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ABSTRACT

The Massachusetts Neighborhood Improvement Program

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in partial fulfillment of the requirement for the degree of
Master of City Planning.

Through the study and analysis of the Massachusetts Neighborhood Improvement Program, an investigation into the realms of program implementation are related to the role of the State. The perspective undertaken by the author specifically focuses on the State's administration of a complex strategy for neighborhood revitalization in the older, declining communities throughout the State.

NIP, comprised of the Chapter 705 and 707 housing programs, illustrates a complex, widely comprehensive program that struggles with both the need to be workable and yet rapidly implementable. Created to meet the crucial needs of deteriorating neighborhoods, as well as the needs of the State to "launch" an innovative program aimed at "moving" a source of funds long stalled in its attempts to attract local interest, NIP presently lies in its early phases of implementation where unkept "promises" (i.e. commitments) are only beginning to surface.

A thorough study is undertaken by the author to trace its origin and early planning phases in an attempt to relate its experience to the implementation and management of public programs. A discussion of the non-bureaucratic versus bureaucratic approach to public administration is not initiated to advocate for or against either perspective so much as it is used to demonstrate the assets and liabilities of both approaches and its implications for the longterm viability of such programs as NIP.

In this study the need for accountability, and the ability to gauge the strengths and weaknesses of a strategy early in the planning phases are emphasized. Programs founded on high hopes and good intentions face the risk of encountering unforeseen obstacles it is little prepared to cope with, thus maximizing the potential for great disappointment and frustration.

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CHAPTER I

INTRODUCTION

Focus of Study:

It is not uncommon in the practice of planning and administering public programs that policy sometimes becomes separated from implementation. Often in the flurry to launch the programs of new administrations, policy makers and program designers are quick to analyze problems and offer hypothetical solutions without insuring a basis from which such often grandiose and thoroughly complex "masterplans" are to be implemented.

The Neighborhood Improvement Program (NIP), as administered by the Massachusetts Department of Community Affairs, is one such intricate and ambitious program created for "launching". Provided with limited resources, Chapter 705 Scattered-site Low-income Family Housing and Chapter 707 Rental Assistance funds, NIP was designed to meet a variety of far-reaching objectives for neighborhood revitalization. Nonetheless just as NIP was created to alleviate the plight of certain targeted declining neighborhoods, NIP was also created as a mechanism by which long-stalled 705 State funds could be finally expended among the local communities. In

an effort to "get NIP moving", the two initial directors of NIP assumed a highly personalized and unbureaucratic approach to administering the program, guiding it along ever so diligently to insure its eventual operation in six NIP target neighborhood throughout the state.

In an attempt to be both comprehensive and politically expedient, numerous compromises were made in the early start-up stages of NIP that were to eventually to affect the long-term viability of the Neighborhood Improvement Program to successfully surmount the numerous obstacles that it would nevertheless confront throughout its implementation phases. Numerous actors and program elements involving the community, private sector, city and state had to "pieced together" into a concerted and coherent strategy for "neighborhood improvement." Commitments needed to be secured and coordinated, but often the resource or desire to undertake such tasks would be unavailable or reserved.

The purpose of this study is to serve the needs of the State to define its role for the implementation of NIP. It will study the history of the Neighborhood Improvement Program, review and analyze its current status among the various NIP demonstration projects throughout the state, relate these observations to the issue of implementation, and suggest how these observations imply alterations in the State's role as the central coordinating focii of NIP. The author has decided to specifically focus the study to the

perspective of the State (i.e. DCA) since as the administrative authority of NIP, its role is perceived as paramount to all others involved.

Methodology:

As a professional document this study proposes to delineate a course of action for the State in its administration of the NIP. To build up to such a recommendation a thorough examination of the background and conceptual/operational structure of NIP must be foremost undertaken.

Chapter II provides an indepth history of NIP from the period before its formation, when Chapter 705 and 707 were independently pursuing their goals, to its planning approval stages. Much of this information was derived from DCA Annual Reports, and extensive interviews with the two original coordinators of NIP, Gary Jefferson and Joel Kirshner.

Chapter III is an extensive series of casestudies conducted on all six operating NIP's in Massachusetts. Discussion and analysis is performed on each NIP such that neighborhood issues, the community's or city's planning proposal, and early stages of implementation are reviewed. The author conducted an extensive questionnaire of all of the NIP's (of which RAP of Roxbury did not respond). Both closed and open questions spanning the spectrum of issues were included to provide basic data in three areas: 1) problem perception, 2) solution strategy, and 3) implementation.

These questionnaires were followed up by interviews conducted in April of 1977 to gather up-to-date information on the status of each NIP.

Chapter IV of the study grapples with the issue of implementation as it applies to NIP in general and to the so-called "non-bureaucratic style" of public administration indicative of the early initial stages of NIP. Observations by the author are built upon the data of the two preceding chapters. The theoretical basis for the discussion is largely derived from the Pressman and Wildavsky book: "Implementation: How Great Expectations in Washington are Dashed in Oakland".

Included in the appendix of this thesis document are three major "pieces" of strategy which require State input for a more formidable comprehensive approach to neighborhood revitalization in declining communities. These three inputs, as deemed important facets of State involvement by DCA, are: the Massachusetts Mortgage Finance Agency, Mechanisms to Activate Private Lending Institution Participation, and State and Local Initiated Improvements for the Tax Title Process. This serves to further facilitate DCA in delineating specific paths for action in implementing longterm strategies for NIP.

Acknowledgements:

Various personnel in numerous state and city agencies and departments throughout the state were key to the develop-

ment of this study. Too numerous to mention individually the author would nonetheless like to extend her gratitude to those who submitted to timely interviews, contributed pertinent documents for reference, and offered many leads to other important sources of information. The cooperation of all these people is deeply appreciated.

A special note of appreciation goes to those within the DCA Division of Urban Renewal, NIP and Relocation that were forever accommodating and helpful during the author's internship within the Department. Norman Dion, Coordinator for the DCA NIP, deserves special mention for his assistance and guidance throughout this study.

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Last but not least I would like to thank my cadre of loyal friends that assisted in the laborious task of typing, and arranging this thesis, as well as for their loving friendship through difficult times. Julia Chu often extended her assistance to facilitate my needs even before her own, of which no amount of words can amply express by gratitude. Cary Fong, my constant love and companion, has once again lent his full support and assistance, of which this accomplishment I would like to share with him.

CHAPTER II

THE MASSACHUSETTS NEIGHBORHOOD IMPROVEMENT PROGRAM

A. DCA / Chapter 705 & 707 Programs Prior to NIP

The Massachusetts Department of Community Affairs was established by Chapter 23B of the M.G.L.A. and given the broad mandate to act in the areas of housing, community development, urban renewal, local assistance, and social and economic opportunity. Focusing on housing, Chapter 23B states:

"The Department shall be the principal agency of the Government of the Commonwealth to mobilize the human, physical and financial resources available . . . to . . . provide open housing opportunity, including, but not limited to opportunities for residents of depressed and slum areas . . . shall encourage and assist communities in the development, renewal and rehabilitation of their physical environment . . ."

Over the years DCA has fulfilled its responsibilities under this mandate through a variety of programs designed to provide housing for low and moderate income citizens throughout the State of Massachusetts. Among these State programs are the Chapter 705 Scattered-Site Low-Income Family Housing Program and the Chapter 707 Rental Assistance Program.

Both the Chapter 705 and 707 Housing Programs were conceived in part as alternatives to the traditional public housing developments that were widely constructed throughout

Massachusetts from 1940 to 1955. Originally slated as Veterans' Housing, this form of concentrated, high density low-income public housing has since disillusioned participating communities and sponsoring governmental agencies alike. Most of these public housing developments have deteriorated from abuse and poor maintenance, suffered from inefficient management, and become enclaves for a myriad of social problems from random vandalism to organized crime.¹ Not all public developments are known to be "failures," but nonetheless many communities have come to view "public housing" as blights within their neighborhoods, "problem areas" with unsightly visibility and spillover effects that threaten the stability of the local community.

Clustered in high density low-income developments and similarly manipulated by a maze of bureaucratic systems, tenants of "public housing" became identified by the surrounding community and administering agency (i.e. Boston Housing Authority) with the stigma of "public housing". Acutely aware of the plight of the tenants, the popularity of the program in local communities, and the administrative dilemmas that public housing developments created, the State eventually focused its attention on alternative methods of providing low-income housing.

B. Chapter 705 Program:

On December 8, 1966 the Commonwealth established the Chapter 705 Scattered-Site Low-Income Family Housing Program in an

effort to provide a variety of housing development options on a "scattered-site" basis.* The 705 Program allows for substantial flexibility in providing family housing opportunities through new construction, rehabilitation of previously sub-standard units, and acquisition of existing standard housing units.

From 1966 to 1971 the primary emphasis of the 705 Program, as administered by DCA, focused on new construction. DCA required that potential sites for 705 housing be located convenient to transportation and public facilities? Likewise it was understood that the program must be desired and applied for by the local communities.

Funding for 705 housing was initially provided by shifting \$37.5 million in "left-over" bonding authority from the Veterans' Housing Program. Though this amount eventually grew to \$82.5 million in bonding, the program was not actively pursued either by the Department or the local communities during that 5 year period.³ Communities were reluctant to participate due primarily to their inclination to avoid any form of low-income housing. New construction in particular also posed a responsibility on part of the local sector to provide additional community services and facilities. The probability that additional residents, specifically low-income families, would require additional city expenditures to supplement the local schools, police force and the like was sufficient reason

* The HUD standard of "not more than 100 units within an eighth of a mile" was the definition of "scattered-site" utilized by the Department.

for community disinterest in the 705 Housing Program.

The Department of Community Affairs, in reaction to the (political) unpopularity of the 705 Program, did not pursue the matter. Administrative disinterest, lost of program momentum, and concern for departmental public relations allowed the Chapter 705 Program to remain inactive until 1971.

In 1971 renewed interest on the part of DCA to make use of these neglected funds prompted the staff to develop incentives for local community involvement in 705 housing development. From 1971 to 1973, DCA "attached" the development of 705 housing to the construction of elderly projects under Chapter 667 of the Acts of 1954. The two programs were linked together such that if local communities desired Chapter 667 Elderly Housing in their neighborhoods they would likewise be "encouraged" to include 705 housing.

The desire for elderly housing was indeed strong among the communities and certainly much more popular than low-income family housing. Through this DCA strategy the long-stalled 705 Housing Program was activated in 1971 with the signing of a series of Contracts for Financial Assistance totaling more than \$12 million. 396 units were scheduled to be built in eleven communities at approximately \$25,000 per unit (refer to Table II-1).⁴ Most of these units were slated for acquisition and new construction. Only two of the projects, Attleboro and Somerville (totaling 22 units), were planned for rehabilitation.

As these and other projects under this 1971-73 phase of the Chapter 705 Program evolved, the estimated cost per unit began to escalate in some communities beyond initial estimates. In Newton, for instance, 20 units were contracted for construction for a total of \$1.4 million or \$70,000 per unit.⁵ The feasibility of new construction to efficiently provide low-income housing grew dim. Cost over-runs, complicated bidding procedures, the time and energy required for overall project coordination of new construction proved too much a burden for the Department. Likewise, local communities persisted in their reluctance to accommodate for additional households in their neighborhoods. By 1974 it had become apparent to DCA that the strategy to "attach" the 705 Program to 667 Elderly Housing only succeeded in soliciting a similar "token" effort on the part of local communities to provide the neighborhood infrastructure needed for these isolated, "scattered" units of 705 Housing to work.

C. Chapter 707 Program

Chapter 707 of the General Laws was signed in 1966 providing for a Rental Assistance Program permitting families eligible for public housing to be housed in selected private housing of acceptable standards. Through the Chapter 707 Program the Local Housing Authority provides a rent subsidy equal to the difference between the occupant's ability to

pay (presently estimated as 25% of the occupant's income) and the approved rent level of the designated unit. Commitments may be made under this program either by providing assistance to tenants in existing standard units or by guaranteeing occupancy of low-income households after completion of units that are either being constructed or rehabilitated by the Massachusetts Housing Finance Agency (MHFA)* or the owner of the structure. Commitments cannot be for periods less than one nor more than five years.

Initially the Chapter 707 Program was created in response to the immediate need for low-income housing that the existing public housing developments could not accommodate. As Chapter 121b of the M.G.L.A. clearly states:

" . . . there does not now exist within the Commonwealth an adequate supply of decent, safe and sanitary dwelling units available at rents which families of low-income . . . can afford without depriving themselves of the other necessities of life, . . . that experience has demonstrated that the construction of the new low-rent housing projects on the large scale required . . . would be unduly expensive and would generate undesirable social consequences . . . there exists a supply of moderate rental dwelling units within the Commonwealth presently under construction or vacant which could be used to house such families of low income . . . provided public funds are available to supplement the portion of their income which they can afford to spend on housing . . . "

* MHFA - state agency that promotes the development of mixed-income housing by private developers. It provides construction loans at below market interest rates to qualified developers.

The Legislation further states that such a Rental Assistance Program as administered by the Local Housing Authorities would "help end the undesirable concentration and segregation" of low-income families. Undoubtedly the Chapter 707 Program, like the Chapter 705 Program, was a conscious effort to avoid concentrated public housing developments.

Appropriations for the 707 Program are made annually by the State Legislature. The fiscal '71 appropriation for the program was \$1 million. After the first year of operation the 707 Program revealed to be well received by the local communities. 707 funds permitted previously vacant units to be leased and likewise, provided an incentive for owners of substandard units to bring their buildings up to code.

The program was popular at the State level as well. A 3-party contract involving the tenant, Local Housing Authority and DCA permitted a sense of participation and responsibility on the part of everyone involved. Once arrangements were made with DCA's Comptroller on the procedures needed to release funds on a timetable convenient to the landlord, DCA discovered administration of the program efficient and relatively less complex than previous State housing programs. Likewise 707 funds could be utilized to subsidize other state projects such as those mixed-income developments proposed by MHFA.

As the Chapter 707 Rental Assistance Program proved to be both successful and viable the annual appropriation stead-

ily grew. In 1974 \$4 million was administered to 130 municipalities throughout Massachusetts⁶ 105 of these communities had Housing Authorities to administer the program. In the remaining 25 communities DCA had contracted non-profit organizations to carry out the Housing Authorities' duties. In total 3,328 units were under lease during 1974 under the Rental Assistance Program.

D. Conception of NIP & Program Development

In 1973 Lou Crampton was appointed Commissioner of the Department of Community Affairs. As is common practice amidst administrative transitions the new Commissioner promptly proceeded to reshuffle pertinent staff, and review the past performance and existing policies of the various state programs operating out of DCA.

During this period of transition the Chapter 705 Program experienced both a change in administration and in program orientation. Foremost, Commissioner Crampton decided to appoint one of his Executive Assistants, Gary Jefferson, director of the Chapter 705 Program.* It was anticipated that under Jefferson's direction the program would be provided with a new thrust and sense of direction.

* Before becoming Executive Assistant to the Commissioner, Gary Jefferson worked in the Division of Community Services for DCA providing technical assistance to local communities on a wide range of issues (e.g. zoning, capital improvement programs, budgeting).

A major concern of the new director was that the Chapter 705 Program, which continued to control a substantial amount of unexpended funds, was at a virtual standstill. Previous attempts by past administrations to activate the Scattered Site Low-Income Family Housing Program suffered for the most part from unyielding community resistance. Other attempts to "attach" 705 housing to more attractive projects, such as 667 Elderly Housing, had proved too piecemeal a strategy to be effective in providing low-income housing on a beneficial scale.

After a re-evaluation of the long-stalled Chapter 705 Program the Commissioner, for a variety of reasons, decided to deter from the program's emphasis on new construction. Foremost was the basic issue of costs. New construction was becoming increasingly expensive. Rising construction costs and the added complexities created by the required public bidding process made new construction under Chapter 705 economically unfeasible and inefficient. Moreover, as mentioned earlier in this Chapter, new construction of family housing in turn required increased community services and in some cases, extended community facilities in the form of recreational, educational or fire protection accommodations. This, unlike rehabilitating existing dwelling units already accommodated by neighborhood services and facilities, created new construction needs on the part of local communities to provide for the growth of their neighborhoods. Commissioner

Crampton also viewed the new construction policy as a substantial administrative burden for the Department requiring extensive processing and supervision.

By 1973 it had become apparent to DCA, as well as among those involved in formulating housing policy throughout the country, that new construction was a costly, unpopular, and socially problematic method of providing for low-income housing needs. The Department increasingly focused its attention on the substantial amount of under-utilized housing stock that existed throughout the State of Massachusetts. A large number of dwellings, especially in older communities, were either vacant or deteriorating from disrepair or lack of maintenance. The sentiment of the Department was that these under-utilized housing units should be rehabilitated to provide for low-income housing needs. Rehabilitation seemed the wiser alternative contrary to adding expensive new housing stock and leaving the old stock to deteriorate beyond utility.

In addition to rehabilitation the administration believed a new, more comprehensive approach to housing needs was required to deal with the broader dilemma of deteriorated housing, and general neighborhood disinvestment and instability. It was felt that the 705 Program's previous emphasis on new construction focused too narrowly on dwelling units alone and not enough on the total neighborhood environment. It was felt

that any serious attempt to attack the housing problem and design a workable housing strategy would have to consider a variety of elements entrenched in the inter-relationships of neighborhood dynamics. No longer was the goal solely to improve the supply of low-income housing, but instead to improve entire neighborhoods.

The Neighborhood Improvement Program (NIP) emerged in response to the desire to design a strategy for neighborhood stabilization. The program evolved, masterminded to a large extent by Jefferson, until it became apparent that utilization of Chapter 705 funds alone would not be sufficient to mobilize a neighborhood-wide program. Chapter 707 funds would be needed to supplement the efforts. By insuring a steady source of rental income to homeowners, Chapter 707 provides a tool by which indigenous homeowners can maintain their units and secure their ownership.

As NIP began to incorporate the utilization of Chapter 707 funds Jefferson required the input and assistance of Joel Kirshner, then the director of the Chapter 707 Program. Kirshner had worked at DCA for about two years before being appointed by Commissioner Crampton to administer the Chapter 707 Program. Both Jefferson and Kirshner shared the same enthusiasm for developing a more comprehensive, innovative housing program with a balanced combination of 705 and 707 funds. In addition both were keen to make the most of the Commissioner's receptivity toward program improvements. The

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administration wanted to "repackage" the 705 Low-Income Housing funds in a neighborhood format in an effort to "sell" the program to local communities. With the atmosphere within DCA conducive to the initiation of NIP, Jefferson and Kirshner were to provide the impetus for its eventual implementation on a demonstration basis.

The need for initiative and the desire to maintain momentum was of primary concern to both Jefferson and Kirshner in developing NIP. They firmly believed that if they failed to act quickly the "mood of the administration" might change, once again stalling the program. These concerns coupled with a serious lack of additional manpower provided little time or resource from which to carefully develop an elaborate, detailed plan for NIP. This need for expediency was nonetheless combined with a sincere, intense commitment on the part of the two directors to make NIP work and succeed. Their administrative style was highly personal and unbureaucratic. It was their belief that only through personal interaction, commitment and perseverance could NIP be quickly implemented and results produced.

Given the underlying need for rapid implementation, the two directors nonetheless made a conscientious attempt (in the limited time available) to solicit ideas and opinions from a variety of persons involved in various aspects of housing. The primary focus of these discussions centered on

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determining the critical elements that would be needed to develop an effective and viable program for neighborhood stabilization. The discussions continued to raise such questions as: Who are the Principal actors in a neighborhood? What are their roles in providing for a stable neighborhood? What is a "stable neighborhood"? What conditions or incentives must exist for these actors to act either independently or collectively for neighborhood stability? What is the State's role in this process? What types of neighborhoods would provide the best forum for State intervention?

A strategy began to take form as a result of the discussions initiated during this short period of conceptualization for NIP. Critical to this developmental period was input from a noted author and practitioner in the area of neighborhood stabilization, Rolf Goetze. Rolf Goetze firmly believed neighborhood stability to be the product of a variety of inputs. Factors such as housing market dynamics, sensitive code enforcement, strengthening indigenous homeownership patterns, building neighborhood confidence and imagery were all a part of the inter-related myriad of elements essential to the longterm viability of a neighborhood. Goetze's concept of a "stable neighborhood" went beyond the singular concern for the dwelling unit. Neighborhood amenities such as recreational space, security systems, street maintenance, public transportation and community facilities

created the larger package of housing goods and services critical in housing decisions and dynamics.

