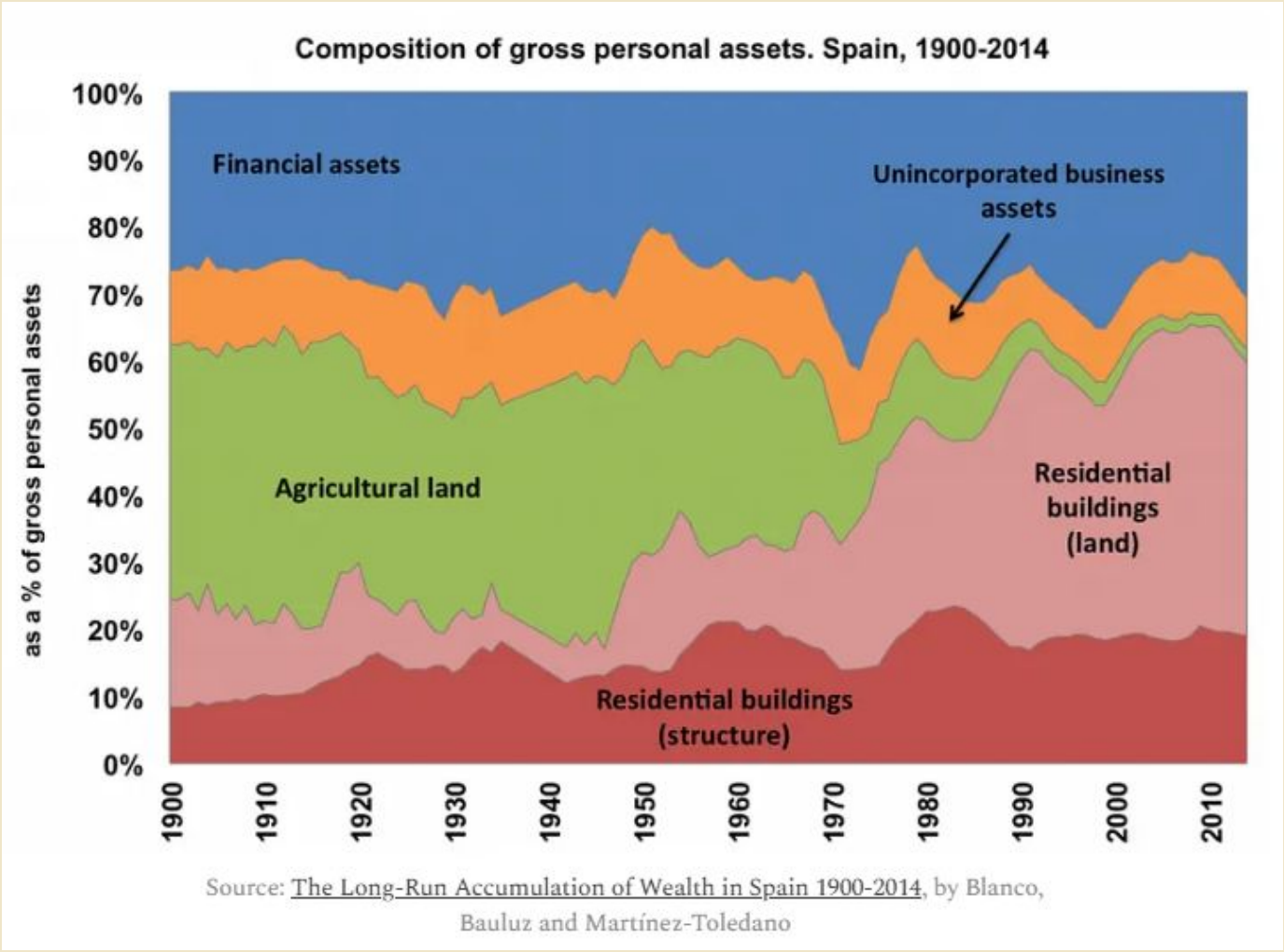
Through a series of policy and governing decisions, land became **financial collateral** and has become a foundation of the U.S. (and global) economy.

