



REBUILDING TRUST:

THE CASE FOR COLLECTIVE OWNERSHIP IN DETROIT

Excerpt from accepted application to the Michigan-Mellon Fellowship 2017

I am applying to the Michigan-Mellon Fellowship to develop a series of materials to assist Detroit residents in navigating the foreclosure process and exploring alternative ownership structures such as community land trusts. I believe that a historical and spatial analysis of the community land trust model, as well as urban policies that have led to the current foreclosure crisis in Detroit, can lead us towards actionable strategies for the present day. I plan to build on existing relationships with Detroit activists and develop a workshop series and accompanying toolkit based on direct engagement and feedback from community members.

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RESEARCH PROJECT STATEMENT

In 1968 a group of African American civil rights leaders traveled to Israel to study models of collective land ownership. They concluded that fundamental to large-scale economic and political growth and security for black communities was a “system of land ownership that prevents foreclosure and loss of land.”¹ Upon returning to the US, they implemented these ideas in the first American community land trust – New Communities, Inc. in Albany, Georgia.²

The community land trust model, in which land is owned collectively by an organization while the buildings or use of the land are controlled by individual members, is still widely associated with rural areas and environmental conservation. However, the model has become increasingly relevant for urban communities. Detroit, a city haunted by racial segregation, housing discrimination, and predatory lending practices, currently faces challenges poignantly similar to those confronted by civil rights leaders in the 1960s. Reliance on the “big three” auto companies, along with federally-subsidized white flight, hollowed out the city’s tax base to the point of bankruptcy, and a foreclosure crisis of stunning proportions has touched one out of every three properties in the last ten years. In addition to foreclosures due to tax distress, Detroit had one of the highest rates of subprime lending in the country: 68 percent of all city mortgages in 2005, compared to 27 percent statewide and 24 percent nationwide.³

Legible in the current landscape of foreclosed, blighted, and demolished homes are the boundaries of neighborhoods that were redlined and denied loan access by the Home Owners’ Loan Corporation in the 1930s. The long-term effects of discriminatory lending have been well-documented, and are still felt generations after such practices were discontinued. While redlining was just one factor in a long history of racial discrimination that led to the economic disenfranchisement of black communities, it was a practice with a distinctly spatial approach, and one that affected Detroit more acutely than many American cities. As June Manning Thomas explores in her book on Detroit, racial bias did not just determine who felt the negative effects of postwar redevelopment policies, but influenced which policies were implemented in the first place.⁴ Thomas argues that this reciprocal relationship between race and redevelopment was responsible for the drastic decline of the city.

Community land trusts and other collective ownership models have the potential to rebuild democracy and equity in the face of these challenges, and radically reshape Detroit’s neighborhoods. Several Detroit organizations, including the Building Movement Project and Detroit People’s Platform, have recognized this potential and are starting to organize a community land trust. The foreclosure crisis in Detroit presents the unique opportunity to buy back properties from the auctions at affordable prices, enabling residents to stay in their homes and become members of the collective organization. This could provide a way for community land trusts to build a portfolio of properties and a membership base more quickly than would be possible in other cities, and could prevent the cycle of disinvestment that often results from foreclosure.⁵

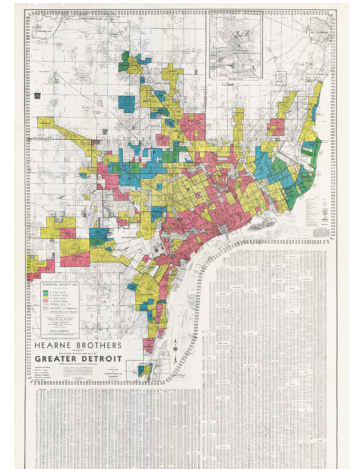
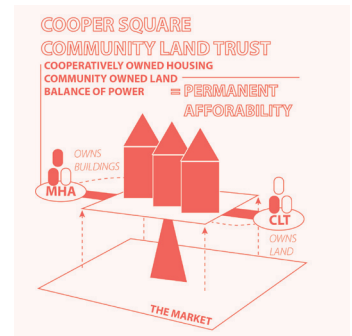
1 Fay Bennett. “Report to Aaron E. Norman Fund on Israeli Trip, June 23–July 7, 1968, to Study Rural and Economic Development,” 1968.

2 “Seeding the First CLTs: New Communities, Inc.,” *Roots & Branches: A Gardener’s Guide to the Origins and Evolution of the Community Land Trust*, accessed June 16, 2015.

3 Christine MacDonald and Joel Kurth. “Foreclosures fuel Detroit blight, cost city \$500 million.” *Detroit News*. June 3, 2015.

4 June Manning Thomas. *Redevelopment and Race: Planning a Finer City in Postwar Detroit*. Detroit: Wayne State University Press. 2013.

5 Margaret Dewar. “Disinvesting in the City: The Role of Tax Foreclosure in Detroit.” *Urban Affairs Review* Vol. 51(5). 2015.



Cover page: An illustration of property ownership in Detroit, created by the author.

Top to bottom: New Communities Inc. visit to Israel, credit *Roots & Branches*. Diagram of Community Land Trust model, by the Cooper Square Committee. Family facing foreclosure in Detroit, image courtesy of the Tricycle Collective, 2016. HOLC redlining map of Detroit, 1939.