Similarly the homeowner was but one actor among many that played a major, determining role in Goetze's broad conceptualization of the "stable neighborhood". Financial lending institutions, appraisers, housing inspectors, elected city officials, real estate representatives, potential homebuyers, and neighborhood associations likewise possess tremendous influence over the dynamics of housing maintenance, supply and demand.⁷

Jefferson came to incorporate many of these ideas in his strategy for NIP. He believed that to isolate one element or one actor from another would only lead to an unsuccessful, piecemeal approach towards neighborhood stabilization. The question now was how to structure the program, with its all-inclusive array of variables, so as to incorporate as many of these factors as possible.

Guidelines briefly outlining the objectives and procedures of NIP were drawn up by Jefferson and Kirshner in the summer of '73. Unlike rules and regulations that have legal implications, the guidelines were broadly written so as to provide flexibility in its interpretation and eventual implementation. Intentionally written in such a manner the objectives of NIP as originally conceived were:

1. Upgrade the physical condition of older neighborhoods. It is expected that through the judicious use of DCA housing resources, a significant portion of a neighborhood's deteriorating housing can be rehabilitated. These resources, matched with other funds, can likewise be used to improve essential neighborhood facilities. Further infusion of public resources must in turn stem private disinvestment and spur reinvestment in the private housing stock.

2. Improve the availability and quality of neighborhood facilities and services. The availability of quality community facilities, recreation, open space, street lighting and municipal services are key ingredients for a successful neighborhood. An important element of the Neighborhood Improvement Program is the identification of needed neighborhood facilities and services. While DCA funds are available to finance a portion of the required facilities, the development and maintenance of improved neighborhood facilities and services depends substantially on resource commitments of the municipality and its successful bid for additional funds from state and federal agencies and the private sector.

3. Secure funding commitments from other sources. These sources include local government, federal agencies, other state agencies, banking institutions and local businesses. Because of limited NIP funds . . . the bulk of housing units in a participating neighborhood will have to depend on alternative resources for financing repairs. Because many participating neighborhoods are red-lined, securing a pool of mortgage money will frequently require special initiatives. In addition, while DCA can finance substantial portions of the cost of certain neighborhood facilities, some generally operating costs for neighborhood facilities must be covered in total from other sources.

4. Strengthen indigenous ownership patterns. Many deteriorating neighborhoods suffer from a decline in homeownership and high rates of absentee landlordism which may imply neglect of the housing stock. Rental assistance can be used to subsi-

dize the tenants' rent and to provide a fair and timely rental payment to the landlord, frequently in exchange for certain repairs on the property. Other mechanisms such as low-cost mortgage financing and tax abatements can mitigate the difficulties of the resident landlord in a low-income neighborhood. In addition to reinforcing resident landlord homeownership, mechanisms can be developed to encourage homeownership among capable low-income families. These devices include homeownership cooperatives using rental assistance and lease-purchase agreements under Ch. 705 (pending enabling legislation now in process).

5. Strengthen neighborhood organization. A strong neighborhood association is essential for the cooperation between tenants, landlords, and the housing authority required to carry out the planning and implementation of a Neighborhood Improvement Program. Furthermore, after the completion of this intensive effort known as the Neighborhood Improvement Program, a strong neighborhood association can be expected to continue to secure housing resources and quality municipal services for the neighborhood and require neighborhood residents to properly maintain their properties.

6. Increase user involvement. Tenants and owners should be involved to the greatest extent possible in the rehabilitation, maintenance, management, and ownership of dwelling units produced under the NIP. The benefits of these types of involvement are:
 - a. reduction of housing costs thru decrease in maintenance costs.
 - b. expansion of real equity to resident (co-op, ownership).
 - c. increased community support among residents through increased knowledge of housing processes and problems.
 - d. increase resident ability to adapt structure to changing family needs.
 - e. increase in resident independence, self-confidence, and sense of responsibility for units.⁸

E. Proposal Stage of NIP

The NIP guidelines offered a wide range of program options, none of which at the time were ever fully developed in concept or by mode of operation. Alternative home mortgage loan pools, the participation of local financial lending institutions, cooperatives and tenant management/maintenance systems were encouraged, but their actual design and method of implementation was left largely for the local communities to devise. The state's role in promoting and developing these program elements along with the local communities was undefined and for the most part, never elaborated upon.

Vague as the NIP Directors were about the various program elements and how they were to be implemented, Jefferson and Kirshner did have specific communities in mind for NIP funding. Both directors were quick to admit that there was virtually no effort to solicit proposals from the local communities on a statewide basis. Instead the process by which proposals were solicited was very unbureaucratic and personal; only a select number of communities were even informed of NIP funds. As Gary Jefferson phrased it:

"It was intended to be a small demonstration project. We had originally intended that there would not be more than 4 or 5 (projects). Having worked in the housing field for many years, between Joel and I we knew a great many of the better people at the local level in housing and planning with a special sensitivity to housing. We felt it made more sense to go to these people than to

design an elaborate selection process which ultimately would be a charade and put a great deal of political pressure on the department."⁹

As reasoned by Joel Kirshner,

"Momentum is very important for these programs . . . (we were) looking for cities, neighborhood organizations and local housing authorities that we thought would provide the spark for this."¹⁰

What type of neighborhood did these two directors envision would provide the desired forum for NIP? What neighborhood features would have to exist for one to be selected as a demonstration site? These questions, as mentioned earlier in this chapter were discussed quite thoroughly in the conceptual stage of NIP. For the most part NIP was aimed at the "transitional" neighborhoods. Those communities that had formerly been well maintained and secure in the housing market, but now were experiencing physical decay, and decline. Numerous neighborhood and city elements were seen as significant in developing a strategy to stabilize or "turn around" these communities: the availability of Community Development Block Grants, a cohesive neighborhood organization, the support and cooperation of city officials. Among the numerous features desired, one aspect stood out as most significant: the need for "the single individual locally (with) the breath^d of knowledge of local, state and federal funding sources . . . and the managerial skills, creativity, innovation, per-

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serverance and integrity to make NIP work." 11

In Springfield, Jefferson and Kirshner vested their confidence in the acting Planning Director. Likewise in Lowell the Planning Director, Frank Keefe, was singled out and encouraged to submit a proposal. Lowell also had the added advantage of Jefferson's personal acquaintance with the president of the neighborhood association from which the NIP site was eventually to be located.

Kirshner specifically solicited the interest of the Riverside/Cambridgeport Community Corporation (RCCC). Kirshner was impressed with the Cambridge-based organization through previous interactions, and was confident that the Director of the Cambridge Housing Authority, Harry Spence, would likewise be receptive to the concept of NIP.

Both NIP directors were interested in a Central Western Massachusetts organization called Rural Housing Movement. Familiar with an interesting project they had been working on in Greenfield, the RHM was informed of NIP and the availability of funds.

Another well known community based organization, the Roxbury Action Program (RAP), knew Lou Crampton and was also informed of the new DCA program. DCA felt that George Morrison, the Director of RAP, possessed many of the leadership qualities they saw as central to the program's success.

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In addition to the afore mentioned communities Waltham, Dorchester, Mattapan, Brockton, Fitchburg, Pittsfield, and Springfield together comprised the list of cities that were authorized to commence planning for a prospective Neighborhood Improvement Program in the target area of their choice. In the final analysis only six communities would be awarded a Contract for Financial Assistance (CFA) to implement their approved plans.

At this stage Jefferson and Kirshner presented each applicant community with a set of NIP guidelines which outlined the data that would be required in the plans submitted by each community. Background information covering numerous aspects of the designated NIP area within each community would be accompanied with a descriptive portion indicating neighborhood participation processes, contemplated use of other housing resources, proposed timetables and budgets among other things.

Workshops to review the guidelines and clarify the procedures were held with the applicant communities. Whereupon further liaison with DCA was conducted on an individual conference level with one or both of the NIP Directors. Personal interaction and site visits were the methods implemented by Jefferson and Kirshner. Informal, personalized and unbureaucratic was the conscious style they conveyed.

Information not provided by the plans but nonetheless required for evaluation purposes was sought through personal interaction. As Jefferson and Kirshner explained:

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"We were satisfied with satisfying ourselves . . . not on paper but through meetings . . . (we filled in the gaps) through personal encounter." 12

"What was not written into the plan was what we saw there and in talking with the people." 13

This informal approach in throughout the proposal stage was later to effect the actual implementation stages of NIP as a whole. This will be discussed later in the thesis.

F. The NIP Approach - Piecing Together The Program Inputs

The NIP guidelines and procedures provided no set of criteria by which to evaluate the proposals. Apparently in the interest of flexibility Jefferson did not choose to delineate a complicated, restrictive evaluation component. Likewise, it seemed Jefferson was skeptical about to what extent one could scientifically analyze the numerous, varied factors involved in the process of neighborhood improvement.* If tradeoffs had to be made Jefferson would base his decision on "professional judgement." In this case "professional judgement" was rooted in Jefferson's preliminary conception of how the various NIP components were to come together and function as an overall strategy. NIP as a complex strategy for neighborhood stabilization involved a wide range of independent inputs that as a set of interacting program elements were designed

* Kirshner shared this sentiment:

"Who knows what is going to stabilize a neighborhood? It's about as scientific as someone once said, 'the man on the moon'. David Birch (of MIT) gave us a diagram with bunches of arrows relating all the variables . . . it looked like the electrical circuit of a color TV." 14

NEIGHBORHOOD IMPROVEMENT PROGRAM

PROGRAM ELEMENTS

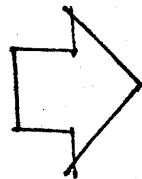
INPUTS

PROCESS (Summary)

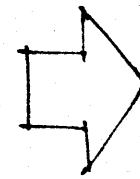
OUTPUTS

Chapter 705

Chapter 707

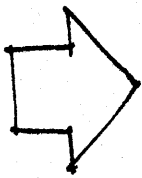


Establish site office
707 outreach for owner partic.
Select bldgs. for demò, rehab
or rental ass't.
Inspection, assessment, aquis.
of 705 bldgs.
Select architects, dev. plans
Select contractors - public
bidding
Dev. & approve contracts for
705 rehab construc. & 707
rent-up
705 rehab construction
Tenant Selection & occupancy
707 loan aquis. - perform re-
pairs & improvements

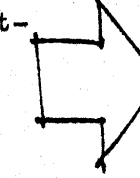


Dwelling units rehabbed
Dwelling units under
707 lease
Housing provided to low-
Income tenants
Participation of owners
Home repair &/or improv.
loans secured by lever-
ing 707 lease agreemts.
Assistance to resident-
owners & responsible
absentee-owners

Chapter 705 Ownership
Enabling Legislation

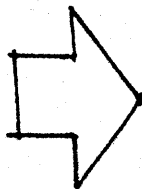


Dev. of tenant ownership struc-
ture (e.g. coop, limited part-
nership).
Secure financing
Dev. management system
Transfer of title

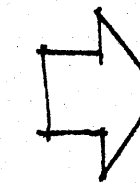


Public hsg. tenants → home-
owners...rent → equity
Low-income homeownership
Transfer of quality hsg.
from public sector to
private sector

MHMFA
Prv't Lending Instit.
Revolving Loan Pools

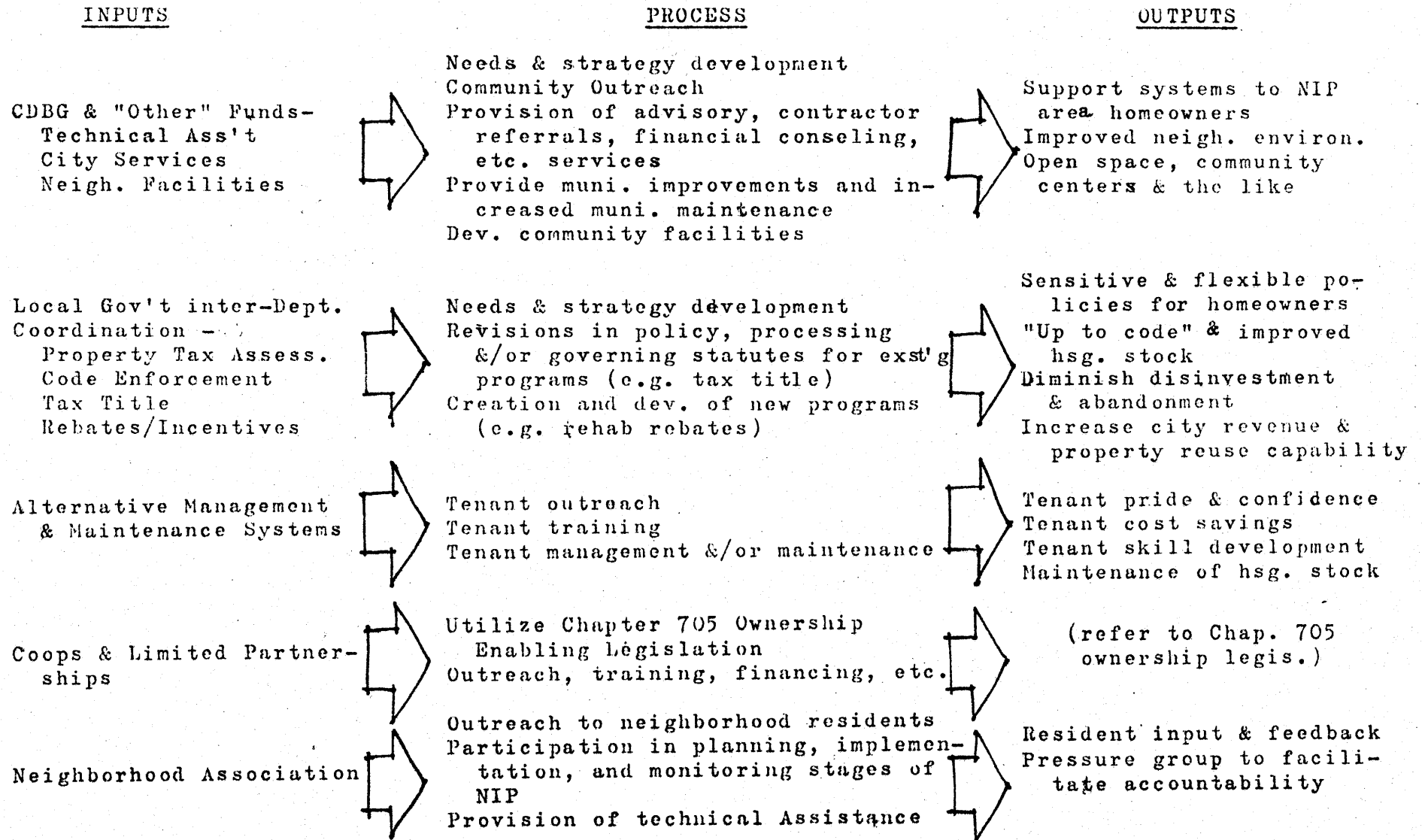


Inter-State agency cooperation
(MHMFA/DCA)
Public/private sector coopera-
tion (gov't/banks)



Public & priv't originat-
ed funds provided to
NIP areas for repairs
& home improvements
Mortgage loans (conven-
tional and non-conven.)

NEIGHBORHOOD IMPROVEMENT PROGRAM
PROGRAM ELEMENTS (Continued)



to deal with particular target problems as well as to collectively meet broad objectives. In the following paragraphs these program inputs are delineated according to their roles as pieces of a larger NIP strategy. This section describes those elements briefly mentioned earlier in the NIP objectives in greater detail as conceived by those responsible for NIP in its early stages.

Chapter 705 funds, by far the largest, most important component of NIP, was especially aimed to acquire and rehabilitate the most seriously deteriorated, largely absentee-owned structures. To assist in the arrest of general neighborhood housing deterioration Chapter 707 funds would be utilized to subsidize the rental income of largely indigenous resident-owned structures which were in relatively good condition but in need of perhaps minor home improvements and/or rehabilitation. Moreover Chapter 707 subsidies could be leveraged to secure needed private funds for such repairs and rehabilitation. All together it was hoped that the NIP areas would range in size of neighborhoods of 500 to 1500 units (figures recommended by Neighborhood Housing Services*) and that NIP would not subsidize more than 25% of the housing stock in any one of the designated areas.¹⁵

*NHS-nationwide program funded through the Federal Home Loan Bank Board with two such Boston-based operations. It provides technical assistance to neighborhoods in revitalization and in halting disinvestment.

DCA was acutely aware that Chapter 705 buildings, once acquired, would be owned and operated by DCA for at least 40 years, the term of the mortgage. This was a long-term commitment DCA preferred to avoid. The objective of NIP was to increase indigenous homeownership, not develop state agency owned housing that would be in essence under the supervision of a large, bureaucratic absentee-landlord. As part of the larger scheme of NIP, Jefferson proposed to develop additional 705 homeownership legislation internally by which Chapter 705 housing could be transferred over time to tenants for homeownership.

The remainder of housing units not subsidized by either 705 or 707 funds but requiring home improvements or rehabilitation nonetheless would require other public funds or private financing. To fulfill this need it was expected that the city would either utilize Community Development Block Grant (CDBG) funds to provide a revolving loan for homeowners, or encourage local lending institutions into responsive lending activity in the depressed NIP areas. One method of revitalizing lender activity would be for local housing authorities and neighborhood organizations to deposit their funds (e.g. Chapter 705,667 or CDBG) only in those local banks that would cooperate with the efforts of neighborhood improvement (i.e. "greenlining"). Other methods of combating disinvestment and encouraging active lending in the target areas would be designed and utilized.

Jefferson was aware that such leveraging of public funds might fail in providing the incentives required to motivate the banking community to act responsibly. Thus, another key input was required to insure monies would be available to maintain or improve those dwellings in the NIP area not maintained by either Chapter 705 or 707 funds. It was anticipated that the Massachusetts Housing Mortgage Finance Agency (MHMFA), which was still in its conceptual stage but nonetheless attracting a great deal of support and interest, would designate NIP areas for home improvement and rehabilitation loans. By providing "Loans to Lenders" Jefferson hoped to not only provide funds to indigenous homeowners of NIP areas, but to involve the local banks in the administration and processing of the loans as well. The asset of MHMFA would not be so much that the interest rate for the loans would be lower, but that the funds provided through these loans would be available in areas previously reined from such funds. Both Kirshner and Jefferson admitted that MHMFA was perceived as a critical ingredient to the overall strategy of NIP.*

DCA encouraged further city commitment of CDBG, other public and/or private funds in the provision of neighborhood services and facilities. Additional funds provided by city,

* Interview with Gary Jefferson (12/10/76):

"It's not the sort of program to fool around with . . . there are certain things in the margin. We needed MHMFA for this thing (NIP) to work."

state or federal sources might be utilized towards providing technical assistance to homeowners in NIP areas. Loan processing, instruction in minor repair and maintenance, advice on the design and subcontracting aspects of rehabilitation might be provided by NIP support staff at the local level.

Moreover, city funds were expected to subsidize state efforts by improving or extending community services, such as: security (i.e. police), garbage collection, street improvements and added recreational activities. The city was also designated to develop plans for the acquisition, rehabilitation, or new construction of those neighborhood facilities that could be allocated with no more than 10% of the Chapter 705 funds. The remainder of the facility development costs, at least 50%, would have to be from other funding sources, public or private.

Further local governmental support would involve inter-departmental coordination toward policies conducive to neighborhood improvement. DCA recommendations for a supportive role in NIP were in the form of: revisions in property tax assesment practices, efficient processing of tax title procedures, sensitive code enforcement, and possible implementation of direct cash rebates for rehabilitation work. Issues such as abandonment, the acquisition of additional land for municipal uses, housing deterioration, and the need for rehabilitation incentives would require many changes in government programs and methods of processing.

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To control costs and increase tenant participation within NIP, DCA was receptive to alternatives in management/maintenance systems. Owners of Chapter 707 units could employ self-help techniques in performing a portion of the rehabilitation work in order to reduce the amount of the rehabilitation loan. Tenants of Chapter 705 housing could also be employed to perform some rehabilitation tasks for either financial reimbursement, or rent reductions. In the case of coops or limited partnerships work equity methods (i.e. "sweat equity") might be employed. Such initiation of alternative management/maintenance systems might ultimately depend on the initiative of the local administering party or neighborhood residents of the NIP area. Nonetheless support systems for such efforts by the state would be required.

No doubt a crucial element underlying any effort for neighborhood improvement would lie with a commitment of the neighborhood's residents. As outlined previously in the objectives of NIP the existence of a "strong neighborhood association is essential . . . (it) can be expected to continue to secure housing resources and quality municipal services for the neighborhood and require neighborhood residents to properly maintain their property."¹⁷ As Jefferson and Kirshner put it:

"We don't know how you can insure there will always be a city commitment. That is one of the reasons why it was important that there be a neighborhood organization to apply pressure."¹⁸

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". . . if you have people organized in concert and speaking in concert that is a force for the mayor or city council to contend with for better services or community development funds." 19

G. Evaluation Stage of NIP

As the various NIP applicants proceeded to develop their plans the two NIP directors began to reassess their guidelines, concepts and expectations. No rules or regulations were ever formulated for NIP on which an evaluation of the submitted plans could be based. Jefferson and Kirshner briefly attempted to secure funds for an elaborate evaluation component for NIP (to be based partially on Goetze's theory of neighborhood stabilization) but the proposal was not funded. Evaluation, as with the other stages of NIP, was restricted to the limited manpower and resources available.