Sources:

- John Davis of "Roots of the CLT" Ch. 1 and Ch. 2 on Youtube funded by the National CLT Network
- Mike Bird, "The Land Trap" (2025)
- Lars Doucet, “Book Review: The Land Trap by Mike Bird,” Progress and Poverty Institute article 2025
- Greg Miller, “The Housing Crisis as Land Crisis,” Progress and Poverty Institute article 2026

History of U.S. land value

- **Commodification/financialization of land** pioneered in U.S. in the 1700s to solve a) currency shortage (literal shortage of shillings, paper money, etc.), b) need for U.S. government to create a revenue stream (640 acres, $1 per acre). In this system, the title to land can be freely bought or sold like a material good, and used as **collateral** for bank loans.
- Great way to “bootstrap” American economy because there was little capital, but **plentiful land** to trade as collateral for loans to buy material goods like tools, labor, etc. to in turn generate wealth to pay off the loan.
- Land used to be valuable per its agricultural productivity. With urbanization, that changed. By the 1950s, **residential buildings** worth more than agricultural land.



Source: The Long-Run Accumulation of Wealth in Spain 1900-2014, by Blanco, Bauluz and Martínez-Toledano

Big Problems

- Wealth inequality: When value moves up, it only benefits the wealthy few who can afford to own it. In 1879, economist Henry George (Book: “Progress and Poverty”) wrote that land value increase is the “**unearned increment**” aka an “invisible tax on enterprise” feeding off the value created by others.

- “The Land Trap:” Land speculators buy land, raising prices, allowing them to take out more money, to buy more land; meanwhile, other sectors have to pay rent but have less money to pay it with, and less money to pay workers and invest in other things. When land prices are too high and too much of the economy is sucked up by land, it creates a bubble which can pop and **crash entire economies**. (Economist Mike Bird).

Other ways land can be “valued”

Different cultures, countries, and groups define, govern, and financialize land value differently:

- **Mexican Ejido:** The Mexican Constitution of 1917 created the ejido system to protect rural and indigenous farmers. Prior to 1992, all were rural land owned by collective; now they can vote to sell it to individual members.
- **Singapore** is a city-state that has avoided the land trap; the state owns all land and leases it to citizens w/99 year term; similar to title, as leases can be traded, passed on, etc. but return to government at 99 years. State controls land, provides generous housing subsidies, keeping values stable; over 80% of the population lives in city-owned flats; 90% “own” their homes (not the land).
- **Community Land Trusts (CLTs) in the United States** view land value as social product of community investment and growth; where current use trumps future potential. Land is held “in trust” by a democratically-governed organization.

Key Concepts

Land commodification was manufactured by the founders of the U.S. as a tool for economic growth; has problems such as wealth inequality and boom-and-bust cycles that cause devastation.

Assumptions about "the commons" persist. However, economists (such as Elinor Ostrom) and communities alike have argued against the "tragedy of the commons," positing that shared space can be successfully cooperatively, democratically governed.

Traditional U.S. government (zoning, mortgage-backed loans, etc.) views "highest and best use" of land as how much **financial productivity potential** a property has; American system views it as how much profit can be made by a single owner.

It's **people** who ultimately *create* land value. Much of land value comes from **public investment.**

Land can be valued differently, such as: the **highest and best use to the community to directly support life, including future generations.**

Community Land Trusts

1960S - NEW COMMUNITIES INC.







WHAT IS THE HIGHEST AND BEST FINANCIAL USE FOR THIS LAND?

WHAT IS THE COMMUNITY NEED FOR THIS LAND?



CREATES AN ALTERNATIVE ECONOMY FOR LAND BY REMOVING IT FROM THE SPECULATIVE MARKET AND HOLDING IT IN TRUST ON BEHALF OF THE COMMUNITY



KEEPS LAND AND COMMUNITY RESOURCES IN COMMUNITY OWNERSHIP AND MAINTAINS AFFORDABILITY FOREVER.

