



# Unlock Surplus Land for Affordable Housing with a Regional Land-Banking Strategy

Local governments can partner with community land trusts and land banks to turn underutilized land into affordable homes.

**Community land trusts** prevent displacement and increase access to homeownership by preserving slices of neighborhoods as permanently affordable.

Community land trusts (CLTs) like Proud Ground are nonprofits that provide lasting community assets and shared equity homeownership opportunities for families and communities. They are governed by a board of CLT homeowners, community residents, and public representatives.

CLTs create a portion of our housing stock that is removed from both the risk and escalation of the market, instead ensuring lasting affordability for a minimum of 99 years. The CLT homeowner owns their home and accrues shared equity, agreed to at the time of purchase, over the length of their ownership. The land beneath the home is held and stewarded by the CLT, ensuring affordability for future generations.

CLT homeowners can put down roots in their neighborhood and pass their home down to their heirs. If they sell, it will be sold at an affordable price to another qualified homebuyer.

In the Portland Region, Habitat and Proud Ground partner to sell homes with lasting affordability using the Community Land Trust model. Together, we make shared equity homeownership possible for hundreds of households. That's awesome, but it's not enough to bring down market rents and home prices. In Vienna, for example, non-market housing is so abundant that it creates a downward pressure on market-rate housing costs.

**A land bank** can turn empty properties into productive use according to community goals.

The process of land-banking is simply identifying underutilized land, readying it for re-use, and managing a process to make the land available.

In hot markets, land banks prevent displacement by preserving land for affordable housing and community needs. It's a chance to set aside land for residents and local businesses that are at risk of being priced out.

In cold markets, land banks address and repurpose distressed properties.

Both types of markets and properties exist in the Portland region.

A land bank could transform an empty Water Bureau lot into a community garden, or an underutilized church parking lot into a preschool. A land bank could tear down a dilapidated house to make room for new affordable homes or could facilitate a mixed-income development along the edge of a city-owned golf course.

Readying these surplus parcels and selling them below market rate removes some of the risk and costs, making affordable and community-centered projects possible.

# How can local governments get started?

These are the next steps to transform vacant land into housing.

## In the next 6-12 months:

### 1. Identify publicly held surplus lands.

Compile a list, map, or database of publicly held land that could be appropriate for a new use. Require participation by all City bureaus.

Encourage partners to contribute to the list – school districts, transportation agencies, places of worship, public utilities, state agencies, counties and neighboring cities. With broad participation, we'll maximize the opportunity

Make the list public

### 2. Create a simple, transparent process for transferring land.

The process should center community needs and prioritize housing with lasting affordability

## In the next 12-36 months:

### 3. Acquire strategic parcels.

The City should take a future-oriented approach to acquiring and readying land for development.

### 4. Ready surplus land for development.

Clear title, remediate brownfields, invest in infrastructure. Getting the land ready for housing will fast-track development.

### 5. Coordinate housing development

with other public investments and infrastructure such as transportation, schools, and parks. Plan to ensure thriving communities.

## Diverse, thriving, and affordable communities begin with land.

For more on community land trusts, visit [ProudGround.org](http://ProudGround.org) and [groundedsolutions.org](http://groundedsolutions.org).

For more on Habitat for Humanity Portland Region, visit [habitatportlandregion.org](http://habitatportlandregion.org)

To learn about Municipal Partnerships with Community Land Trusts, check out this comprehensive report from the Lincoln Institute of Land Policy by scanning the QR code.



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## An example in action

The Portland Water Bureau contributed land for 50 homes tucked between a residential neighborhood and a nature trail.

Habitat plans to break ground on this development in early 2026.

These homes will allow families and individuals to put down roots in a neighborhood that's become increasingly out of reach.

In partnership with Proud Ground, the homes will remain affordable, helping to preserve North Portland as a thriving mixed-income community for generations to come.