In addition to the practical constraints of developing extensive regulations and implementing a detailed evaluation system, were the real desires of both NIP directors to proceed as quickly as possible through the "start up" stages of NIP, and to maintain a level of "flexibility" in the program. Their immediate goal was to get NIP (and the Chapter 705 Program in particular) launched. In their minds any action was better than no action.* The funds were available, and the money had to be moved.

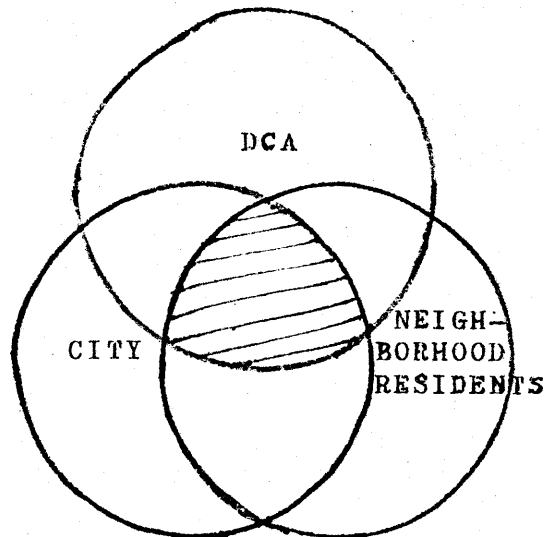
* Interview with Joel Kirshner (12/2/76):

If you wait for everything to come together to start, you never start . . . Without NIP what you had was a 705 Program that wasn't working or having any impact at all . . . the choice was between a program with no plans, and (one with) random effect."

Rules and regulations were avoided because it was felt that they would be legally constraining and thus, minimize administrative latitude. Neighborhoods obviously were not all alike. The NIP directors felt program flexibility (rather than bureaucratic adherence to a set of rigid regulations) would have to be permitted if a variety of neighborhood types were to be granted funds. Some program inputs such as organized neighborhood associations virtually did not exist in some of the prospective NIP areas. Other inputs such as local bank participation or revised tax title procedures were in essence "good faith" commitments having little binding power. When the time for actual implementation came Jefferson figured "it would purely depend on the department's insistence".²⁰

Evaluation of the various NIP applicants was more a random balancing act than a scientific analysis of costs and benefits. Values were arbitrarily set on many program inputs, and were mentally shifted either to offset weaknesses in the plans or count as "pluses" toward approval. Criteria such as local political support, code enforcement, local technical assistance and organized neighborhood associations were desirable but would be overlooked in lieu of other positive inputs. Kirshner put it:

"It's really whatever works, whatever you can get through the politicians, bureaucrats and the community . . . the most you can hope for is something like this . . .



. . . a 'shared concept' of neighborhood improvement that hopefully will be enough to keep the program going."²¹

The over-riding criteria that was imperative for approval was the presence of a strong, committed and capable personality in the NIP area who would support and guide the program through its implementation stages. Other criteria could be overlooked or replaced, but this need for a figurehead was to remain a must for any program that was to be approved.

This "balancing" approach utilized in the early NIP evaluations is perhaps best demonstrated in the approval process applied to the Highland Park area. Though this target neighborhood suffered the worst deterioration observed amongst all the proposed NIP sites and was beyond the stage of decline commonly associated with "transitional" neighborhoods, its strengths and overall potential for success nonetheless attracted a positive interest on the part of DCA. As deteriorated as the neighborhood was, Highland Park was slated for future development efforts. Plans had been developed to locate a community college in the area, and the neighborhood

was firmly in the path of the new development of the South-west Transportational Corridor. Substantial amounts of public funds from the City of Boston and H.U.D. were committed to the area, much to the credit of the Roxbury Action Program, the pioneering community organization based in Highland Park. Though DCA felt portions of the RAP NIP proposal were weak in some areas, it was nonetheless greatly impressed with the sponsoring organization itself and confident in the leadership of its Executive Director, George Morrison.

In addition to RAP, Jefferson and Kirshner eventually were to approve Lowell and Waltham for NIP funding. Dorchester, on the other hand, was granted a small planning grant. Some confusion as to the precise approval dates is complicated by the fact that in the midst of the NIP evaluation stage another administrative change befell DCA in the Spring of 1975. Jefferson and Kirshner left DCA, and were replaced with a succession of different appointees designated by a new commissioner. The new administration eventually proceeded to add Cambridge, Fitchburg and Brockton to the list of approved NIP areas making a total of six NIP target neighborhoods.

To summarize the NIP selection process Jefferson quite candidly put it:

"We were aware that this was not only a demonstration project but also an experimental one, experimenting upon which circumstances would work. If we took only the 'creampuffs' that would be fine but we wanted to test the limits which meant we had to take some chances, big chances. We figured if we had a 50% success rate it would show us what we can do and what we can't do . . . or else, what's the use for an experimental program?"²³

Footnotes

Chapter II

1. For additional reference, see series of case studies presented to Master's Office of Boston Housing Court in Spring of 1976 on Boston Housing Authority Developments (supervised by Langley Keyes of MIT Dept. of Urban Studies and Planning).

2. DCA, Programs of the Massachusetts Dept. of Community Affairs 1969, p.3.

3. DCA, Review of Current State and Federal Programs, (October 1976), p. 6.

4. DCA, DCA Annual Report 1971.

5. DCA, List of Chapter 705 Contracts for Financial Assistance, (September 15, 1976).

6. DCA, DCA Annual Report 1974.

7. For a thorough discussion of Goetze's concepts, see: Rolf Goetze, Building Neighborhood Confidence: A Humanistic Strategy for Urban Housing.

8. DCA, NIP Guidelines and Procedures, p. 1 & 2.

9. Interview with Gary Jefferson, December 10, 1976.

10. Interview with Joel Kirshner, December 2, 1976.

11. Interview, Mr. Gary Jefferson.

12. Interview, Mr. Gary Jefferson.

13. Interview, Mr. Joel Kirshner.

Chapter II(continued)

14. Interview, Mr. Gary Jefferson.
15. Interview, Mr. Gary Jefferson.
16. DCA, NIP Guidelines and Procedures, p. 9.
17. Ibid.
18. Interview, Mr. Gary Jefferson.
19. Interview, Mr. Joel Kirshner.
20. Interview, Mr. Gary Jefferson.
21. Interview, Mr. Joel Kirshner.
22. Interview, Mr. Gary Jefferson.
23. Interview, Mr. Gary Jefferson.

CHAPTER III
EVALUATION OF NIP TARGET NEIGHBORHOODS

A. Introduction

This chapter provides an overview of the six NIP target neighborhoods that are presently operating in Massachusetts. The six target neighborhoods are considered in the following order: Brockton - Walnut-Turner Area, Cambridge - Riverside/Cambridgeport Community, Fitchburg - College District, Lowell - Lower Highlands Area, Roxbury - Highland Park Area, and Waltham - Charles-Felton Area. The Neighborhood Improvement Program has allocated funds for all six neighborhoods to the amount of \$6.06 million in Chapter 705 and \$895,000 in Chapter 707 funds (Exhibit III-1). The sponsor cities of each NIP have likewise committed their share of local funds to the NIP effort (Exhibit III-2).

Each NIP neighborhood will be briefly described to highlight the more significant features that characterize it as a target area warranting NIP funding, as well as present distinctions that may separate it from the other designated neighborhoods. The major issues and concerns of these NIP areas will be reviewed such that both the problems and assets of the community are revealed. Likewise, each NIP will be reviewed

for their proposed strategy as delineated in their original NIP plans and to the extent possible, as thus carried out in their respective early stages of implementation (Exhibit III-3). Since it is yet premature to perform any evaluation of the actual results of each NIP, the analysis in this chapter will be based on an evaluation of the perceived weaknesses and strengths of the various NIP proposals, the degree to which these proposed strategies are reflected in their early operational stages, and the potential for such strategies to meet their objectives for "neighborhood improvement".

The analysis conducted in this chapter is predicated on a variety of sources. Extensive, detailed data on neighborhood characteristics are for the most part derived from the original funding proposals submitted by the various target areas. Other sources of information are pieced together from : Working Paper: Evaluation of the Neighborhood Improvement Program submitted to DCA (May 5, 1976) by Harvard University's Pl. 311b Community Development Policy Workshop, NIP Monthly Reports (by DCA staff), and data collected from the memorandum files of DCA. In addition to these existing sources of data, a series of questionnaires (Exhibit III-4 to 7) and interviews were conducted in Spring of 1977 by the author to facilitate the correlation and updating of information on the six neighborhoods.

Maps of each NIP target area, and various supportive data inserted in the appendix of this thesis are provided

to reflect the diversity of the neighborhoods selected for NIP funding. These materials are not meant to be all inclusive. Because the information is derived from the original NIP plans of each respective community, data will at times differ in format or not be consistently available at all (e.g. demographic data on Lowell's NIP area is literally non-existent in the Lowell plan). Nonetheless an attempt has been made to build a basic foundation of data on each neighborhood from which one can develop an image of the communities.

B. Brockton - Walnut-Turner Area

The Neighborhood - Issues and Concerns:

The Walnut-Turner Street neighborhood consists of a ten block area surrounded on three sides by stable, middle class communities with a fourth side bordering the downtown business district of Brockton. Unlike its surrounding residential communities, the Walnut-Turner area is largely occupied by low-income residents. The neighborhood's population not only has a greater percentage of low-income families than the City of Brockton, but also a greater percentage of minorities (i.e. Blacks, Spanish-speaking), families on public assistance, and blue collar workers (Exhibit III-8). The other NIP target neighborhoods reflect a similarly disadvantaged population relative to their respective cities. As in many of the other NIP areas, the Walnut-Turner area also suffers from higher than city average crime rates.¹

After years of decline, the Walnut-Turner neighborhood is one of the most deteriorated neighborhoods in Brockton. Approximately one third of the neighborhood's 258 structures containing over 700 dwelling units are in varying degrees of deterioration with "sagging porches, rotten gutters, peeling paint, and littered yards of beaten dirt".² Over half of these dilapidated buildings are owned by absentee landlords (Exhibit III-9).³ Many of the resident homeowners who have

lived in the neighborhood for many years are advancing in age and will soon be in the position where they may wish to sell their homes. There is concern that the number of absentee landlords could grow in years to come.⁴

Though the Walnut-Turner neighborhood is presently described as one that is "far beyond the stage of 'just beginning to go bad'"⁵, there are nonetheless many positive features of the neighborhood that argue for its revitalization potential. Though the neighborhood is abundant in its share of deteriorated buildings and negligent absentee landlords, most of the buildings in the area are still structurally sound triple-deckers with over half of them occupied by resident landlords of the neighborhood and single-family homeowners.⁶ The neighborhood in general is attractive even in its current state of neglect. The streets are tree-lined and the buildings offer a diversity of attractive architectural styles. The housing market within the area is alive if not well. Buyers can be attracted to the area though the local banks are often reluctant in encouraging investment in the neighborhood.⁷

In 1973 a non-profit community organization called the Brockton Housing Trust (BHT) was founded by Josh Posner in an effort to build on the strengths of the neighborhood in providing for housing in the City of Brockton. Using conventional funding, the BHT was able to rehabilitate four large buildings on Turner and Haverhill Streets. The BHT was later instrumental in establishing the Turner-Haverhill Community Council as

a mechanism for resident participation in the neighborhood.⁸

Though the Brockton Housing Authority (BHA) had in its possession approximately \$71.6 million of Chapter 705 funds, they had done nothing but "sit on the money" since 1968.⁹ The BHT decided to assume the initiative, and requested a grant from the 705 money to develop a feasibility study for a Walnut-Turner NIP. The feasibility study was funded by the BHA for \$29,500, completed in fall of 1975, and well-received by the staff at DCA. Sufficiently impressed with not only the submitted NIP plan but also BHT's experience in housing rehabilitation, the organized participation of the residents, and the presence of Josh Posner to maintain the impetus in the the community, Jefferson and Kirshner decided to provide Brockton with funding.

Brockton's Proposed Strategy for NIP:

The Brockton strategy under NIP reflects the approach of the other NIP's in the state in that the Chapter 705 funds are geared towards acquiring and rehabilitating the most seriously deteriorated, absentee-owned, and generally most visible buildings in the neighborhood. Brockton's Chapter 705 and 707 funded dwelling units are nonetheless more dispersed within its designated target area than many of the other NIP's providing a truly "scattered" effect. The objective is not only to improve the housing stock and provide more low-income housing, but also to impact upon the rest of the neighborhood by possibly serving as a visible incentive to other residents,

homeowners and observers (e.g. lending institutions) in the area.

To supplement the state funded aspects of NIP the City of Brockton is committed to improving municipal services and facilities in the Walnut-Turner area. The Mayor has agreed to undertake a concerted effort in the neighborhood to upgrade the streets, sidewalks, curbs, and municipal services (i.e. tree pruning, garbage collection). In the same spirit, a full time housing inspector will be assigned to the neighborhood to intensify the code enforcement program.¹⁰

Most of the City's contribution to NIP will be invested in funding a Homeowners Program to provide loans and grants up to \$1250 to homeowners in the area for repairs or home improvements. The banks are expected to participate and contribute in this program as well. Free financial counseling and technical construction assistance will also be provided to the community under this program.

While Brockton's NIP strategy strives to be comprehensive, extending itself beyond just another housing rehabilitation program, it is yet tailored to consider the limitation of its funding. Brockton's NIP plan summarizes that city's approach by stating:

". . . NIP is not conceived as a 'product' or a set of fixed objectives. It is meant to be the beginning of a process of neighborhood renewal that will continue for many years and will have an impact far beyond the last dollar spent on salaries. . . the transformation of this neighborhood will take much longer than that; but a good foundation can be built in this initial period."¹¹

The Brockton NIP is presently funded for \$1.6 million in Chapter 705 funds, and \$110,000 in Chapter 707 funds. Since the Brockton Housing Trust was actively involved in the target community and had been the driving force behind the NIP it had hoped the BHA would allow the BHT to administer the program in the Walnut-Turner neighborhood.* Instead the Brockton Housing Authority Board voted to administer the approximately \$1.7 million in NIP funds itself. DCA nonetheless required the BHA to appoint a Liaison (i.e. program coordinator) for NIP who would possess the needed intimate knowledge of the neighborhood and the program. Josh Posner, who "coincidentally" fulfilled both Liaison qualifications, was ultimately appointed. This DCA "tactic" was a conscious effort by Jefferson and Kirshner to incorporate both the firm desires of the BHA to administer the program's funds, and the need for a "personality" to provide the innovative impetus for NIP. Such an arrangement would hopefully set the stage for cooperation between the local housing authority and the community.

Early Implementation of Brockton NIP:

This effort to develop a "partnership" between the BHA and the BHT has thus far failed miserably. Since NIP's opera-

*NIP Contracts for Financial Assistance (CFA's) must be made by DCA with the Local Housing Authority (LHA), but the LHA has the option to subcontract the services of a non-profit community organization to administer the program. An example of such an arrangement can be found in the Highland Park NIP administered by RAP through the Boston Housing Authority.

tional phase was initiated to begin in late 1975, the Brockton program has been plagued with bureaucratic "foot dragging" and local political controversy. Most of this controversy stems more from the intricate personality and political disputes within the City of Brockton than from the conceptual issues directly concerning NIP.* Obstacles and delays totaling thus far 12 months, are continually being encountered where BHA Board approval or cooperation is involved.¹²

Throughout the political "mud slinging" that has taken place in Brockton around NIP, the City (i.e. Mayor, City Council, and other city agencies) the City has remained as neutral as possible. Given the limited state and federal funds available to Brockton, the City has decided to concentrate its efforts in revitalizing its downtown area first.¹³ City commitments for increased municipal services and improvements in the Walnut-Turner area have been slow in occurring. An "Off Street Park" has been developed in the neighborhood, but much to the contributions of 705 facility funds and the volunteer labor of the local residents than to the efforts of the city.

The Homeowners Program, already allocated \$89,500 by the City for grants and administration funds, has been scheduled

*For more insight into the political/personality struggles in Brockton refer to Sept. 1976 and May 1977 issues of Brockton Daily Enterprise. It should be noted that the Brockton Daily Enterprise has been accused of bias reporting and may have political/personal connections of its own with certain BHA personnel.

to start for some time but delays have been encountered in the BHA Boards's approval of the hiring of a Rehabilitation Officer. Until the NIP Homeowners Program gets underway little can be observed on the part of the local lending institutions in their roles in promoting neighborhood investment. Nonetheless, thus far the local banks have been cooperating with the planning phases of the program and a secure commitment has been made to the Walnut-Turner area to make funds available to the community.¹⁴

Considering all the delays of the program, that in their political nature sets Brockton apart from the other NIP projects the Brockton NIP is proceeding however slowly with the acquisition of four buildings in the area for rehabilitation. Six to ten additional buildings, all absentee-owned and seriously deteriorated, are scheduled to be acquired and rehabed in the future for the provision of a total of approximately 40 dwelling units. These units, in addition to the 35 units slated for Chapter 707 subsidies, hopefully will provide a positive impact on the remainder of the Walnut-Turner area.¹⁵

Analysis of Brockton NIP - Strengths and Weaknesses:

The commitment of Josh Posner and the active participation of the community's residents are by far the strongest elements at work in the Brockton NIP. The construction of the Off Street Park demonstrated the involvement of the com-

munity and provides a visible symbol of the residents' struggle to "turn-around" the neighborhood. This coupled with the activation of a Neighborhood Advisory Council (NAC) to NIP and a Walnut-Turner Neighborhood Council provide and maintain resident vitality in the area as well as input in NIP.

It is questionable whether the acquisition and rehab of 10 to 15 buildings (though they be the most deteriorated, absentee-owned buildings) in a target neighborhood of over 250 structures would provide enough of an impetus from which to "turn-around" the Walnut-Turner area. Much depends on the local lending institutions to provide funds for upgrading the remainder of the housing stock not acquired or subsidized by NIP funds. Nevertheless, as expressed in Brockton's NIP plan, the City is aware of this dilemma and only anticipates building a "foundation" for neighborhood revitalization.

"This is the first step in trying to upgrade the neighborhood of the NIP. This money alone, even if it were \$10 million cannot do the job of rehabilitation. It will take a 100 per cent effort of all landlords, tenants, code enforcement officers, BHA employees and this Board (BHA's)... If we all work together, it can mean a rebirth of the neighborhood but it has to be a team effort."-* 16

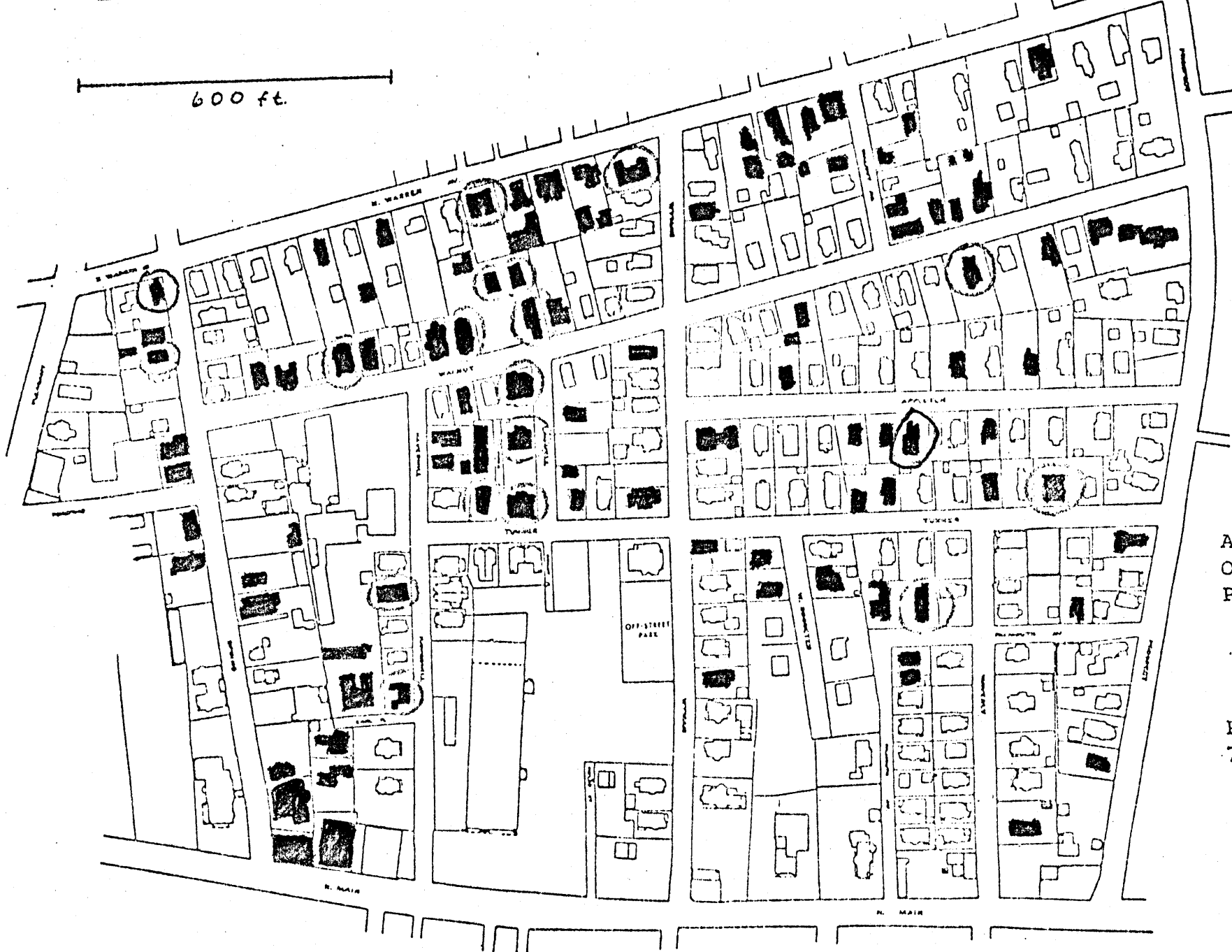
It seems evident that unless a "team effort" can be secured in the Brockton NIP, little hope can be attached to its

- * This statement coincidentally was made by Manthala George Jr., the Chairman of the BHA Board and one of the primary characters involved in the political in-fighting responsible for the delays in the Brockton NIP.