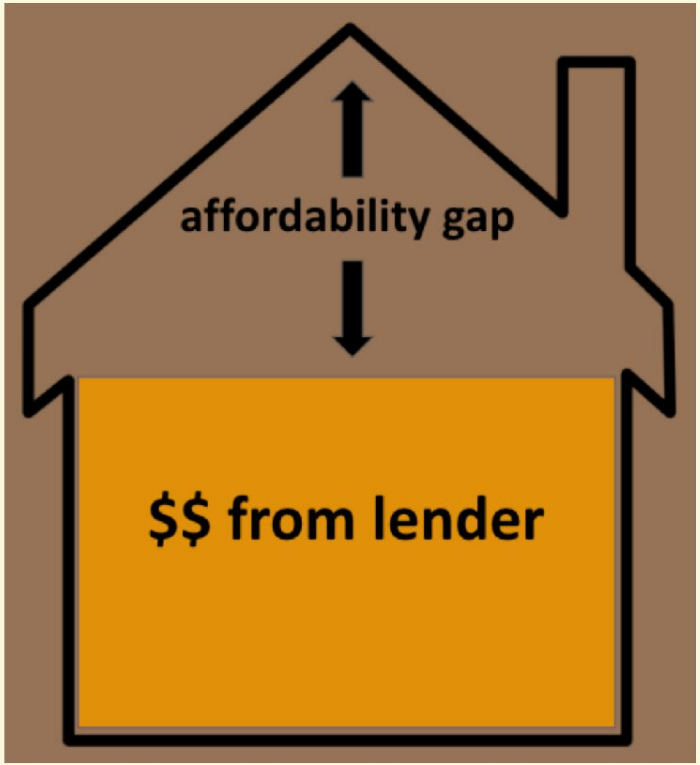


REQUIRES SUBSIDY, BUT THE SUBSIDY IS NEVER LOST AND INSTEAD GROWS OVER TIME AS LAND VALUE INCREASES.



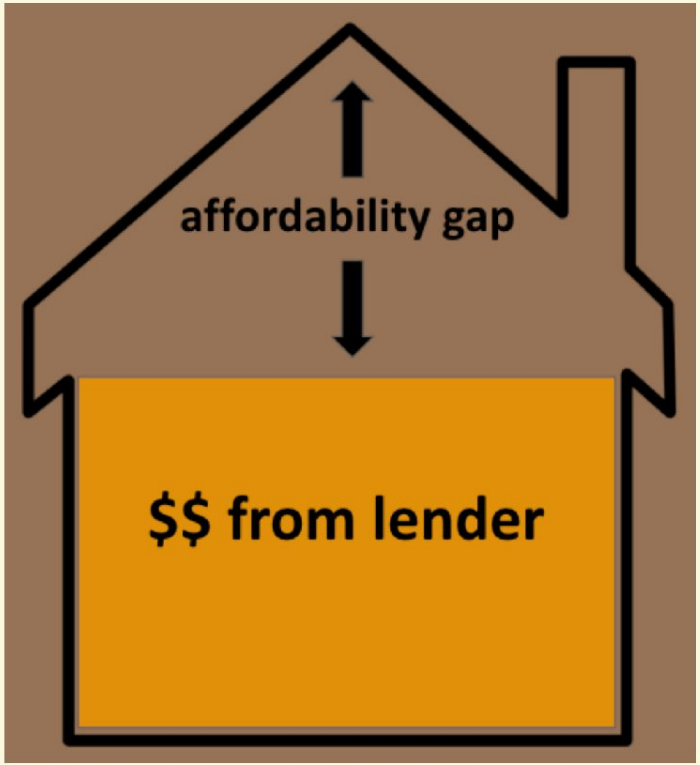
COMMUNITY LAND TRUSTS

1. Obtain land and develop or partner to develop housing.



COMMUNITY LAND TRUSTS

1. Obtain land and develop or partner to develop housing.
2. Invest one-time subsidy.



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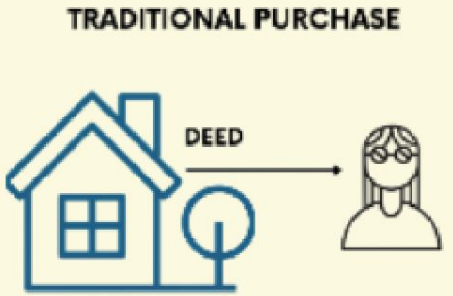
3. CLT identifies income-qualified buyer.
4. CLT and homeowner enter into ground lease agreement.





COMMUNITY LAND TRUSTS

1. Obtain land and develop or partner to develop housing
2. Invest one-time subsidy
3. CLT identifies income-qualified buyer.
4. CLT and homeowner enter into ground lease agreement.

- limits the maximum price you can sell your home for
- requires owner occupancy
- requires income qualification at time of purchase

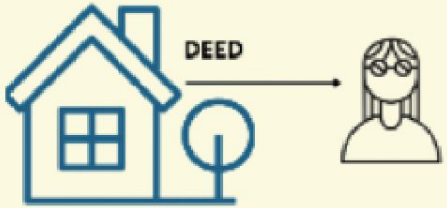
COMMUNITY LAND TRUSTS

1. Obtain land and develop or partner to develop housing
2. Invest one-time subsidy
3. CLT identifies income-qualified buyer.
4. CLT and homeowner enter into ground lease agreement.
5. Subsidy passes on to next buyer.



LIMITED EQUITY HOUSING CO-OPS

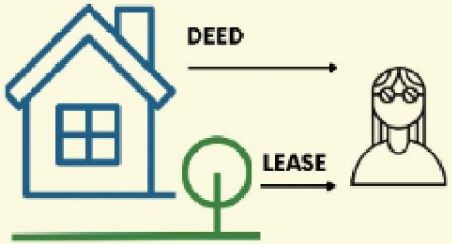
TRADITIONAL PURCHASE



TRADITIONAL PURCHASE



COMMUNITY LAND TRUST



COMMUNITY LAND TRUST



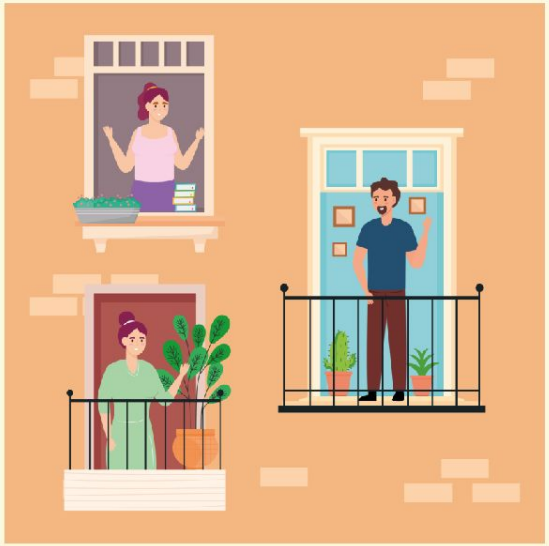
TRI-PARTITE BOARD OF DIRECTORS



CLT Homeowners



Technical Experts



Community Members

HOUSING ABUNDANCE + PERMANENT AFFORDABILITY



- CLTs are community based developers.
- Balancing community benefit with individual wealth building.
- Antidisplacement tool that should be used alongside pro-homes advocacy.
- If liberalized zoning, better infrastructure, & public investment create new land value, the CLT's role is to capture some of that for specific community benefit.



Public Land Leasing

The basics of public land leasing (in Florida)

Cities, counties, CRAs, school boards, and housing finance authorities can all hold, sell, and lease land.

BirdsonG HOUSING PARTNERS

Municipalities

Fla. Const. Art. VIII, §2(b)

Municipalities have the power to acquire and dispose of property for any valid municipal purpose the law doesn't prohibit.

Affordable housing is a valid municipal purpose.

Counties

F.S. 125.35(1), 125.379, and 125.38

F.S. 125.35(1). Counties are authorized to sell/convey any real or personal property, and to lease real property, belonging to the county.

F.S. 125.379. Disposition of county property for affordable housing.

F.S. 125.38. Authorizes counties to sell or lease land to nonprofit entities for nominal or below-market value.

Other public landowners

CRAs, school boards, HFAs

CRAs (163.370): acquire and dispose of land per the redevelopment plan.

School boards (1001.43(12)): can use portions of school sites, land deemed not usable for educational purposes, or land declared as surplus to provide sites for affordable housing.

Housing finance authorities (159.608): own land for affordable housing.

Fla. Const. Art. VIII, §2(b); F.S. 125.35, 125.38, 163.370, 1001.43(12), 159.608.