"success". The City needs to be more responsive in meeting its commitments to the area. The internal political conflict between Brockton's "personalities" must be resolved. Related to all of this, DCA should re-evaluate its role in administering NIP's, deciding either to remain in its present role as observer and occasional mediator with the power to pull out NIP funds altogether if the program fails to work, or to be more assertive on the local level to leverage what it can to make the program work.

WALNUT - TURNER NEIGHBORHOOD IMPROVEMENT PROGRAM

WALNUT-TURNER (BROCKTON)



Absentee
Owned
Properties



Proposed
705 Units



C. Cambridge - Riverside/Cambridgeport Community

The Neighborhood - Issues and Concerns:

The NIP target area for Cambridge differs from the other NIP's in that it is mostly comprised of one block. This target area is strategically located in two neighborhoods, Riverside and Cambridgeport, and largely occupied by a city park called Hoyt Field situated in the center of the block. The Riverside/Cambridgeport area is bordered on two sides by busy one-way arterial roads that isolate it from the two communities, thus its sense of "identity" is more self-contained within that one block than it is related to its encompassing neighborhoods.

The predominant housing type is a 2 - 4 family dwelling situated in triple-decker fashion. The Riverside/Cambridgeport area as a whole contains approximately 205 dwelling units.¹⁷ Despite the fact that the area is conveniently located to the downtown district of Cambridge and public transportation, and that there is a great demand for housing in Cambridge, much of the housing in this area has been allowed to fall into a deteriorated state. In recent years there has been an exodus of owner-occupants in the area to the suburbs and other parts of the city.¹⁸ Absentee landlords now own much of the property in the neighborhood. The introduction of rent control and lender reluctance to invest in the neighbor-

hood have discouraged absentee landlords from investing in their structures beyond cosmetic renovation.¹⁹ To enforce this attitude of disinvestment in the area, City funds for maintenance, improvements and expansion of public facilities have not been made available to the area (Exhibit III-10).

Out of a total of 30 census tracts in the City of Cambridge, tract #3534 (encompassing the Riverside/Cambridgeport area) ranks 26th in median income, and second in unemployment (Exhibit III-11). This census tract also has the highest proportion of both black and Spanish-speaking persons in the City.²⁰

Though plagued with its share of housing and socioeconomic problems, the Riverside/Cambridgeport community has its appeal as a neighborhood in which to live. The neighborhood, as mentioned earlier, is conveniently located to both public and private services. There is a healthy mix of residents from a wide spectrum of ethnic, income and social groups. Many of the residents of the neighborhood are active members of the Riverside/Cambridgeport Community Corporation (RCCC), the organization that has demonstrated innovative approaches to community revitalization and that initially caught the attention of Joel Kirshner, then Director of the Chapter 707 component of NIP.

Further encouragement for NIP funding of the Riverside/Cambridgeport area was secured in the fact that land was abundantly available for open space recreation, and that the neigh-

borhood is in a "transitional" state in which NIP funds could effectively be used to provide a positive impact on the neighborhood. There existed signs that with the investment and interest of the state, the city and financial institutions in the area would respond in kind.

Cambridge's Proposed Strategy for NIP:

Cambridge's NIP target neighborhood is for the most part smaller and in better condition than the other NIP target areas throughout the State. The RCCC, a non-profit corporation, is gradually rehabilitating 20 buildings in the area with conventional bank loans it has secured on its own, and selling them to owner occupants upon completion of the work. This, in essence, provides the same benefits that Chapter 705 funds would and perhaps even to a greater extent because RCCC is also able to transfer title to the property after rehabilitation.*

Given such a situation, Cambridge's NIP assumes a different approach than the other NIP's in that it is authorized to use only Chapter 707 funds in its program. By dispersing subsidized 707 units in the "needy" structures throughout the neighborhood, hopefully the owners of these buildings can lev-

*Chapter 705 enabling legislation for homeownership has yet to pass the legislature.

erage home improvement loans from the local banks to make repairs and renovations. It is the intent of the Riverside/Cambridgeport NIP to not only improve the designated target area but to ultimately impact upon the rest of the Riverside and Cambridgeport neighborhoods. A large part of the reasoning behind the area's selection as a NIP neighborhood was based on its central location and visibility to the two adjacent communities.

The City has tentatively committed a total of \$75,000 for homeownership "grants" related to the NIP, providing a form of reserve cushion for new owners. The City has also pledged \$33,000 to be applied towards NIP relocation and administration costs.²¹ Improvements to Hoyt Field, neighborhood streets and sidewalks are likewise anticipated to be funded by the City (through CDBG funds).

The on-going RCCC Housing Improvement Program (HIP) is presently operating in the area funded by \$100,000 in City CDBG funds. The HIP will be coordinated with NIP, with NIP primarily aimed at improving absentee-owned properties while the NIP is directed towards assisting existing homeowners in fixing up their homes.²²

Early Implementation of Cambridge NIP:

The Cambridge NIP was formally approved on April 4, 1977.²³ The Riverside/Cambridgeport NIP is presently allocated \$65,000 in Chapter 707 funds for the subsidizing of 40 dwelling units.

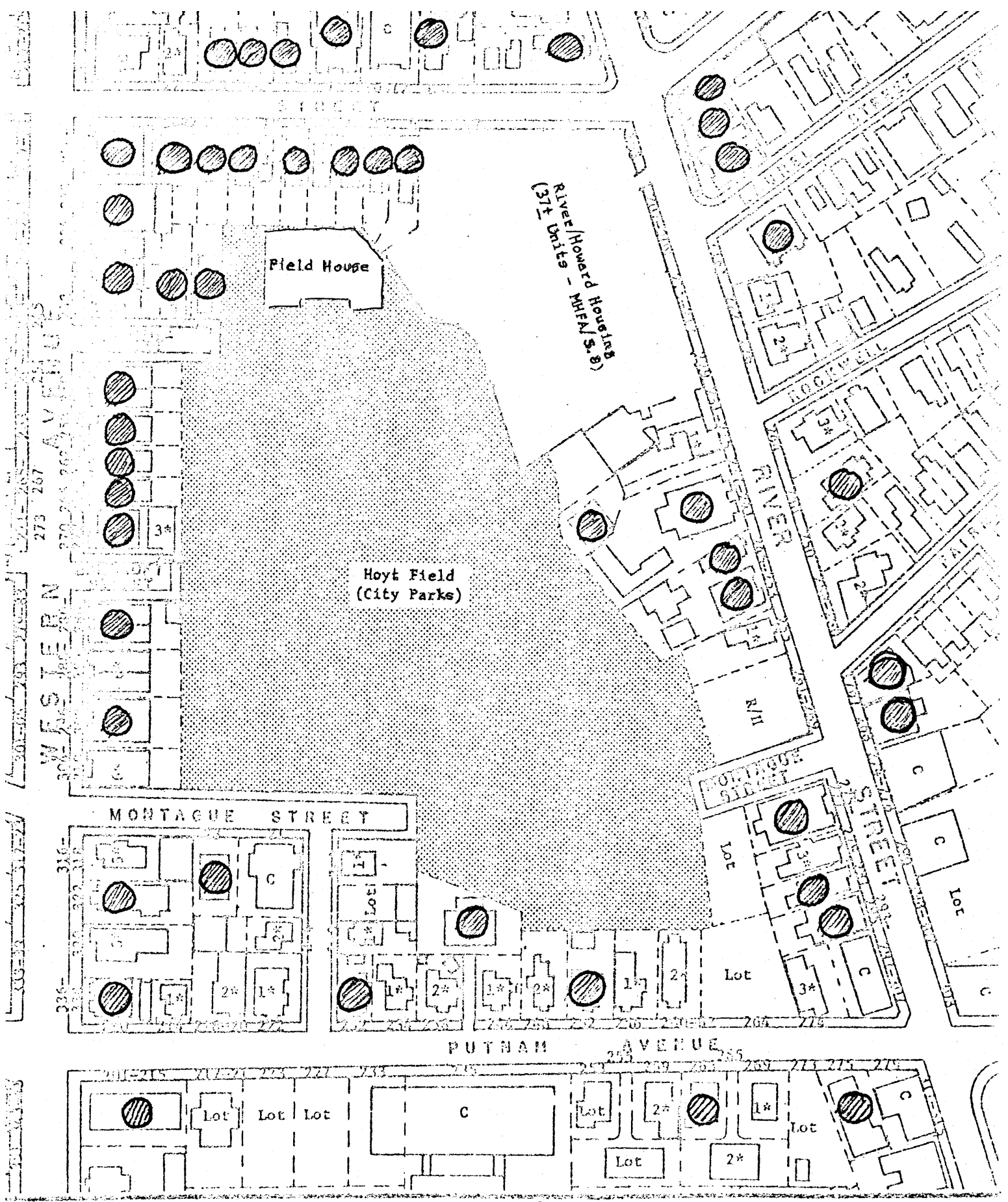
The program will be administered with both the cooperation of the Cambridge Housing Authority and the RCCC. So far, both groups have worked well with each other and no complications are expected. Likewise the City seems firm in meeting its commitments to upgrade municipal services and improve Hoyt Field, both aspects which are desperately needed in the area.

Participating homeowners for the Chapter 707 have been recruited from the area. Twelve units are presently being rehabbed by the current owners, and six units by the RCCC. Encouraged by all this activity in the neighborhood initiated by NIP and HIP, the local banks have been very supportive of these programs by increasing the number of construction and home improvement loans in the area.

Analysis of Cambridge NIP - Strengths and Weaknesses:

The Riverside/Cambridgeport Community as a NIP target neighborhood benefits from its manageable size and thus, manageable scope of objectives for neighborhood improvement. The neighborhood is truly a "transitional" neighborhood requiring only a spark to ignite a host of good-will efforts from the city and local private sector. The area, for all these reasons, may not necessarily need the "personality" to pull the program along. In Cambridge the impetus is not embodied in one person alone as much as it is facilitated by the coordinated and committed efforts of two bodies, the Cambridge Housing Authority and the RCCC.

All factors considered the potential for the Riverside/Cambridgeport community to gradually make a change for the better is very good. Whether these improvements to the target area will impact any of the bordering housing stock beyond its designated one block area remains to be seen. The bordering one-way arterial roads provide a formidable barrier for whatever positive spillover effects can be accrued from the Riverside/Cambridgeport NIP unless something is done to alter this situation these obstacles will remain.



Ownership Map

⊘ = absentee owner

WCC/MIP

D. Fitchburg - College District

The Neighborhood - Issues and Concerns:

The College District of Fitchburg is an older, densely developed residential area of approximately 70 acres situated between a state college on the north and a commercial-business district on the south. Bordered by these two forces that encroach upon the neighborhood, the College District has suffered from the negative effects produced by their evergrowing needs for facilities and room for growth. Transient college students and minorities have gradually replaced the resident homeowners that once abundantly populated the area but have since left in search of single family homes in more suburban areas. Absentee landlords have taken over more and more of the property in the area, often looking to maximize the return on their investment by converting their buildings into multiple apartment units, only adding to the congestion, parking and maintenance problems of the area. In a resident survey conducted in the College District, 43% of those surveyed said parking was the number one problem in the area. This was followed by problems related to vacant buildings, employment opportunities, traffic, recreational facilities, and security.²⁴

Presently over 64% of the 800 dwelling units in the College District are still owner-occupied, and much of the hous-

ing stock is basically in sound condition though deficient in one aspect or another (Exhibit III-13). There does exist a number of randomly located deteriorated buildings (some of which are abandoned and/or tax delinquent) that create a definite blighting influence on the rest of the neighborhood. Some of the more critically deteriorated buildings in the neighborhood have been demolished, leaving vacant lots to dot the area. The City cannot utilize this property until it is awarded to the City by the Land Court and carried through the lengthy tax title process which usually takes from 3 to 5 years to run its course.²⁵ In the meantime, these vacant lots have become overgrown with vegetation, and littered with refuse from the neighborhood, once again blighting the surrounding community.

Investigation of the properties demolished by the City have revealed a pattern of tax delinquency averaging approximately \$9,000 in unpaid property taxes per parcel of land.²⁶ By the time the Land Court awards title to these properties to the City, the debt will have grown even larger. The probability of the City regaining these foregone property taxes is very unlikely.

In response to the neighborhood's needs, desire to hold its ground as a viable residential community, and struggle to combat blight and absentee-ownership, the City has endeavored to secure funds for the rehabilitation of the area. On two previous occasions federal funding has failed to materialize; NIP represents the City's third attempt to secure funding to

improve the neighborhood.²⁷

Herbert Groop, the Executive Director of the Fitchburg Housing Authority, was personally committed to do something to aid the College District. He presented the needs of the neighborhood to DCA, and developed a plan by which NIP could be utilized in the area. DCA believed the neighborhood was locationally attractive being located near the commercial-business district of Fitchburg, and that many of the major deterioration problems of the housing stock could be confronted by NIP. The neighborhood posed a collection of interesting characteristics and problems as a "College District". Herbert Groop, who had been working in Fitchburg since 1948, would provide the stable, committed "personality" required. Likewise, the local staff appeared competent to implement NIP, and City officials were solidly behind the plan.

Fitchburg's Proposed Strategy for NIP:

Meetings to solicit input into the planning of the Fitchburg NIP were held in the College District with residents, property owners, Ward Councilors, the Police Department, the Tax Assessors, local financial and lending institutions, social service agencies, and Fitchburg State College.²⁸ Each meeting was attended by approximately 40 to 60 people. In general, people were supportive of NIP with residents particularly eager for it to be directed towards aiding the low-income families in the area.

Like the other NIP strategies Chapter 705 funds would be used to acquire the most deteriorated and visible structures in the neighborhood. Chapter 707 though, was specifically to include absentee-owned buildings in its distribution of rental subsidies. It was felt that unless absentee-owned buildings were facilitated by the program the absentee-owned structures would continue to decline, thus remaining a blighting influence in the community.

A Rehab Grant Program funded by City CDBG funds would be provided to provide funds for interested homeowners. The local lending institutions present at the meetings stated that they would likewise make loans in the neighborhood if they held the mortgage and the person applying had the "ability to repay the loan". This ability could be facilitated by the Rehab Grant and/or a 707 Rental Agreement.

Vacant lots in the College District could be used to provide recreational space or off-street parking in the neighborhood. Traffic routes would be investigated for re-routing possibilities, and the Police Department would try to assist in any possible way to control the traffic in the area.

Early Implementation of Fitchburg NIP:

Fitchburg's College District is presently slated for 36 Chapter 705 units and 50 Chapter 707 units. Five buildings (one of which is proposed for demolition) have so far been purchased under NIP, an additional four buildings are yet to be acquired. The architect has completed "as built" and sche-

matic drawings, and is now working on the construction documents.*

The NIP has recently been fortunate enough to acquire an additional two buildings from the Fitchburg State College under special arrangements. The City has acquired two structurally sound buildings (for the token purchase price of \$1) that the State College had proposed to demolish to make room for new dormitories. The City hopes to move these buildings to three vacant lots in the neighborhood (one lot will be used to provide parking) to not only provide additional housing but also to "fill-in" the gaps in the residential pattern. In exchange, the City is providing the College with land (formerly a playground) for parking. Since the buildings must be moved to their prospective sites by early June, the State College's deadline to begin site preparation for new construction, the City has no choice but to acquire title to the vacant lots through eminent domain.

The City has hired a rehab specialist for the area, increased code enforcement, and initiated their 20% Rehab Incentive Grant Program.²⁹ Operations to relieve the parking, traffic and facility problems in the area have, as of yet, not begun in any substantial way.

Analysis of Fitchburg NIP - Strengths and Weaknesses:

Once again NIP has limited funding potential to impact on

*Each NIP selects its own architects, subject to DCA approval, from open competition.


a neighborhood comprising of over 300 structures through its proposed acquisition of 10 to 11 Chapter 705 buildings. Though the City has committed \$100,000 to its Rehab Incentive Grant Program, and resident interest has been good, more must be seen on the part of securing additional funds from the local lending institutions if a substantial number of the homeowners in the area are to be facilitated in their efforts to repair or improve their buildings. It is still unclear as to what the commitment of the local banks to loan to "qualified" applicants really means in providing funds previously unavailable to the community.

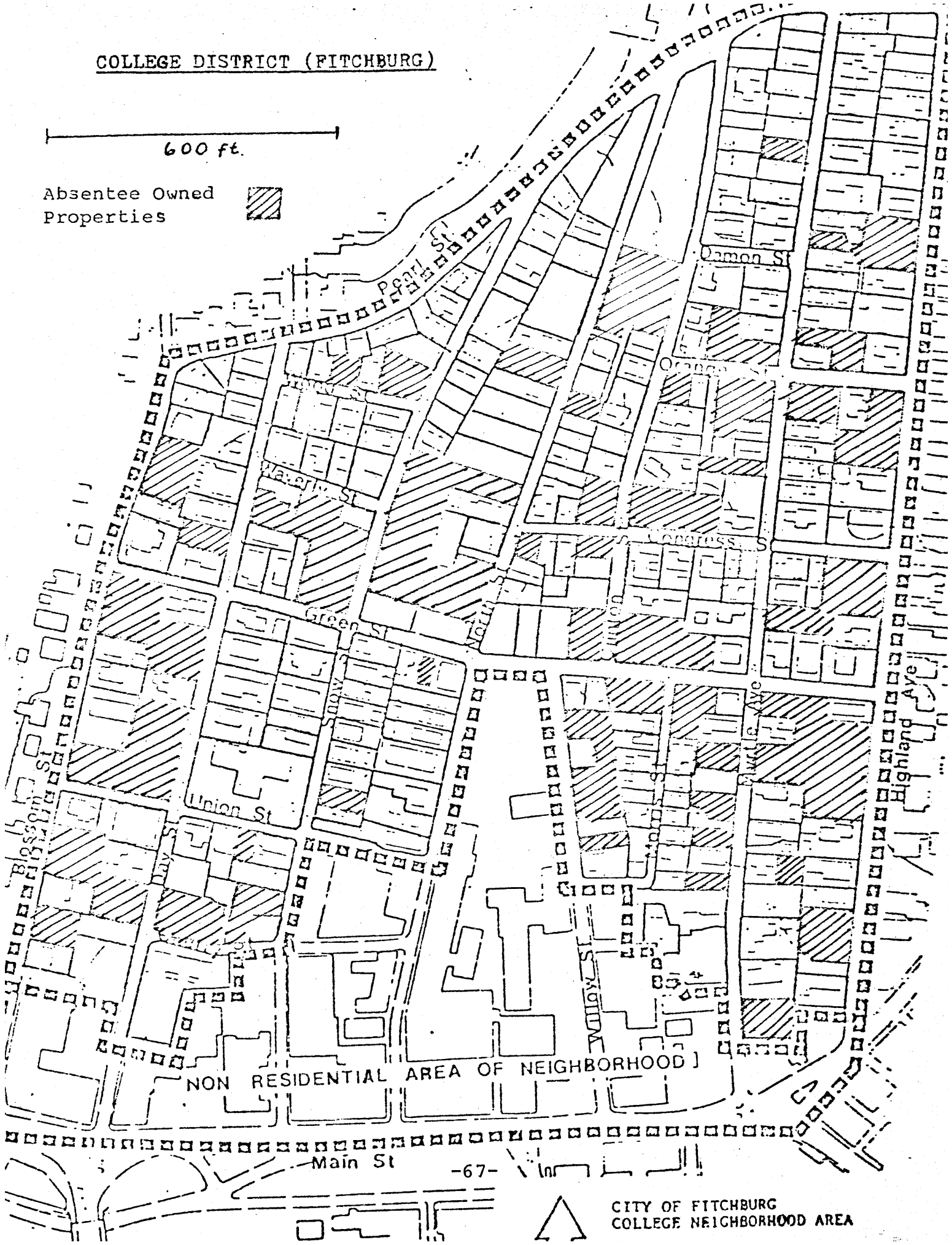
The City has succeeded in acquiring two additional buildings from the Fitchburg State College. This was more a fortunate stroke of good timing than anything else. The City nonetheless was forced to acquire the needed vacant lots for relocating the buildings through eminent domain. Though the lots had to be acquired in less than two months in this instance, the fact remains that these lots had been tax delinquent for years and could have very well been already under the possession of the City. What ability the tax title process has to acquire property for municipal reuse, threaten owners into responsive payment, and discourage owner "milking" of profits on "city time and at the city's expense" has been critically crippled by its drawn out processing time. Long-term institutional improvements are in order for the tax title process to be a tool for neighborhood improvement in this and other neighborhoods.