State requirement: Inventory of public land appropriate for use as affordable housing

By October 1, 2023, and every 3 years thereafter, each county shall prepare an inventory list of all real property within its jurisdiction to which the county **or any dependent special district within its boundaries** holds fee simple title which is appropriate for use as affordable housing. The inventory list must include the address and legal description of each such real property and specify whether the property is vacant or improved. The governing body of the county must review the inventory list at a public hearing and may revise it at the conclusion of the public hearing. The governing body of the county shall adopt a resolution that includes an inventory list of such property following the public hearing. **Each county shall make the inventory list publicly available on its website to encourage potential development.**

Sources: F.S. 125.379(1) (2025); prior text from F.S. 125.379(1) (2012), ch. 2006-69; amended by s. 4, ch. 2023-17 (Live Local Act).

State requirement: Inventory of public land appropriate for use as affordable housing

Summary of F.S. 125.379(1) / F.S. 166.0451(1)

1. Inventory must be done at least once every 3 years
2. Each city and county must look at all land it owns, and its dependent special districts owns, in fee simple
3. Identify parcels that are “appropriate for use as affordable housing”
4. Place identified parcels on an inventory list with address, legal description, and whether property is vacant or improved
5. Each city and county must adopt a resolution that includes the inventory list
6. Post the inventory list on the city or county’s website

Why leasing public land for affordable housing makes sense

The result: dense, affordable housing in places that support community

Location

Public land is often well connected, with infrastructure and community resources already in place.

Cost

Cheap or no-cost land helps affordable deals pencil out.

Land stays public

A lease, not a sale, keeps the land and its future value off the speculative market.

State housing finance agencies (HFAs) evaluate a proposed site's proximity to

- Grocery
- Medical
- Pharmacy
- Public school
- Transit

Proximity criteria: Florida Housing Finance Corporation competitive applications for LIHTC, SAIL, HOME, and other funding.

Why leasing public land for affordable housing makes sense (cont'd.)

Affordability, upkeep, and services are locked in for years.

Affordable housing is a public benefit

"Traditional" affordable housing serves low-income households (i.e. LIHTC must serve at or below 60% AMI) that would otherwise struggle to find rental housing options that fit their budget.

Legal mechanisms ensure long-term affordability

Land use restriction agreements (LURAs) give communities assurance that their land will be used for the agreed-upon purpose, affordable housing, and *will not be flipped on the speculative market in a few years*.

Program compliance gives assurance

Federal and state funding programs (LIHTC, SAIL, etc.) require long-term compliance monitoring. For example, in Florida, developments receiving LIHTC must remin in compliance for 50 years*. *Continued investment means the housing is maintained and capitalized; it won't fall into disrepair, and services won't go by the wayside*.

LURA: land use restriction agreement. LIHTC: Low-Income Housing Tax Credit. SAIL: State Apartment Incentive Loan. AMI: area median income.

Civitas of Cape Coral

Public land leasing in practice | Cape Coral, Lee County, FL

- Funded through FHFC RFA 2019-102: Community Development Block Grant-Disaster Recovery (CDBG-DR) to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- A requirement of the RFA was to commit to making the land affordable in perpetuity.
- Funding sources included 4% LIHTC (provided through Raymond James Tax Credit Fund), City SHIP funding, City HOME funding, Lee County SHIP funding, CDBG-DR, and conventional loans provided by Fifth Third Bank and Citi Bank.
- Partnered with Revital Development Group.
- 96 units, all serving households at or below 80% AMI.
- 5 units committed to serving Persons with Special Needs with extremely low incomes.
- ***99-year ground lease with the Lee County Housing Authority.***



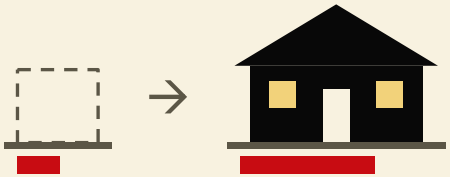
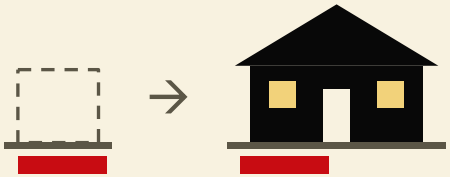
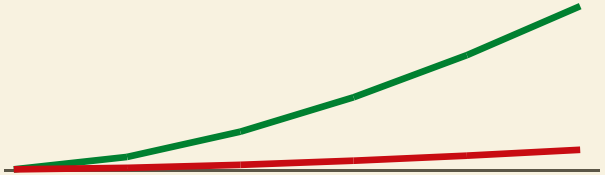
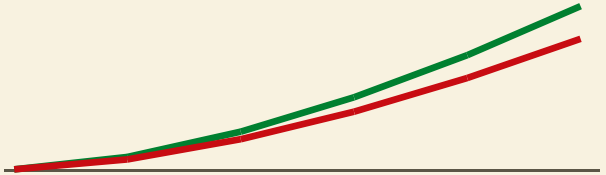


Florida-specific examples of public land creating new housing

- Delray Beach CLT
- Collier County
- Tallahassee / Leon County
- Hernando County Habitat for Humanity
- Alachua County
- DeSoto County Schools
- Fort Myers
- Orange County Public Schools

Land Value Tax

Property tax discourages building, encourages speculation. Land value tax does the reverse.

	Property tax	Land value tax
Build or renovate	 Your tax goes up	 Your tax stays the same
Hold land and wait	 Waiting pays	 Waiting costs

Land value

Tax paid

Illustration, not to scale. Land value tax shown with no tax on buildings, raising the same total as today.

Pennsylvania has tried this since 1913 and got more homes

2 to 5

percentage points

faster growth in housing units per decade, for two decades after adoption

No significant change in rooms per unit

Banzhaf and Lavery (2010), Pennsylvania

20 municipalities have tried a split rate

12 kept it through 2018

8 ended it, including Pittsburgh and Scranton

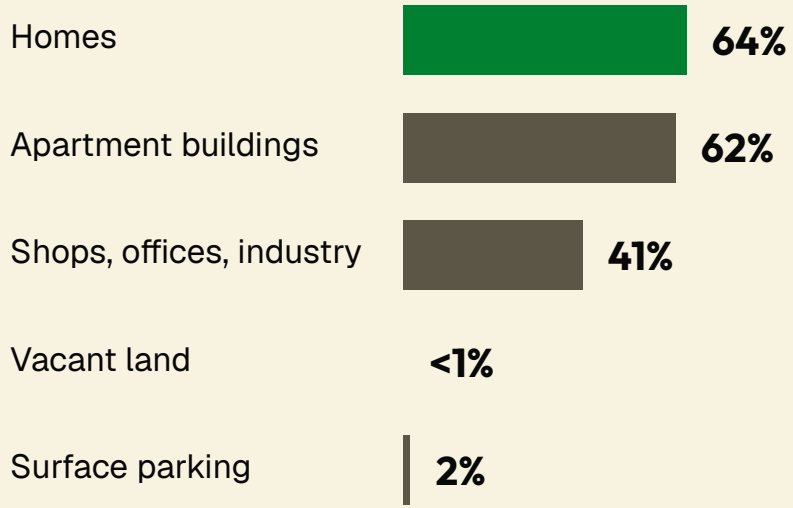
Adoption counts: Yang and Hawley (2022), Table 1, as reproduced in PPI, What Happened When Pennsylvania Taxed Land?

In the typical city we modeled, ~ 2 in 3 homes would pay less.

But only 1 in 5 homeowners expect to save.

Share paying less, typical city

23 U.S. cities, modeled



National survey of 1,000 adults

22%

of homeowners expected a lower bill

58%

of those homeowners supported a shift, against 31% of all respondents

Modeled with LVTShift: revenue-neutral split, land taxed at four times the building rate, 1.9 million parcels in 23 U.S. cities; typical city is the median. Most homes pay less in 16 of 23 cities. Surface parking: the 11 cities with parking parcels. Survey: Richie, Miller, Hoskins, and Faass, Challenges and opportunities in messaging land value tax (revise/resubmit).

To try this in your city, check three things

1

Can your city set separate rates?

Check your state's uniformity clause and whether cities need state authority.

2

Does your assessor value land separately, and recently?