The residents of the neighborhood have experienced two previous disappointments in efforts to revitalize the neighborhood. So far resident participation in the 707 and Rehab Incentive Grant Programs have been positive. Some skepticism remains nonetheless as to what NIP as a whole can really accomplish for the community.³⁰ This skepticism may be dispelled when rehab under Chapter 705 is completed and the City carries forth on its other commitments to the College District. All this yet remains to be seen.

COLLEGE DISTRICT (FITCHBURG)

600 ft.

Absentee Owned Properties 



NON RESIDENTIAL AREA OF NEIGHBORHOOD

Main St

-67-

CITY OF FITCHBURG
COLLEGE NEIGHBORHOOD AREA

E. Lowell - Lower Highlands Area

The Neighborhood - Issues and Concerns:

The Lower Highlands area of Lowell is a small target neighborhood of about 12.6 acres, largely occupied by 68 residential structures built 50 to 70 years ago.³¹ Most of these structures are multi-family tenements or two-family duplex dwellings containing a total of 148 dwelling units. Of the 68 structures in the area over one third are in a dilapidated condition or in need of major repairs (Exhibit III-15).³²

The Lower Highlands area is for the most part surrounded by densely developed residential neighborhoods, except for the Hale-Howard Industrial Park (that has yet to be constructed) which lies directly east of the target area across Chelmsford Street.³³ Many of the residents of the vicinity were displaced after the 1970 census by the clearing of this urban renewal site. Approximately 390 residents of the Lower Highlands area have remained, momentarily unaffected by the industrial park project. It is hoped that the industrial park, when it is finally constructed, will not produce negative spill-over effects (e.g. traffic congestion, pollution, noise) upon the area.

The Lower Highlands area is not the "ideal" NIP target neighborhood that Jefferson had in mind. It did not fulfill his original basic criteria of being a "transitional" neighbor-

hood of about 500 to 1500 dwelling units which if provided with funding, the NIP units would not encompass more than 25% of the housing stock.³⁴ Instead the target area seemed especially small, and even by the admittance of local planning personnel, beyond the stage of "transition" and more into a stage of "bottoming-out".*³⁵

Despite these factors Jefferson was nonetheless acutely aware of the neighborhood's need for assistance and the plight of the residents in the neighborhood, about 18% of which were "subsisting below poverty levels".**³⁶ Frank Keefe, then Planning Director of Lowell's Community Development Agency, firmly convinced Jefferson that Lowell was philosophically and financially committed to neighborhood revitalization throughout the City. The City, with no state assistance, had already demonstrated this commitment by financing the improvement of an even larger neighborhood in Lowell, Lower Belvidere. The NIP plan for the Lower Highlands area in Lowell had the widespread support of the City Council, City agencies, and the neighborhood.³⁷ Though somewhat apprehensive about the selected target area, Jefferson felt such support, such city demonstration towards the concept of comprehensive neighborhood revitalization, and the commitment of local city officials could successfully motivate "neighborhood improvement" of the Lower Highlands area.³⁸

* "bottomed-out" is defined as at a stage of being seriously deteriorated.

** "Mentioned earlier in the thesis was Jefferson's personal acquaintance with the President of the local neighborhood association.

Lowell's Proposed Strategy for NIP:

The Lowell plan strongly emphasized the need for "cooperation from all those participating" for the successful implementation of their NIP plan. It specifically mentions:

State DCA Officials
Local Planners
The Lowell Housing Authority
Neighborhood Residents
The City Manager and City Council
Neighborhood Property Owners
The Banking Community

How this cooperative energy is to be channeled into particular program elements is described in the plan with a review of Lowell's proposed strategy.

Most of the discussion on strategy is spent on the designation of particular target parcels for either 705 acquisition or 707 subsidization. Through the canvassing of the neighborhood's residents it appears that a good portion of the landlords have expressed interest in the Chapter 707 program. As the plan states:

"The program encourages residential rehabilitation . . . the landlords, however, also benefit in terms of increased rents . . . Some landlords may not be willing to part with their property, but with some repairs, they could stand to increase their profits and, at the same time, improve living conditions for tenants." 39

The Lowell Housing Authority goes on to mention DCA's expressed concern about the possible concentration of Chapter 705 housing such that it produces a "Housing Project" type image. In answer to this concern the LHA proposes to disperse the LHA-owned properties "as much as possible". Attached to this section is a map designating the proposed 705

acquisitions which clearly illustrates eight of the eleven structures on a particular stretch of Grand street as designated for acquisition by the LHA (refer to attached map).⁴⁰

The LHA anticipates some problems in the acquisition of 705 property. It proposes to meet these problems in a variety of ways: suggest to the landlord he/she participate in the Chapter 707 program, and if the landlord still refuses to participate in NIP or do any improvements on his/her property, launch strict code enforcement proceedings against the landlord (the "harassment" strategy as the author prefers to entitle it).⁴¹

On the issue of "neighborhood needs" the resident survey foremost stressed the desire for more recreational facilities, a community center, and street improvements. It is proposed that the City undertake resurfacing of the streets, replacement of the sidewalks, transformation of a neighborhood vacant lot into a site for recreational facilities, rehab of an old armory building for a community center, revisions in the traffic pattern, and tree planting throughout the area.⁴²

Little is said about the financial aspect of NIP in providing for repair or home improvement loans in the Lower Highlands area. The plan does state that "the financial community must get into the act" if Chapter 707 property owners and other owners in the area are to make improvements on their properties.⁴³ Aside from mentioning "a"local bank" that had expressed initial interest in lending in the area, at terms, interest rates and amounts unknown, nothing else is delineated in the

LHA proposal. Likewise no mention is made of a city funded rehab grant or rebate program.

Early Implementation of Lowell NIP:

Lowell's Lower Highlands area actually contains fewer dwelling units in its target area than that contained in the Riverside/Cambridgeport community.* Nonetheless funding for the Lowell NIP is twenty times more than that of Cambridge's NIP which was allocated only \$65,000 in Chapter 707 funds. Because Lowell does not benefit from a community organization such as the RCCC (which as mentioned before provides a similar service of heavy rehab comparable to the Chapter 705 component) and many of the buildings in the Lower Highlands area require more aid than rent subsidies can provide, Lowell has been allocated \$1.2 million in Chapter 705 funds in addition to \$120,000 in Chapter 707 funds. As of May 1977, a portion of these funds have been used to acquire seven buildings in the area for purposes of rehab or demolition to eliminate blight and possibly provide space for passive recreation or parking.

Some problems were encountered in Lowell's efforts to negotiate a purchase price for NIP sites. An example of this can be found in the LHA's efforts to purchase four buildings owned by Louis Saab who for a period of time first refused to

* Whereas Cambridge's target neighborhood has @200 dwelling units, Lowell's Lower Highland's area has @150 dwelling units.

sell the properties, then later insisted on sale prices based on appraisals that averaged from three to four times the assessed valuation of the properties.⁴⁴ Such sale prices were well over NIP offers for the parcels. The City was aware that Saab was not only the City's biggest landlord but also the City's biggest tax delinquent. Though Saab's tax delinquency on the Lower Highlands sites amounted on the average less than \$1,000, Saab nonetheless owns many more tax delinquent properties throughout Lowell. Some discussion was made by local officials to "threaten" Saab with code enforcement or tax title proceedings, but for the most part it was felt Saab would recognize such threats as minor and continue to "play his cards" in the negotiations. As a well-seasoned landlord in the city, Saab was familiar with the code enforcement tactics and likewise, he was aware of the processing complexities of the tax title procedure which could allow him years of profit before eventual payment of back taxes or the actual "taking" of title. Saab eventually negotiated the parcel prices back and forth with the LHA until he received the best price he could expect under the circumstances.⁴⁵

Frank Keefe is no longer working in Lowell having moved on to head the State Office of Planning.* Armand Mercier, Executive Director of the Lowell Housing Authority, who likewise

*Gary Jefferson, after leaving DCA and NIP, also moved on to work for the State Office of Planning under Frank Keefe.

played a crucial part in implementing the Lower Highlands' NIP, continues to propel and guide the program through its operational stages. Lowell is moving slowly through the process of appraisals, inspections, purchases, and preliminary architectural designs. Improved municipal servicing and repairs have begun. The City has already initiated and is presently operating a city-wide revolving rehabilitation loan pool for homeowners by utilizing CDBG funds and Section 312 grants from H.U.D.⁴⁶ The program to increase code enforcement on an area-wide basis has not yet been initiated. The City on the whole provides little active participation in the Lower Highlands NIP. Lack of both City input and feedback reflect a "lay-back" attitude to the program in general.⁴⁷

An additional \$44,000 in loan commitments from the local private banks was expected, but thus far little processing has been activated.⁴⁸ The NIP Questionnaire for Lowell indicates participation and commitment by the local banking and savings and loan institutes as not included in the present implementation phase of NIP (Exhibit III-6).

Local citizen participation continues in the form of the Lower Highlands Neighborhood Council. This Council apparently represents a much larger area than the target area itself, thus a subcommittee within this organization is the group that actually deals with NIP. William Flanagan, the Director of the Lower Highlands NIP, has expressed concern

over this subcommittee's ability to maintain momentum and identity in such an arrangement. He believes the subcommittee sometimes feels lost or factioned off from the rest of the Council.⁴⁹

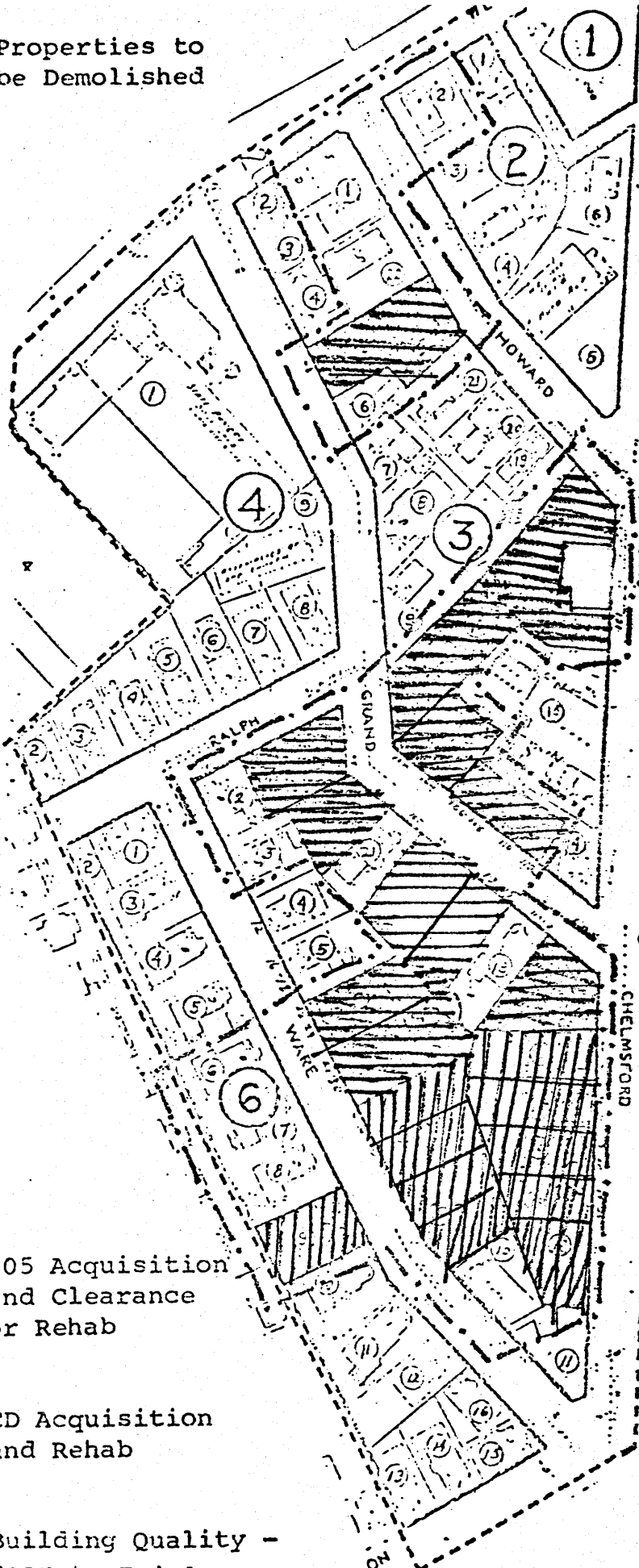
Analysis of the Lowell NIP - Strengths and Weaknesses:

Given the thrust of NIP funding in a small target neighborhood such as that in Lowell, the program's impact on the neighborhood will be dramatic. The City hopes that such an impact will act as a visible sign of encouragement to the residents in the area and as an incentive for neighborhood improvement to surrounding neighborhoods adjacent to the Lower Highlands target area. To insure that this occurs, the City should take a more active role in the LHA's efforts to improve the neighborhood. Technical assistance can be provided to the citizen participation arm of the neighborhood to strengthen and encourage their input. City mechanisms (e.g. code enforcement, tax title procedures) can be improved upon to maximize their utility. The search for additional funds or innovative methods for lowering the cost of owning and maintaining housing should be a continual activity on part of the City, not just the LHA. Likewise, the City should apply some efforts to encourage local banks to actively participate in neighborhood revitalization efforts. This comprehensive approach is needed not only in the NIP target

area, but also beyond into the adjacent neighborhoods if neighborhood improvement is to be realized in any one area on a long-term basis.

□ Properties to be Demolished

600 ft.



LOWER HIGHLANDS
(LOWELL)

600 ft.

TO BE ACQUIRED AND
REHABILITATED BY
THE LOWELL HOUSING
AUTHORITY USING
705 STATE FUNDS.

Lower
Highlands
Neighborhood
Preservation
Plan

705 Acquisition
and Clearance
or Rehab

CD Acquisition
and Rehab

Building Quality -
Poor to Fairly Good

F. Roxbury - Highland Park Area

The Neighborhood - Issues and Concerns:

The Highland Park area of Roxbury, spanning 183 acres and containing over 1700 dwelling units, is the largest NIP target neighborhood. The problems that plague the neighborhood are likewise great in comparison with the other NIP communities (Exhibit III-16,17). Take into consideration these revealing figures:

- 38% of the buildings are substandard or in need of repairs.
- One tenth of the buildings are abandoned.
- One third of the parcels of land are vacant.
- Half of the dwelling units are absentee-owned.
- 70% of the residents are renters.⁵⁰

Likewise property tax delinquency and general disinvestment is a prevalent problem in the Highland Park area. The author conducted a stratified sampling of the Highland park area to determine the approximate extent of tax delinquency in the area (Exhibit III-18). The stratified sampling, organized by geographical sectors and street patterns (i.e. arterial or "side" streets), revealed the level of tax delinquency in the First Half of Fiscal Year 1977 to be approximately 36% of all parcels in the Highland Park area.

This percentage is lower than the designated Ward averages for Roxbury as a whole but higher than the 28.4% figure for the City of Boston.⁵¹

Roxbury, and Highland Park being a part of Roxbury, also suffers from the plight of "redlining". Redlining in this area of Boston is largely created by the reluctance of lending institutions to grant conventional loans.

The Highland Park area has been experiencing decline in one form or another since the early 1900's when many of its residents began to migrate out of the city and into the suburbs. Absentee landlords began to buy up much of the property in the area. The number of homeowners began to decline as the number of renters progressively grew to its present astonishing percentage of 70%. Because of the out-migration of non-minorities and the accompanying in-migration of an ever increasing number of minorities, Roxbury is now one of two areas of predominant Black settlement in the City of Boston, the second being Dorchester. Highland Park is composed of a population that is 64% black, higher than the 16% figure for the City of Boston but nonetheless smaller than Roxbury's 84%. In comparison with Roxbury the Highland Park area still has a substantial non-Black population. (Exhibit III-16).⁵²

The Highland Park area's aspirations to stabilize its neighborhood are focused on its ability to attract potential

homebuyers from a diversity of racial, income, social and occupational backgrounds. It is felt that the foundation for this exists within the community, as the Roxbury NIP Plan states:

". . . demographic characteristics indicate . . . (that) while there exists within the community families and individuals who occupy disadvantageous positions with respect to education, employment and income, data indicate the nucleus of a heterogeneous socio-economic structure which lends itself for reinforcement and which portends the potential for a viable community."⁵³

-Only 19% of the residents are on public assistance compared to the 30% for Roxbury as a whole.

-The percentage of persons with a college education or more is higher than that in Roxbury.

-The percentage of families with both husband and wife is higher than that of Roxbury.⁵⁴

Beyond a doubt the major asset in Highland Park by far is the Roxbury Action Program (RAP). Under the strong leadership of George Morrison, Executive Director of RAP, RAP has evolved into a widely respected community organization that has successfully engaged in activities involving housing rehabilitation, planned commercial development, social services, training programs, and the search for additional private and public funds for the community. Over \$25 million have been invested in and directly adjacent to the Highland Park area with Urban Renewal funds and the development of the new Campus High School. Over \$1.5 million was spent in 1974 alone in the area under the Model Cities Program.⁵⁵

Future development continues to be planned for the area. The Southwest Corridor transportation system is slated to pass along the border of the Highland Park area, and there remains the possibility that a Community College will someday be constructed in the neighborhood.* Though the area is excessively marked with vacant lots, such lots can be viewed as both detrimental in their present vacant state or, potential utility for future recreational, housing or commercial development.

Roxbury's Proposed Strategy for NIP:

Roxbury's NIP proposal was predicated on the assumption that the Roxbury NIP would be allocated enough funds to provide for 100 units of 705 housing. The proposal expressed the firm belief that these 705 units would only succeed to stabilize the area in the long run if ownership possibilities (supposedly provided by 705 enabling legislation) could inevitably be secured. Working on this assumption RAP decided to concentrate on the abandoned buildings in the area as potential sites for acquisition under Chapter 705. A section of the Highland Park area of particular concern to RAP called Kittredge Square, was singled out to receive a large portion of the Chapter 705 units.

Additional recreational and community facilities are of major concern to the community. 705 and city funds are ex-

*Preliminary architectural feasibility studies have been conducted for the Community College.

pected to develop and improve the provision of such parks, plazas, playgrounds, and service centers in the Highland Park area. A community-wide path system is proposed to link the different facilities in an "open space network" to develop continuity and facilitate active resident utilization.

Many supportive homeowner programs are likewise proposed to assist the resident of the community. A Highland Park Homeowners Acquisition Fund is planned to provide limited no or low interest loans to low-income persons wishing to purchase homes in the area. Revolving loans, free construction assistance to the community are among the other proposals to improve the neighborhood in general.

Early Implementation of Roxbury NIP:

One hundred units of 705 housing are not to be allocated to the Roxbury NIP. Such an enormous amount of 705 funding is just not available to one NIP target area alone. Instead twenty-eight units of Chapter 705 housing are proposed for the area with the bulk of the thrust in the Roxbury NIP vested in the utilization of Chapter 707 funds to subsidize approximately 100 units in the neighborhood. DCA, with its limited funds, cannot hope to alleviate the entire absentee landlord or deteriorated housing problem in Highland Park. Nevertheless it sees itself as only one of the important actors in the area attempting to alleviate the plight of the neighborhood. Hopefully by utilizing 707 leases a portion

of the homeowners in the area can leverage for additional private funds to maintain or make improvements on their buildings. Additional public funds from the federal government are likewise expected to contribute to the overall neighborhood improvement efforts in the community.