Stale or lumped assessments can sink a shift. Talk to the assessor early.

3

Whose bill goes up, and whose goes down?

Model it parcel by parcel before anyone asks, then tell the people who save. LVTShift is free and open source.

Reaches every parcel, needs no subsidy, buys no land. **It guarantees no particular home stays affordable.**

LVTShift: github.com/gregmiller00/LVTShift. OpenAVMKit, for land assessment: openavmkit.com. More from PPI: progressandpovertyinstitute.org



Tonight! 6 PM until late

Upstairs at Slim's Dive Bar, 227 S. Wilmington St., three blocks from the convention center

Free tacos (tickets required), drinks at the bar, patio firepits

Scan for tickets

Tue. & Wed., Nov. 17–18

Visit the land value tax table

See Raleigh's land values in 3D, grab a one-pager, and enter our raffle.

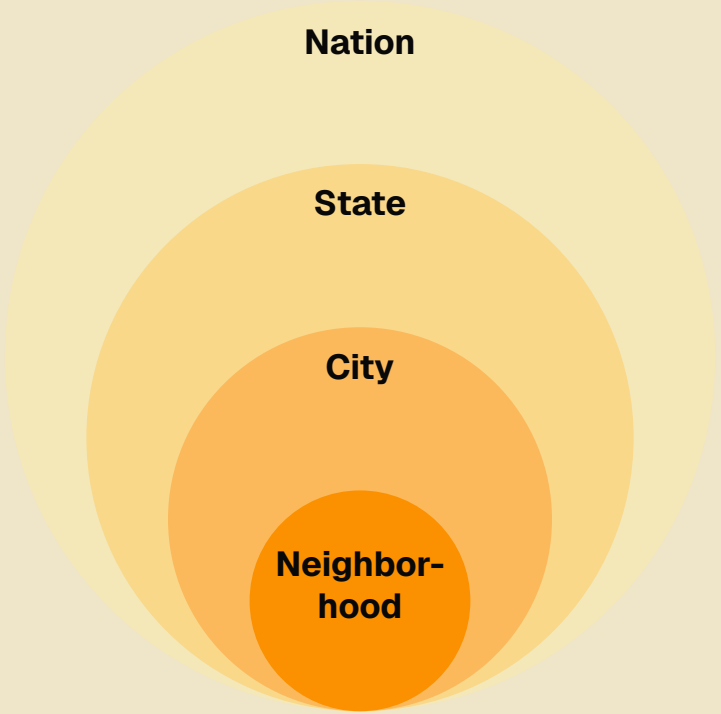
Three groups, one table:
Progress & Poverty Institute
Center for Land Economics
Common Ground USA

Bring your questions about your city. Skeptics welcome!

Tacos & Taxes tickets: eventbrite.com/e/tacos-taxes-a-land-value-tax-happy-hour-tickets-2003190839726

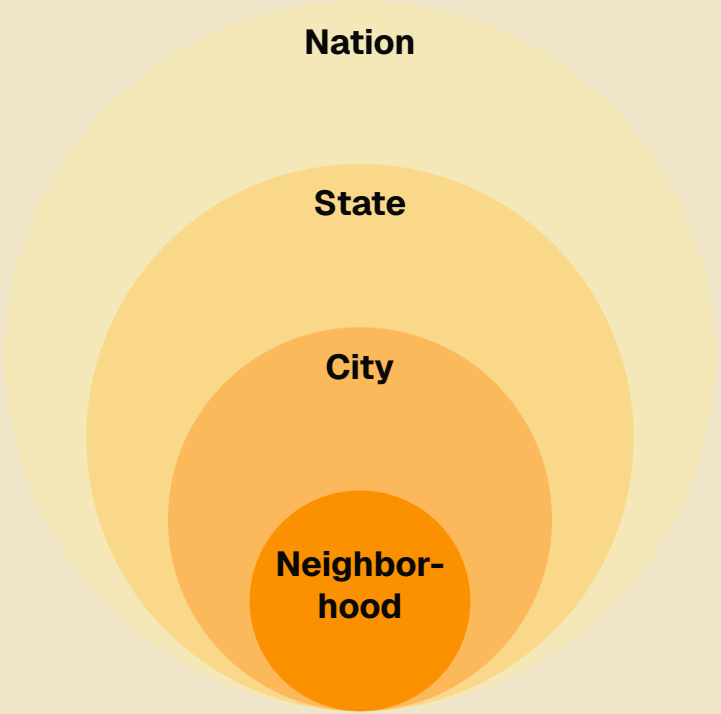
Bringing it all together

The community creates land value. But which community?