The Highland Park NIP will be administered through the Boston Housing Authority by the Roxbury Action Program. Final agreement on the Contract for Financial Assistance for Roxbury's NIP has yet to be finalized by all parties concerned (i.e. DCA, RAP, and BHA). Many delays have occurred, caused in some cases by DCA's lengthy preparation of the CFA and in others, BHA bickering on the terms of the Contract. Much valuable time has been consumed by such bureaucratic redtape and haggling. Until some level of implementation is undertaken in the Highland Park NIP, little can be speculated about the Neighborhood Improvement Program's initial operations in that community.

Analysis of the Roxbury NIP - Strengths and Weaknesses:

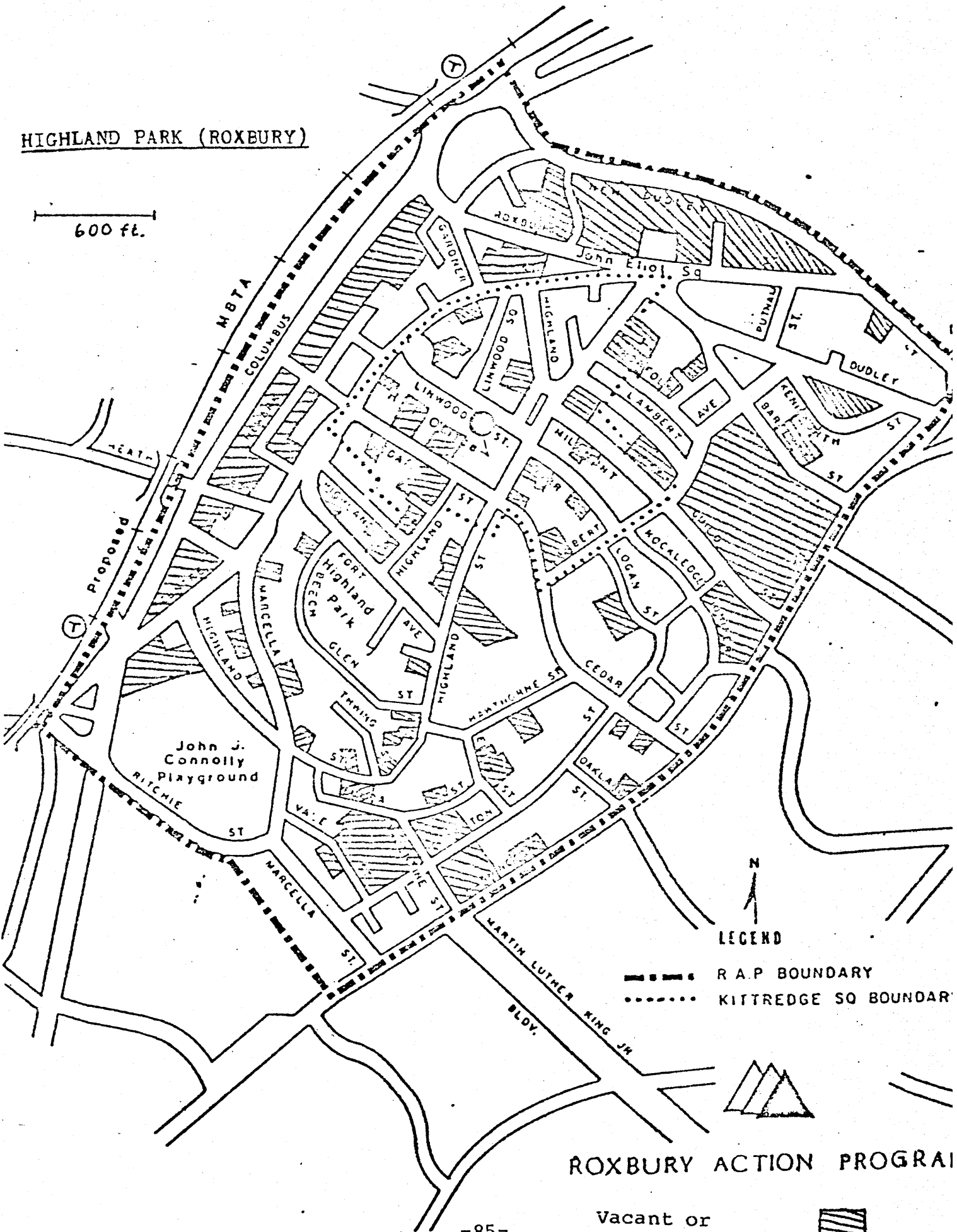
RAP under the leadership of George Morrison, is most definitely the major asset and driving force within Highland Park's NIP. Much of NIP's success depends on the experience RAP has to offer in neighborhood revitalization, and RAP's ability to attract and secure additional funding. Funding sources at the city, state, and federal level seemingly all rest on each other's vested interest and commitment to the

area, as well as their mutual respect for the capabilities of RAP, and its Executive Director to support their investment decisions in the revitalization efforts of the Highland Park area.

NIP, more so in this target neighborhood than in any other, because of the scope of problems it must confront, needs to encompass a very comprehensive approach to the ~~d~~ilemmas of the Highland Park area. Private financing, code enforcement, useful development of vacant or abandoned properties, homeowner cost-saving techniques, and the like are all essential so that the "pieces of the strategy" can come together to support each other in collectively stabilizing the neighborhood. By maximizing the utilization of the tax title process and developing mechanisms to facilitate low-income homeownership, something can possibly be done about the critical absentee landlord problem. No one element (NIP included) can be or is expected to solve all the problems that plague the Highland Park area. RAP and George Morrison can not hope to "turn-around" the neighborhood without the assistance of the government. Likewise the government, without the involvement of community residents and organizations like RAP, cannot hope to revitalize the area and build neighborhood confidence alone.

HIGHLAND PARK (ROXBURY)

600 ft.



ROXBURY ACTION PROGRAM

Vacant or Unimproved Land



G. Waltham - Charles - Felton Area

The Neighborhood - Issues and Concerns:

The Charles-Felton NIP area is a neighborhood located near the center of the City of Waltham. The neighborhood, which spans over a ten block area, is very accessible to major city functions such as shopping, offices, government and the like since it is within walking distance to the civic/business center of Waltham. The Charles-Felton target area is distinct from the other NIP target areas with its characteristic high residential density and prevalence of mixed land use. Commercial uses are interspersed in no particular pattern among the residential units throughout the neighborhood. Many of the industrial uses are concentrated at the eastern and western ends of Charles and Felton Streets but nevertheless, "bleed" into the predominantly residential sectors.⁵⁶

The target area contains 251 residential, wood-frame structures, most of which were built before 1900, providing a total of 598 housing units.⁵⁷ The area's housing stock is primarily composed of single or multi-unit structures compacted in relatively small residential lots lined along narrow streets. Such high density development has created parking problems, and little usable open space exists in the neighborhood. All these problems are accentuated by the high density

zoning in the area that provide homeowners with the ability to convert single and two-family homes into apartments.⁵⁸

The Charles-Felton area is viewed as a "transitional" neighborhood rather than as an "irreparably deteriorated slum". Most of the housing stock is structurally sound and suitable for rehabilitation. Over half of the homes are resident-owned. Though 75% of the residents are renters, approximately three quarters of the neighborhood's residents have lived in the area for at least four years. The community is rich in its ethnic diversity with a large number of Italian, French and Hispanic families. Though cultural and language barriers exist among the community, for the most part they all share a common income and class situation. There exists a sense of community and cohesiveness among many of the long-time residents of the neighborhood.⁵⁹

There is concern that many of the long-time residents of the Charles-Felton area are elderly. A high 43% of the residents are 60 years old or older.⁶⁰ Many of the elderly owners are unable to make home repairs or are unable to secure financing for such repairs and improvements therefore allowing much of their housing to fall into a state of deterioration. When their homes are eventually vacated they will be placed on the market in substandard condition.⁶¹

For the most part the plight of this neighborhood has continued to run its course with little financial assistance with which to confront its problems. There is little encouragement on the part of local banking and lending institutions to invest in the neighborhood.⁶² Steven Cole, then

Executive Director of The Waltham Housing Authority, presented to DCA a convincing picture of a neighborhood in need of assistance. The Mayor, City Council and the Housing Authority of Waltham were strong in their endorsements for a NIP in the area.⁶³ The Charles Street West Neighborhood Association, the Sacred Heart Church Parish Council, and Programa Roberto Clemente, community organizations within the neighborhood, likewise were anxious to receive the much needed NIP funds. All three community organizations had become actively involved in the NIP planning phase by conducting the social surveys throughout the neighborhood themselves. Impressed with such community and city support DCA decided to fund Waltham for a NIP. Waltham's NIP Plan was one of the strongest ever written, and the neighborhood associations were no doubt the most racially diverse group of residents actively involved in any of the NIP's.

Waltham's Proposed Strategy for NIP:

The objectives outlined in Waltham's NIP Plan included the stimulation of private rehab through the demonstrated state renovation of the most deteriorated and visible buildings in the Charles-Felton area. Further stabilization of the neighborhood would require these buildings to be redesigned for possible owner occupancy (if the 705 buildings ever should be transferable out of state hands by enabling homeownership legislation), thus hope-

fully encouraging resident ownership versus absentee-ownership.

The City, at the time the Charles-Felton Plan was written in January of 1976, had allocated \$8,500 of its CDBG funds to support a NIP Homeowner Rehabilitation Loan Program (conditional on DCA's approval of the Waltham NIP Plan). Future CDBG funds, in larger amounts up to \$80,000, would be eventually contributed to enlarge the loan program. Since many of the elderly homeowners in the area subsisted on fixed and limited incomes possible outright grants might be able to accommodate such "hard luck" cases. It was felt that before any form of intensive code enforcement could take place in the neighborhood, alternative sources of funding home improvements and repairs must be available to the community.⁶⁵

Local banking institutions were solicited for their active participation in the program. The banks responded in the form of "good will" letters expressing their "enthusiasm and support" of a NIP effort in the Charles-Felton area. For the most part their "support" was termed in the provision of FHA - Title I loans that would be made available to the area, and in the assumption that "they (the applicants) are credit worthy."⁶⁶

*The Middlesex Family Co-operative Bank in Waltham in its Dec. 17, 1975 letter to Ronald Vokey of the City of Boston concerning its role in the Charles-Felton area.

". . . all loans will be made to property owners under the Title I section of the Federal Housing Administration." This statement should be considered in light of Carol Greenwald's (Mass. Banking Commissioner) statement in the Boston Phoenix (5/10/77):

"I can consider it redlining if only FHA loans are available in a neighborhood."

The City proposed to investigate the possibility of regulating the parking situation in the Charles-Felton area, altering traffic patterns to reduce congestion and pollution, and down-zoning of particular areas of the neighborhood. The City has already allocated funds to improve certain roads and sidewalks in the area, and is prepared to provide their share of the facility improvement funds required under NIP.

No doubt City inter-agency coordination and commitment is needed for NIP to succeed. Likewise the continual input of the community organizations and the creation of a Citizens Advisory Board are all essential elements of the Waltham NIP.

Early Implementation of the Waltham NIP:

Twenty-four units of Chapter 705 housing and twenty-four units of Chapter 707 housing are presently scheduled for the Waltham NIP. Steven Coile had moved on to another position even before the Waltham NIP Plan was completed and submitted in January of 1976. John Walker, Executive Director of the Waltham Housing Authority, and Ronald Vokey, Senior Planner for the City of Waltham and a principal author of the Waltham NIP Plan, have since moved very slowly in implementing the Waltham program. Much of the delay has been caused by a series of events, for instance: the contract necessary to start-up the Waltham NIP went through three draftings before it was finally approved by the City, DCA, and WHA, and a dispute concerning the designation of the Chesterbrook Community Center as the site for 705 facility improvement funds was firmly op-

posed by DCA which did not feel the center directly related to the Charles-Felton area.⁶⁷ At present much of the actual implementation of the Waltham NIP is awaiting the hiring of a program director. The appointment of a program director is expected very soon and when this does occur the program will hopefully begin rolling.

Community input continues to be a part of the Waltham NIP though there has been some conflict between the Hispanic and Italian ethnic groups over aspects of the program. The Citizens Advisory Board has likewise taken a turn in that it has evolved into a board dominated by local public officials instead of actual participants from the community.⁶⁸

Analysis of the Waltham NIP - Strengths and Weaknesses:

The Waltham NIP, despite its delays and moments of community conflict (which are minor in comparison to Brocton's), has maintained the interest of the community organizations that had actively participated in the planning phase of the program and who still see themselves as having a vested "stake" in the outcome of the program. None of the other NIP's directly involved community organizations or residents in the data collection process of the proposal like the WHA did. This aspect of the program, and the continual political support of the Mayor, lend a positive face to NIP.

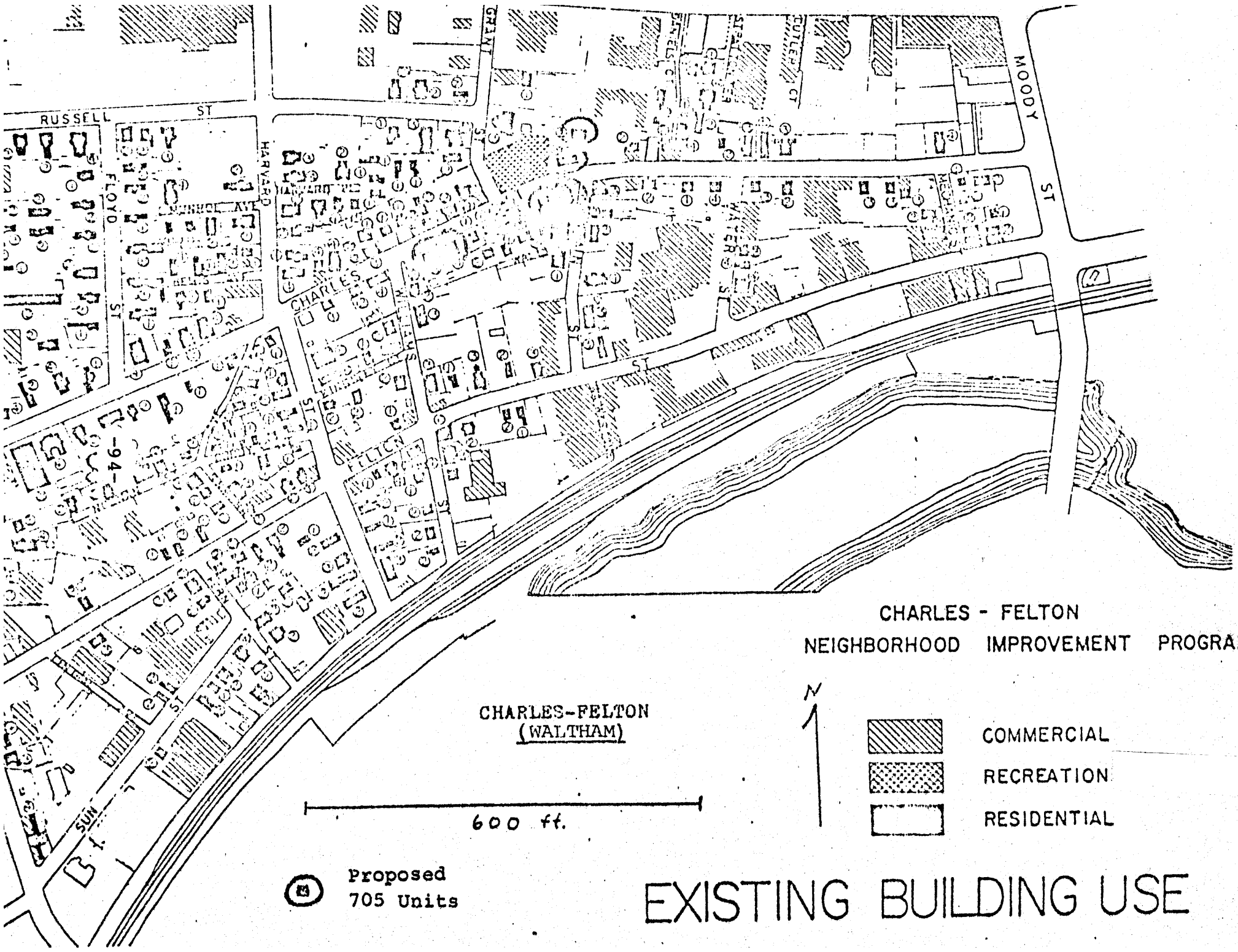
Bank participation on the other hand seems dubious as perceived in the Waltham NIP proposal. Harvard University

conducted an evaluation of the Waltham NIP and mentioned that the local banks have since committed \$100,000 worth of home improvement loans at an interest rate of 6%.⁶⁹ The terms and types of these loans are not certain but regardless, the funds as actually activated once NIP gets fully underway is what will reflect the true commitment of the local lending institutions to the "spirit" of NIP. Unless additional financing is provided the elderly cannot improve upon their housing conditions or keep up with code enforcement. Likewise, low-income families have little hope of purchasing those homes that will eventually be vacated by the elderly. The NIP structures could be surrounded by exclusively absentee-owned buildings within 10 to 20 years.



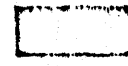
Mixed and conflicting land use, and the area's heavy concentration of high density residential dwellings present the most formidable problem in the Charles-Felton target neighborhood. Downzoning efforts in the area have been met with political opposition. The open space, parking and traffic problems within the area still persist since NIP has yet to really start-up its operation in the area

The City must pursue its efforts to search for additional funds, and coordinate the various city agency mechanisms (i.e. code enforcement, zoning, traffic control, maintenance) so as to benefit the neighborhood in the long run. Likewise, the City should continue to support and encourage the participation of the community organizations or lose their input. Not

only should such community participation be encouraged, but it should also be facilitated with technical assistance and expertise so as to increase these organization's capacity to contribute to the neighborhood improvement process.




CHARLES - FELTON
NEIGHBORHOOD IMPROVEMENT PROGRAM

-  COMMERCIAL
-  RECREATION
-  RESIDENTIAL

CHARLES-FELTON
(WALTHAM)

600 ft.

 Proposed
705 Units

EXISTING BUILDING USE

Footnotes

Chapter III

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2. Ibid, p.3.
3. Ibid, p.16.
4. Harvard University's Pl. 311b Community Dev. Workshop Working Paper: Evaluation of the Neighborhood Improvement Program, (May 5, 1976), p.22.
5. Lew/DCA, NIP Questionnaire - Brockton, Spring 1977, p.8.
6. BHT, loc. cit.
7. Lew/DCA, op. cit., p.7.
8. BHT, op. cit., p.1.
9. Brockton Daily Enterprise, "McCavitt Defends NIP Program," (sept. 1976), p. 38.
10. BHT, op. cit., p. 1.
11. Ibid, p. 4.
12. Lew/DCA, op. cit., p. 16.
13. Interview with Mr. Josh Poshner, Liaison of Brockton NIP, (april 1977).
14. Interview with Norman Dion, DCA Coordinator of NIP, (April 1977).
15. Ibid.
16. Brockton Daily Enterprise, "Housing Unit to Administer \$1.8M Neighborhood Project," (Feb. 6, 1976), p.4.
17. Riverside/Cambridgeport Community Dev. Corp., Cambridge NIP Plan (april 15, 1976). p. 2.

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18. Lew/DCA, NIP Questionnaire - Cambridge, Spring 1977, p.7.
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22. Ibid.
23. DCA NIP Monthly Report (3/5/77), p. 2.
24. Fitchburg Planning Office, Fitchburg College District Plan, (Nov. 1975), p. 1.
25. Ibid., p. 17.
26. Letter to Mayor Bray from Richard Moriarty, Planning Coordinator for City of Fitchburg (March 28, 1977).
27. Ibid.
28. Fitchburg Planning Office, op. cit., p. 3.
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30. Interview w/Herbert Groop, Executive Director of Fitchburg Housing Authority, (April 1977).
31. Lowell Housing Authority, Lowell - Lower Highlands NIP Plan, p. 9.
32. Lowell Sun Newspaper, "City Seeks State Funds for Neighborhood Renewal," (May 16, 1974).
33. LHA, loc. cit.
34. Interview with Gary Jefferson
35. Lew/DCA, NIP Questionnaire - Lowell, Spring 1977, p. 8.
36. Lowell Sun, loc. cit.
37. Harvard Univ., p. 33.
38. Interview with Gary Jefferson.
39. LHA, op. cit., p. 33.

Chapter III (continued)

40. Ibid., p. 24-27.
41. Ibid.
42. Ibid., p. 22.
43. Ibid., p. 39.
44. Lowell Sun Newspaper, "Land Taking, Housing Delayed," (Dec. 30, 1976).
45. Interview with Norman Dion.
46. Lew/DCA, op. cit.
47. Interview with Norman Dion.
48. DCA, Lowell NIP Evaluation, p. 1.
49. Interview with William Flanagan, Director of Lower Highlands NIP, April 1977.
50. Roxbury Action Program, Roxbury - Highland Park NIP Plan, October 1974, p. 11-16.
51. Study conducted by author as part of funding proposal for urban reinvestment task force (1977). Utilized 1977 data from collecting division of City of Boston.
52. RAP. loc. cit.
53. RAP, loc. cit.
54. RAP, loc. cit.
55. Harvard University, op. cit., p. 18.
56. Waltham Housing Authority, Waltham-Charles-Felton NIP Plan, Jan. 1976, p. III 3.
57. Ibid. p. III 12.
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60. Ibid.

Chapter III (continued)

61. Harvard Univ., op. cit. p. 36.
62. Lew/DCA, NIP Questionnaire - Waltham, Spring 1977, p.6.
63. Harvard Univ., op. cit. 38.
64. Waltham News - Tribune, "Neighborhood Groups Survey Charles-Felton, (October 16, 1975), p. 1,8.
65. WHA, op. cit., p. VI 1.
66. Ibid., Appendix.
67. Interview with Norman Dion.
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69. Ibid., p. 37.

CHAPTER IV
OBSERVATIONS IN IMPLEMENTATION

A. Missing Pieces

The Neighborhood Improvement Program, as envisioned by Jefferson and Kirshner, indeed became an ambitious and complex scheme to manage at both the state and local level. NIP, with its strategy to not only provide more low-income housing but to also stabilize entire neighborhoods, attempted to pursue a variety of far-reaching objectives that would encompass almost every facet of community life. Deteriorated housing, negligent landlords, inadequate community facilities, lack of municipal services, and area-wide disinvestment by local lending institutions were just a few of the issues NIP attempted to confront. Many actors and program elements involving the community, private sector, local and state governments had to be "pieced together" into a singular strategy for collective action within that neighborhood. Unless a level of cooperation, coordination and commitment could be secured from all these parties, the viability of NIP to accomplish its numerous objectives would no doubt be compromised to those "missing pieces" of the overall strategy.

In an effort to "piece together" a workable strategy for

each particular NIP neighborhood, Jefferson and Kirshner were careful not only to examine each neighborhood individually but to deal with each personally as well. They believed one of the shortcomings of previous administrations was that they basically failed to "assign people to the program that had any imagination, or cared about the program".¹ Caught in the bureaucratic routine of state government it was believed that previous administrators of both the Chapter 705 and Chapter 707 programs had proceeded year after year to push the programs along their familiar new construction and pure rent subsidy lines. Jefferson and Kirshner, both young and eager to "get things rolling" and to do it differently, instead innovatively combined the two programs together. They added a few more features, and then proceeded to assume a highly personalized and unbureaucratic approach to directing the NIP program. They were intent on not playing the role of "big government" administrators, sitting aloof in their Saltonstall offices forever engaged in the practice of memorandum planning. Instead, as stated earlier in the thesis:

"It was their belief that only through personal inter-action, commitment and perseverance could NIP be quickly implemented and results produced . . . their immediate goal was to get NIP launched." ²

Thus, launch the program they did. With little prior planning of how the "pieces" of the strategy were to come together, or what criteria would be utilized to evaluate the various neighborhoods that would apply, Jefferson and Kirshner

began to personally contact the "better people at the local level in housing and planning with a special sensitivity to housing." ³

This strategy to focus on the "better people" at the local level became central to the entire early planning phase of NIP. It would seem like an awesome task indeed to find an individual in each neighborhood with the "breath of knowledge of local, state and federal funding sources . . . and the managerial skills, creativity, innovation, perseverance and integrity" that they were searching for, but in one form or another (with maybe minus an attribute or more) they came to find such a personality (or personalities as the case may be) at the local level. ⁴

No doubt dynamic, committed personalities are often critical in maintaining the momentum of a program. But there is often little assurance that such personalities will or can remain fixed in any one situation or area for a particular length of time. In Lowell, Frank Keefe, who became involved in the Lower Highlands NIP, left his position as Planning Director for the city to become State Planning Director instead. In Springfield (which was funded for a planning grant but never funded for the operational phase) Jefferson and Kirshner vested their confidence in the acting planning director, who soon left to become director of the Local Transit Authority. Steven Coile, the Executive Director of the Waltham Housing Authority, eventually went to Washington, D.C. where he is presently work-

ing under Secretary Harris of H.U.D. In Roxbury George Morrison and another RAP staff member had been the initial contacts for the Neighborhood Improvement Program. The other staff member was later to be indicted for income tax evasion.⁵

On the other hand, personalities may remain to experience the actual implementation of their plans but their relationship to the program may have altered in the interim. In Brockton Josh Posner, who for all intents and purposes, was the original driving force behind the Walnut-Turner area NIP, slowly saw his capacity to be "innovative and creative" restricted by local redtape and infighting. Though he has remained to propel NIP through its operational phases much of his original clout connected to the program has been weakened by the political turmoil and bad newspaper publicity that has occurred in Brockton since the planning phase. The resources which such personalities had once thought they could apply to a particular situation and generate a positive outcome can sometimes be greatly diminished by uncalculated circumstances.

All this is not to say that "personalities" can not often prove to be determining factors in certain situations. "Great men" often play critical roles in the success or failure of a program. Nonetheless "great men" theories are of little value if these "great men" should choose to move on to greater and better things, or their moments of "greatness" should fall prey to unforeseen misfortunes.

With much of the focus of NIP concentrated on the "better" people, the weaknesses in strategy in the plans were allowed to be overlooked. The plans were often seriously deficient in many aspects. Problems were often ill-defined or stated in terms of statistics that didn't necessarily relate to why the neighborhood wasn't working. Strategy would be loosely described more as "things to be done" rather than "things to be done and how they were to be done". How does one get the local lending institutions to cooperate? How are the cities to improve upon their code enforcement or tax title procedures? How and what forms of state assistance were needed at the local level to drive NIP along?

"Pieces" of the neighborhood's strategy would be strewn out from the plans but little sense could be made of how they were to be fitted all together through implementation. Jefferson and Kirshner were aware of these shortcomings but decided to deal with them informally and with great flexibility. As a result little concrete planning, detail, consistency and firm written commitment appeared in the NIP plans or occurred in the initial planning phase of NIP.

It is interesting to note that in interviewing the two original directors of the NIP program, much emphasis was placed on how the "special" personality at the local level was to be the key to the concept and method for implementation of NIP. Whereas the importance of personalities would be raised again

and again, at the same time it was clear that the two directors envisioned the programs as supremely comprehensive where all actors were viewed as important pieces of the strategy. The community, the private sector (i.e. private lenders), the city and the state were all critical components of NIP. As Jefferson clearly acknowledged:

"I suppose one of the criticisms of the program is that it is very delicately designed . . . if all the pieces aren't available then the chances of risk are extraordinary."⁶

What did eventually happen to the other four components of NIP? What do the case studies reveal about the actual roles of the community, private sector, city and state in the early stages of NIP? Did all the cooperation, coordination and commitment originally hoped for materialize into reality?

The Community:

In the original NIP Guidelines and Procedures a strong neighborhood association at the local level was deemed "essential" for NIP. This was often unrealized in many of the NIPs because the neighborhood would frequently be at such a stage of decline or low moral that an organized community association would be either non-existent, defunct, or weak in substance or numbers. Fitchburg, as an example, had experienced two previous disappointments in the College District alone in securing public funds to alleviate the neighborhood's plight. All the planning and community participation that had been generated had apparently led the community down a fruitless path. By the time NIP had arrived on the scene in Fitchburg, the residents were wary of getting involved in

another public project that "promised to do great things" for the neighborhood. Thus, Jefferson and Kirshner had to "satisfy themselves" (as the phrase they used goes) initially with community skepticism, with hopes that neighborhood confidence in NIP would gradually improve.

In Lowell, on the other hand, Jefferson personally knew the president of the neighborhood association in the general area of the target neighborhood. The target neighborhood was so small that it was unlikely that a community organization could deal with the area's many problems. Only after definite plans had gotten underway for a NIP in the Lower Highlands area did a subcommittee suddenly appear within this community organization to specifically deal with the matters concerning the targeted area. Such a method of initiating a community component in this particular NIP has, to this day, caused some "identity" problems for those within the Lower Highlands subcommittee.

Waltham is perhaps the most actively involved at the community level with a diversity of ethnic groups representing different sectors of the residential population providing input and assistance to the NIP in the Charles-Felton area. Though community input has been very good in this neighborhood it has not been without its problems. Conflict and tension between the ethnic groups have erupted at times where little cooperation and much commitment to their own perspectives prevented them from coordinating their activities.

In most instances the community components of NIP were either not existent prior to NIP (Lowell), existent but not strongly supportive of NIP (Fitchburg), supportive of NIP but not united (Waltham), or united but not equipped with enough clout (Brockton). Cambridge, equipped with the RCCC, and Roxbury, supported by the efforts of RAP, were perhaps the only exceptions. In Cambridgeport/Riverside and Highland Park, the community "pieces" have operated pretty much as Jefferson and Kirshner had hoped they would have operated. Deeply involved and continually keeping a "watchdog" eye on the commitments of the other actors involved in NIP, both community organizations have fulfilled their roles in the NIP strategy.

The Private Sector:

Jefferson and Kirshner had expected the neighborhood associations to assist in pressuring the local lending institutions into a more responsive role in revitalizing declining neighborhoods. Since many of the community organizations for the most part failed to live up to their preconceived roles, little [formal commitment] has been demanded on the part of the private sector. This lack of active private sector participation could change in the years to come as NIP and the community organizations continue to develop through the operational stages of their respective programs. As of yet, most private sector participation and "commitment" has been reserved

to "good will" type gestures. Letters of encouragement and "support" (more spiritual than monetary) vaguely committing "cooperation" and providing little concrete assurance that large sums of previously unavailable funds at previously unavailable, "reasonable" terms would be supplied to the target neighborhoods. Those that did mention specific amounts or loans types (often FHA) rarely failed to add on the "usual conditions" of loaning to "qualified" or "credit-worthy" applicants. No doubt the banks are trying to maintain a level of appearance such that their public images will not be tarnished by any sign of uncooperation. The over-riding attitude is one of "we'll be watching what you'll be doing" rather than one in which involves making a firm and affirmative contribution to the NIP process on the part of the local lending institutions themselves. No one has been firm in demanding any more from the private sector than what they have given (which has been little or no firm commitments); unless the community, city or state should take any action to the contrary NIP should anticipate little else from the private sector.

The City:

Though the various NIP cities had promised "great cooperation" in their respective NIP proposals, many items would at times be slowly or passively implemented. The upgrading of municipal services (an example is Brockton) would take long months to be initiated, revolving loans funded through city

CDBG funds would be tied up in staff hiring delays, and active city pressure to spur the local banks into action has been thus far very reserved.

In addition, question has arisen to the issue of whether those items listed under city commitments (Exhibit III-2) would not have been allocated to the designated target areas whether NIP was in the neighborhood or not. To what extent are city commitments an "extra" effort on the part of the local sector to aid in the state's revitalization efforts in the neighborhood, or rather a processing of "business as usual":

The State:

The State, for the most part, represented by the two directors, had proposed many program elements that never did materialize beyond the conceptual stage. Perhaps the major shortcoming of the State's role in NIP was its inability to meet up to its initial funding commitments to many of the cities with NIP's. Because of unexpected budget alterations in the Chapter 705 funds, the Fitchburg, Roxbury, and Waltham NIP's experienced major reductions in their 705 allocations (Exhibits IV-1 and 2). The NIP demonstration project was eventually reduced to a total allocation of approximately \$6 million. These limited funds were distributed to the six target areas in approximately equal amounts to prevent from completely destroying the smaller NIP's which explains

why the funding appears to be the same though the size and scale of the problems among the NIPs obviously vary. Chapter 707 funds were increased in some of the most critically reduced programs but nevertheless it was clear that the viability of NIP to turn-around some of the largest, most troubled target neighborhoods was greatly diminished. More than ever, there existed a greater need for the other "pieces" of the NIP strategy, especially those aimed at supplying additional funds to homeowners in the area not directly subsidized by NIP funds, to come together as strong and longterm commitments.

Regretfully, the Massachusetts Housing Finance Mortgage Agency stalled in its attempts to get off the ground. This program input that would have been critical in providing the additional back-up funds in the NIP areas, and that Jefferson had once referred to as "needed . . . for this thing (NIP) to work," has yet to be implemented.

Likewise, the state has provided little guidance in assisting the local sector in pursuing their tasks under the NIP comprehensive plan. Faster processing of city procedures (such as tax title) were often restricted by cumbersome state statutes; disinvestment would be allowed to run rampant in NIP neighborhoods with little public pressure to do otherwise. Often times the State had the resources or clout to intervene

* For an update of the status of MHMFA, a description of its program elements, and a review of its implications for NIP, refer to Exhibit IV-3.

and apply pressure to the problem sources, or to change the contextual elements (i.e., existing legislation or lack of it) that allowed or disallowed for major systematic changes in government or private business practices (i.e tax title, redlining.)**

No doubt much of the difficulties involved in meeting the administrative demands of coordinating NIP activities, keeping abreast of current legislation, maintaining a grasp of alternative state resources (e.g. MHMFA), and fulfilling original funding commitments to the NIP projects is invariably related to the internal workings of the Department of Community Affairs. Since NIP began in 1974 the administration has always had its cluster of skeptics, some of which were key DCA personnel, that questioned the viability of such a comprehensive approach to neighborhood revitalization on such limited funds. Thus, in a sense, NIP was caught in a "Catch-22" funding dilemma, until it "proved" itself as a viable program to DCA it would receive no additional funding, likewise, until NIP could muster more Chapter 705 funds for these often huge target neighborhoods the odds of "proving" itself were dim.

DCA's definition of what was "viable" was dependent on the mood of the present administration, which was often in turn dependent on the politically motivated self-interest needs of the administration as well. As much as any public

** For a review of possible tax title or anti-disinvestment strategies refer to Exhibit IV-4 & 5 respectfully.

agency or department exists to serve the needs of the public, it is no recent revelation that in reality they also exist to serve the needs of those (i.e. governing political party) who administer it. DCA is interested in innovative, socially beneficial and enlightening programs. Nonetheless political expediency often called for less innovation and more visible "results" that can demonstrate to the public (i.e. voters) that the present administration is "making things happen." NIP, with its complex comprehensive approach, was viewed by many within DCA as a long, drawn-out process that would reap results only after many years of operation. There was serious discussion within factions of DCA whether such funds could be better spent in something less complex, and more immediate in nurturing results. The results of an alternative program (e.g. revolving loan) may not be as socially beneficial in the long run, but on the other hand there was no assurance that NIP either would result in long-range benefits.

Thus, viewed somewhat skeptically by some within DCA, support for NIP administratively has been limited and reserved. The entire state NIP is presently coordinated by one DCA staff member, who is responsible for the day-to-day administration and coordination of the six areas, as well as for the planning and development of NIP in the long range. The supervisor overseeing the coordinator must not only direct NIP, but the State Urban Renewal Program and Relocation Program is also under his responsibility.

Limited in staff, internal support and funding, NIP is indeed in a precarious position. Nonetheless the program

continues to operate within DCA, on the verge of embarking on its critical first steps into implementation, namely actual building acquisition and rehab construction. As leary as the administration is about its potential for success, they are content to let NIP proceed and observe whatever may result. No doubt how DCA conducts business, allocates its own internal resources (i.e. funding, manpower), and views the program from a self-interest mode [^] affects the outcome of NIP. Nonetheless attention must be given to how the program will be administered differently given the lessons from past experience that have been reviewed in this thesis.

B. The Good Intentions and Empty Hopes of

A Non-Bureaucracy

bu-reauc-ra-cy (byoo-ro'krø-si, byoo-rō'krø-si) . n. (pl. BUREAUCRACIES (-siz)), (Fr. bureaucratie bureau + Gr. dratia dratein, to be strong), 1. The administration of government through departments and sub-divisions managed by sets of officials following an inflexible routine. 2. the officials collectively. 3. governmental officialism of inflexible routine: see also red tape.⁸

Just as quickly as Jefferson and Kirshner had come onto the scene at DCA to create their little non-bureaucracy amidst a bureaucracy, they were quickly once again out-on-the-streets within a year and a half of creating the Neighborhood Improvement Program. The state bureaucracy had decided to shed its old skin. William Flynn became the new Secretary of DCA in January of 1975, and Gary Jefferson was soon fired afterwards in February. NIP was basically taken out of Kirshner's hands to be administered by someone else, eventually provoking Kirshner to leave as well. In all their efforts to build an independent, unbureaucratic enclave within DCA, the two "great men" at the state level had themselves been removed from the operations of NIP, once again demonstrating the vulnerability of the "great man" theory to sudden changes in its "great plans".

Given the unbureaucratic and personalized fashion in which the two original directors had successfully used to "launch" NIP, NIP nonetheless, as revealed in the case studies,

soon found itself in "rocky waters". As the book called "Implementation: How Great Expectations in Washington are Washed in Oakland" by Jeffrey Pressman and Aaron Wildavsky put it:

"The concerted efforts of non-bureaucratic men may be able to get a program launched; but . . . launching is not enough . . . The idea of creating a non-bureaucracy within a bureaucracy is strictly a one-time short-run theory. Designed to get something done in a hurry, after which it would presumably be all right for events to take their usual course. Get in fast, get the job done, move out, turn it over to the bureaucrats - suggests an orientation to time that is unlikely to coincide with the requirements of a program designed to make a permanent, significant change." 9

No doubt the directors were sincere in their efforts to improve declining neighborhoods, nonetheless it was not unusual for them to permit verbal commitments where written ones and would have been wiser, more over-simplifications to be expressed in the plans where concrete strategies for implementation would have sprouted more results. Instead of planning appropriately for implementation, emphasis was placed on "spark ing'some'NIP activity" in each neighborhood. In an effort to move the money they believed the issue at hand was not " a choice between good or bad decisions or better and worse actions, but between some action and none." 10

Jefferson and Kirshner did strive to develop in each neighborhood a foundation of consensus over a "shared concept" of neighborhood improvement by which the program could continue to build upon. Nonetheless in their firm conviction to be as unbureaucratic about the planning phase of NIP as possible, they failed to benefit from the positive aspects

of bureaucracy that are often overlooked. "Implementation"^c speaks to this point:

"Many of its (bureaucracy's) most criticized featuresthe requirement for multiple and advance clearances and standard operational procedures, serve to increase the ability of each participant to predict what the others will do and to smooth over the differences. . . .Instead of assuming a unity of interests, we shall become aware of difference of opinion, emphasis, and timing between federal donor (in this case, the 'state donor'), host city, and then numerous organizations through which they do business. One side has limited resources to allocate; the other, limited ability to spend. They could take into account each other's limitations by designing programs geared to implement. . . instead, both succumb to the temptation to juxtapose grand schemes for which their resources, both in terms of money and administrative capacity are inadequate." 11

All this analysis and criticism is not to detract from the basic attributes of such a comprehensive approach to neighborhood revitalization as NIP. The original far-reaching objectives, and attempts to coordinate a singular strategy among the community, private sector, city and state still thrive within the present administration at DCA. How these objectives and commitments are to be secured and implemented are problems that still remain to be confronted by the state and local level. By observing the early stages of implementation, the "missing pieces" of the NIP strategy for the most part have become apparent. If NIP is to succeed in demonstrating the viability of its concept, much must be done to reinsert or recoup these missing inputs once again into the overall strategy involved.

The State, as the central administrative heart of NIP, should no doubt "get its act together" before it demands the

same of others. The State has already developed a more effective, structured and organized set of guidelines by which future neighborhood applicants to NIP will provide accurate, consistent and direct data. Strategy are required to be clearly delineated by these new guidelines, thus setting a foundation for accountability in future stages of implementation.

One of the greatest fallacies of the previous administration was their desire to depend on verbal commitment versus documented strategy. Such a style of program administration can be appropriately labeled as the "old boy network," a system by which personal interaction is the only means of securing "commitment." Such leniency and flexibility proved to be largely ineffective in that many of the commitments left when the "boys" (i.e. personalities at the local level) left. Accountability is likewise hard to secure when such intangibles as intent, one's word or an informal mutual "understanding" substitute for documented, worked-out strategies.