Henry George, *Progress and Poverty*

Land value is created at every scale, so every scale has a claim on it



Nation: Rule of law, property rights, national institutions

State and region: A larger job market, connections to other metros

City: Transit, sewers, parks, schools

Neighborhood: Block parties, a new coffee shop, beautifying a facade

Builds on Foldvary (2015), The Ten Commandments of Geoism, which assigns rent from population and commerce to the communities that generate it.

Each tool claims land value at some levels, and none we know of claims it at all four

	Community land trusts	Land value tax	Public land leasing
Nation			Singapore
State and region	Champlain Housing Trust (three Vermont counties)	Australian states, Baden-Württemberg	Canberra, Hong Kong
City	Front Step CLT (Missoula)	Pennsylvania cities, Danish, Estonian municipalities	Amsterdam, Stockholm, Collier County (Florida)
Neighborhood	Dudley Neighbors (Boston)		

Same claim at different scales. The shared opponent: speculation, private gains from public investment

Baden-Württemberg sets the tax model and its cities set the rate. Estonia sets limits; its municipalities set the rate and keep the revenue, about 0.2% of land value a year. Sources: Shelterforce; Revenue NSW; PPI; Lincoln Institute; TU Delft; Collier County; ERR.

In our utopian future? The trust keeps some land rent and pays city, state, and federal land tax.



Philadelphia replaces its building tax with a land tax, and the state and federal governments tax land too. Applies where a neighborhood trust holds the land. Box sizes are illustrative.

Q & A

Raleigh, NC

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Thank *you*!

Raleigh, NC

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Backup slide ideas

Pennsylvania split rates brought more housing, mostly more units instead of bigger ones

2 to 5

percentage points

faster growth in housing units per decade, for two decades after adoption, with no significant change in rooms per unit

Banzhaf and Lavery (2010), Pennsylvania

14%

more new units

a month, from a 5% cut in the building tax rate

Bourassa (1987), Pittsburgh

70%

more permit value

in the 1980s than the prior 20 years, the only large rise among 15 regional cities. A commercial space shortage was the main driver; the land tax played a supporting role

Oates and Schwab (1997), Pittsburgh

What share of land rent should stay in the neighborhood?

None	10%	25%	50%	More

And for the discussion:

What would need to be true in your city for land value tax and community land trust advocates to work together?

QR code goes here
(add poll link)

Or raise your hand

History of U.S. land value

- In the 1700s, the U.S. Congress did not have the power to raise revenue by direct taxation, so **land sales** provided initial governmental revenue stream.
- The **Land Ordinance of 1785** was a major early effort to create a revenue stream for the U.S. government. It set up a system by which settlers could purchase public **title to farmland** (640-acres for minimum $1 per acre) in the undeveloped "west."
- **Commodification/financialization of land** was pioneered by “New World” Americans like Benjamin Franklin in the 1700s to solve a currency shortage (literal shortage of shillings, paper money, etc.): title to land can be freely bought or sold like a material good.
- Early form of **credit system** (debt collateral) - loans literally backed by land. Minted tokens backed by land record and encoded in a durable and authoritative ledger become a radical decentralized currency.

History

- Great way to “bootstrap” American economy because there was little capital, but **plentiful land** to trade for material goods like tools, labor, etc. to generate wealth to pay off the loan. America was a young country, the frontier was wide open, and every (free) man could reasonably count on eventually becoming a landowner.
- Private land title laws made their way back to England and spread from there **throughout the modern world**. The old hierarchical feudal system of land ownership was replaced with a financial one.
- Land value is ultimately derived from what is going on underneath and around it. Land used to be related to agriculture and economic output. With industrialization and urbanization, that changed. By the 1950s, **residential buildings** worth more than agricultural land.