This is not to advocate for a hard ultra-bureaucratic line for NIP administration. Certain flexibility, especially when dealing with so many diverse neighborhoods, is necessary, but not necessarily sacrificed at the cost of accountability, which is the point to be stressed here. Somewhere between the "old boy network" and the "pure bureaucracy" system lies a balanced norm that borrows from the best of both perspectives; a manner of administration that permits for both a personalized, informed but yet firm form of State intervention. The city, private sector and community can not be expected to meet de-

mands that are not clearly delineated or strongly stated. The State must make clear: ~~and~~ and firm its demands for what it expects and requires on the part of all involved sectors to contribute and participate to the NIP efforts. Though actual dollar amounts cannot always be secured, strategies to confront such unknowns and make them into precise quantities should nonetheless be worked-out as definite strategies for implementation. Then, when commitments are clearly evident to have not been met the State should assume a personal investigation of the matter, and if need be, use whatever pressure or power it can leverage to help alleviate the problem or to encourage others to cooperate. Both the sensitivity but yet firmness to deal with obstacles are required if NIP is not to die a slow and painful death due to "wishy-washy" administration. The State can "walk softly" among the various NIP's, but it should likewise "carry a big stick."

An analogy that may reflect the NIP situation is that of the pieces of the NIP strategy being similar to the pieces of an elaborate stain glass window. Each piece is brilliant in its own way, but yet until it is brought together by a strong lattice that bonds it together to create a complete image it remains but pieces of glass with little utility or purpose. In a similar sense, the State must be the lattice that brings all the pieces of strategy together to form a coherent and functioning program. Until the State takes the initiative to fulfill its role it cannot hope to propel NIP through its implementation stages on empty hopes and good intentions alone.

Footnotes

Chapter IV

1. Interview with Mr. Joel Kirshner, former program coordinator for Chapter 707, (Dec. 2, 1976).
2. Statement by author in Chapter II. p. 12, of this thesis.
3. Interview with Gary Jefferson
4. Ibid.
5. Ibid.
6. Ibid.
7. Ibid.
8. World Publishing Co., Webster's New World Dictionary, (College Edition), p. 195.
9. Pressman and Wildavsky, Implementation: How Great Expectations in Washington Get Dashed in Oakland, (Univ. of Calif. Press, Berkeley), 1973, p. 131-132.
10. Ibid., p. 138.
11. Ibid., p. 136, 138.

APPENDIX

TABLE II - 1
 CHAPTER 705 PROJECTS GRANTED
 CONTRACTS FOR FINANCIAL ASSISTANCE
 (1971)

<u>AUTHORITY</u>	<u>PROJECT NO.</u>	<u>CONTRACT DATE (71)</u>	<u>NUMBER OF UNITS</u>	<u>TOTAL AMOUNT</u>	<u>ESTIMATED COST/UNIT</u>
Attleboro *	1	12/28	10	\$250,000	\$25,000
Barnstable	1	9/30	10	\$250,000	\$25,000
Beverly	1	6/16	12	\$300,000	\$25,000
Gardner	1	6/25	26	\$650,000	\$25,000
Haverhill	1	3/22	10	\$323,000	\$25,000
New Bedford	1	6/24	100	\$2.5 M	\$25,000
New Bedford	2	9/30	30	\$750,000	\$25,000
Pittsfield	1	3/24	46	\$1.15 M	\$25,000
Plymouth	1	6/23	16	\$400,000	\$25,000
Salem	1	6/23	100	\$2.5 M	\$25,000
Somerville *	1	6/30	12	\$300,000	\$25,000
Waltham	1	6/25	24	\$600,000	\$25,000

* rehabilitation

Source: Programs of the Mass. Dept. of Community Affairs (1971)

EXHIBIT III - 1

FUNDING ALLOCATIONS FOR NIP IMPACT AREAS

<u>NIP</u>	<u>BROCKTON</u>	<u>CAMBRIDGE</u>	<u>FITCHBURG</u>	<u>LOWELL</u>	<u>ROXBURY</u>	<u>WALTHAM</u>	<u>TOTAL</u>
705 Dwelling Units	@40		36	26	28	24	154
707 Dwelling Units	35	40	50	35	100	24	<u>284</u>
TOTAL Dwelling Units							438
705 CFA* (Millions)	\$1.6 M		\$1.26 M	\$1.2 M	\$1.0 M	\$1.0 M	\$6.06 M
707	\$110,000	\$65,000	\$157,500	\$120,000	\$300,000	\$142,500	<u>\$895,000</u>
TOTAL NIP Funds (Millions)							\$6.955 M
Annualized Rental Subsidy	\$87,500	\$65,000	\$80,050	\$120,000	\$160,000	\$44,700	\$557,250
Local Commitment	@\$129,000	\$293,000	\$208,400	\$264,200	\$30,200	\$181,500	\$31.3 M
705 Facilities Improvements (10% or less of CFA)	\$135,000		\$114,000	\$114,600	\$100,000	\$77,000	\$540,600
					or \$350,000		or \$890,600
Management Budget (8% of CFA)	\$128,000		\$100,800	\$96,000	\$80,000	\$80,000	\$484,800
Relocation (No. of families/indiv.)	39		45	34		27	145
Relocation Costs	\$36,300		\$40,115	\$25,410		\$28,500	\$130,325

* CFA - Contract For Financial Assistance

EXHIBIT III - 2

NIP LOCAL COMMITMENTS

(4/77)

AMOUNT COMMITTEDBROCKTON

Loan Subidy Program	\$50,000
Administrative of Above Prog.	\$39,500
Street Improvement (Approximation)	\$40,000
	<u>\$129,000</u>

CAMBRIDGE

Housing Improvement Program	\$100,000
Special Housing Rehab.	\$25,000
Housing Rehab Coordinator	\$13,000
Relocation	\$20,000
Street, Sidewalk, Trees	\$110,000
Hoyt Field Improvements	\$20,000
Other Open Space	\$10,000
Studies	\$50,000
Health Clinic (5 Callendar St.)	\$65,000
	<u>\$293,000</u>

FITCHBURG

Rehab. Grants	\$100,000
Rehab. Specialist	\$14,000
Code Enforcement	\$12,000
Day Care	\$2,400
Neighborhood Improvements	\$47,000
Demolition	\$19,000
After-school Tutoring	\$14,000
	<u>\$208,400</u>

LOWELL

Acquisition	\$107,000
Demolition	\$18,000
Relocation	\$38,300
Loan Subsidies	\$65,000
Parking Facilities	\$15,000
Resurfacing	\$10,900
Tree Planting	\$10,000
	<u>\$264,200</u>

ROXBURY

General Improvements, John Eliot Sq.	\$1,000,000
Campus High Urban Renewal Plan (BRA)	\$1,200,000
Kittredge Sq. Urban Renewal	\$3,000,000
Federal & City \$ - Campus High School	\$25,000,000
	<u>\$30,200,000</u>

WALTHAM

Loan Subsidy	\$78,500
Neighborhood Improvements	\$103,000
	<u>\$181,500</u>

EXHIBIT III - 3

PRELIMINARY PLANS

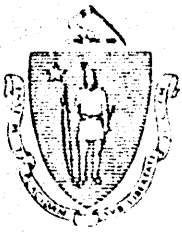
705:

	NIP Staff'g	Site Selec.	Cost Est.	Negotiate, Purchase Bldgs.	Relocate Resid.	Rehab/ Demo.	Occupy
Brockton	✓	✓	✓	options signed on Phase I acquis.			
Cambridge	/	/	/				
Fitchburg	/	/	/	✓			
Lowell	/	/	/	/	✓		
RAP							
Waltham	✓	✓	✓				

707:

	NIP Staff'g	Solicit Partic. Llds.	Bldg. Inspec.	Negot. Package	Enter into Agreem.	Occupy	Leverage: Home Improv./ Rehab. Funds
Brockton							
Cambridge	/	✓	/	✓	✓		✓
Fitchburg	/	/	/	/			
Lowell	/	/					
RAP							
Waltham							

NOTE: This information was derived from the NIP Questionnaires that were conducted in Spring of 1977. No questionnaire was ever recieved from RAP in Roxbury. Some attempt has been made to fill in portions of the data in the Problem Perception portion of the questionnaire nonetheless.



The Commonwealth of Massachusetts
Executive Office of Communities and Development

100 Cambridge Street - Room 1404

Boston, Massachusetts 02202

MICHAEL S. DUKAKIS
GOVERNOR

WILLIAM G. FLYNN
SECRETARY

727-7765

January 5, 1977

Armand Mercier, Executive Director
Lowell Housing Authority
350 Moody Street
Lowell, MA

Dear Mr. Mercier:

In recent months the Department of Community Affairs has held a series of meetings to discuss the Neighborhood Improvement Program. Discussion has primarily been focused on three aspects of NIP: the major forces which contribute to neighborhood deterioration, critical program elements necessary to counter these forces, administrative and program alternatives.

It has become apparent that though these meetings brought forth useful feedback and recommendations, much was nonetheless left undiscussed. Thus, it is the desire of DCA to solicit more concise and complete feedback on part of the existing NIP's on their particular programs. We have developed a questionnaire that hopefully will not only summarize the existing NIP's but also reflect certain specific approaches and perspectives peculiar to each individual NIP.

The data collected in this questionnaire is not intended to be all inclusive. We hope it will provide a basis for feedback that is not only important but essential to the re-design of NIP. We are presently engaged in making NIP conceptually stronger, operationally more workable and efficient. This effort to improve the program requires the feedback of those city agencies and community organizations presently developing and administering the program at the local level, so that common problems can be identified for resolution. Thus, this questionnaire is specifically designed to be completed by the administering body of the local NIP and should ultimately reflect that perspective.

DCA greatly values your response and encourages as frank and detailed information as you can provide. Questionnaire should be completed and sent back to DCA by January 28, 1977. If there are any questions feel free to call 727-7180 or 7181 and ask to speak to Norman Dion or Jennie Lew. Thank you for your time and cooperation.

Sincerely,

JOHN P. SAWYER, JR.
Director, Bureau of
Neighborhood Improvement

JPS:ct

Massachusetts Department of Community Affairs
 - NEIGHBORHOOD IMPROVEMENT PROGRAM QUESTIONNAIRE -

Administrating NIP City Agency or Community Organization:

Located in City of: _____

Director or Chief Administrator of City NIP:

Stages of Program Implementation (If completed block out box, if partially completed or in progress check box):

705

--	--	--	--	--	--	--

NIP Staff'g Select Plausible sites Prelim. Plans, Cost Est. Negotiate, Purchase Bldgs. Re-locate Resid. Rehab. or Demo. Occupy

707

--	--	--	--	--	--	--

NIP Staff'g Solicite Partici. Landlords Bldg. Inspect. Negotiate Package Enter into Agreement Occupy Seek Home Improv. & Rehab. Funds

This questionnaire is designed to ascertain basic information on three fundamental aspects of the Neighborhood Improvement Program: problem perception, solution strategy and implementation. The questionnaire has basically been structured in two ways: in "closed" form to solicit specific measurements and in "open" form to allow for more discussion and elaboration.

Please answer all questions. If a question is not applicable to your NIP program write "not applicable". If more space is required for your response use the back of the page. At the end of the questionnaire there is a page provided for additional comments you may wish to make.

A. PROBLEM PERCEPTION

DIRECTIONS: The first section of this questionnaire lists a series of statements that describe either specific characteristics, or perceptions of problems associated with a variety of elements found in most neighborhoods. Check those responses that reflect those characteristics or perceptions that existed within the NIP impact area prior to the investment of NIP funding into that neighborhood. Those responses expressing different intensities of "concern" are to reflect how the neighborhood elements mentioned were regarded in relation to the problem of neighborhood deterioration.

Those phrases or words that may require additional definition or description are underlined in the question and elaborated upon in the appropriate spaces on the right. If your administering body has a different conception or definition feel free to write in your own description.

A. PROBLEM PERCEPTION:

ELABORATION or PERSONAL COMMENT

<p>1. Size of designated NIP area:</p> <p>5 blocks or less</p> <p>6 - 10 blocks</p> <p>11 blocks or more</p>		
<p>2. Population within NIP area:</p> <p>0 - 500 persons</p> <p>501 - 1000</p> <p>1001 - 1500</p> <p>1501 or more</p>		
<p>3. Number of housing units in NIP area:</p> <p>0 - 500 units</p> <p>501 - 1000</p> <p>1001 or more</p>		
<p>4. Visibility of NIP area to <u>general population</u>:</p> <p>Good</p> <p>Fair</p> <p>Poor</p>		<p>City residents, visitors, passerbys traveling by foot or auto.</p>
<p>5. General physical deterioration level of NIP area as ranked in comparision with other neighborhoods in the city:</p> <p>1 - Worst</p> <p>2 - Bad</p> <p>3 - Average</p> <p>4 - Good</p> <p>5 - Best</p>		
<p>6. Appearance of <u>external physical hsg. deterioration</u> within NIP area:</p> <p>Prevalent (widely existing)</p> <p>Moderate</p> <p>Little or None</p>		<p>Signs of neglect, desrepair, poor maintenance, wear & tear, etc.</p>
<p>7. Existence of <u>documented</u> external and internal code violations in NIP area:</p> <p>Prevalent</p> <p>Moderate</p> <p>Little or None</p>		<p>As reported by City Building Inspector(s) or approved examiners.</p>

A. PROBLEM PERCEPTION (continued...)	ELABORATION or PERSONAL COMMENT:
8. Problem of competing housing markets from other parts of city: Critical Concern Moderate " Little or No "	
9. Problem of encroachment upon NIP area by bordering element(s): Critical Concern Moderate " Little or No "	
10. Existence of <u>mixed uses</u> within NIP area: Critical Concern Moderate " Little or No "	Combined uses of residential with industrial, commercial or institutional uses.
11. Existence of vacant lots: Critical Concern Moderate " Little or No "	
12. Existence of abandoned buildings: Critical Concern Moderate " Little or No "	
13. Level of accessibility to <u>transportation systems and facilities</u> : Critical Concern Moderate " Little or No "	Major automobile arteries, public transportation.
14. Availability of open/green spaces for recreation or aesthetic enjoyment: Critical Concern Moderate " Little or No "	
15. Availability of neighborhood <u>facilities</u> : Critical Concern Moderate " Little or No "	Recreational, cultural, health, educational, service-oriented.

A. PROBLEM PERCEPTION (continued...)		ELABORATION or PERSONAL COMMENT:
16. Availability and quality of <u>city services</u> : Critical Concern Moderate " Little or No "		Street maintenance, garbage collection, fire, police.
17. Condition of sidewalks, streets and curbs: Critical Concern Moderate " Little or No "		
18. Presence of crime in NIP area: Critical Concern Moderate " Little or No "		
19. Lack of racial mixture among household composition: Critical Concern Moderate " Little or No "		
20. Lack of income mix among household composition: Critical Concern Moderate " Little or No "		
21. Existence of absentee landlords: Critical Concern Moderate " Little or No "		
22. Lack of homeowners: Critical Concern Moderate " Little or No "		
23. Apparent quick turnover of residents: Critical Concern Moderate " Little or No "		

A. PROBLEM PERCEPTION (continued...)	ELABORATION or PERSONAL COMMENT:
24. Lack or level of <u>community identity</u> among residents: Critical Concern Moderate " Little or No "	Sense of identification to a larger residential grouping or a collective-perception of interests stemming from a neighborhood context.
25. Lack or weakness of neighborhood organization(s) or association(s): Critical Concern Moderate " Little or No "	
26. Lack or level of <u>formal information systems or mehanisms</u> : Critical Concern Moderate " Little or No "	Newsletter, local cable television, brochures, bullentin boards and the like.
27. Availibility of city funds for home improvement loans or compensation (rebates): Prevalent Moderate Little or None	
28. Level of <u>financial commitment of city funds other than NIP</u> in NIP area: Prevalent Moderate Little or None	CDBG, other state or federally allocated funds for investment into neighborhood facilities or services.
29. Availability of home improvement funds provided by local banking or loan institutions: Prevalent Moderate Little or None	
30. Availability of home mortgage funds provided by local banking or loan institutions: Prevalent Moderate Little or None	

A. PROBLEM PERCEPTION (continued...)

GENERAL DISCUSSION

1. Considering the many problems related to neighborhood stabilization, list three or four of the most important problems that contribute to the deterioration of the NIP impact area in your city. Discuss briefly how these problems effect your NIP area specifically.

2. List three or four of the least important problems commonly associated with neighborhood stabilization that fail or have little effect in the NIP impact area of your city. Discuss briefly why this is so.

- A. PROBLEM PERCEPTION (continued...)
3. In developing and administering your city's NIP, what is the conceptual and working definition and image of "scattered - site" housing? What composes an appropriate and effective mixture of "scattered - site low income housing" with standard housing (e.g. distance, percentage of mixture)?

 4. When selecting a NIP impact area what were considered in the decision-making process besides level of physical deterioration? If there were none write "none".

 5. Does the administrating party believe maximum effectiveness is to be achieved by investing NIP funds into a "bottomed-out" (extremely deteriorated) neighborhood or a "transitional" neighborhood (at a pivotal stage, going from "good" to "bad")? Briefly explain your response.

B. SOLUTION STRATEGY

1. What is the key element of your NIP as it exists now?

_____ 705 _____ 707 _____ Both

a. Explain as briefly as possible why.

2. Does your plan dictate future expansion to be emphasized more on one component (either 705 or 707) than the other? Specify.

_____ 705 _____ 707 _____ Both

a. If there is a different response in question no. 2 than in question no. 1 please explain the reason for this shift in program emphasis.

3. Are your 705 and/or 707 structures, as presently planned, scattered throughout your NIP impact area or are they clustered within the impact area? If they are clustered please explain the reasoning for this.

a. If future development is anticipated in what form shall this development of either 705 or 707 structures take, scattered or clustered?

B. SOLUTION STRATEGY (continued...)

DIRECTIONS: Describe briefly to what extent and in what form are the following program elements a part of your NIP. If technical assistance or financial commitments are involved please specify the type or monetary amount, and whether these commitments are "real" or "paper" at this point in time.

Please designate in the spaces provided on the right whether these elements are in the planning ("P"), operational ("O"), or not presently included ("N.I.") stage of your NIP.

<u>NIP:</u>	<u>P</u>	<u>O</u>	<u>N.I.</u>
<u> </u> a. 705	<u> </u>	<u> </u>	<u> </u>
<u> </u> b. 707	<u> </u>	<u> </u>	<u> </u>
 <u>CITY COMMITMENT:</u>			
<u> </u> c. Repair of streets, curbs and sidewalks	<u> </u>	<u> </u>	<u> </u>
<u> </u> d. Improvement of neighborhood facilities	<u> </u>	<u> </u>	<u> </u>
<u> </u> e. Improvement of neighborhood services	<u> </u>	<u> </u>	<u> </u>
<u> </u> f. Provision of technical assistance to neigh.	<u> </u>	<u> </u>	<u> </u>

B. SOLUTION STRATEGY (continued...)

	<u>P</u>	<u>O</u>	<u>N.I.</u>
___ g. City funds for home improvement loans or rebates.	___	___	___
___ h. Improve transportational services and facilities.	___	___	___
___ i. Increase building inspection and code enforcement	___	___	___
___ j. Property tax or tax title revisions	___	___	___
___ k. City inter-agency/departmental cooperation	___	___	___
___ l. Search for additional funds other than NIP for neighborhood improvement	___	___	___
___ m. Promote greater racial and/or income mixture in resident composition	___	___	___
___ n. Other, specify.	___	___	___

B. SOLUTION STRATEGY (continued...)

	<u>P</u>	<u>O</u>	<u>N.I.</u>
NEIGHBORHOOD PARTICIPATION (continued...)			
— v. Formal neighborhood information network development	—	—	—
— w. Neighborhood organization or association development or training	—	—	—
— x. Other, specify	—	—	—

DIRECTIONS: Now please go back to item "a" and in the left column rank each program element for its importance in implementation. In other words, if you were to specify which elements of your NIP were critical to its overall strategy in what order would they be ranked with "1" being of top priority.

C. IMPLEMENTATION

1. The original NIP plan was conceived and initiated by:

- Local Planning Agency _____
- Local Housing Authority _____
- Community Organization _____
- Other (specify) _____

2. The NIP program is being administered by:

- Local Planning Agency _____
- Local Housing Authority _____
- Community Organization _____
- Other (specify) _____

3. The NIP program is locally being monitored by:

- Local Planning Agency _____
- Local Housing Authority _____
- Community Organization _____
- Other (specify) _____
- Undetermined _____

4. Briefly describe the paid staff administering the NIP program (i.e. titles, number, responsibilities and expertise).

5. To what extent is further technical expertise needed by the administrating body?

C. IMPLEMENTATION (continued...)

6. Briefly describe in general your design and construction process/system (selection of architects, construction bidding and supervision, etc.).

7. Can you suggest improvements to the process/system described above?

8. What efforts or method of approach are being taken to solicitate the participation of landlords in the 707 program?

C. IMPLEMENTATION (continued...)

9. If delays are occurring in the NIP program what is causing them?
Be as objective but frank as possible.

10. Describe the proposed Management/Maintenance system for NIP
that will be used once units are occupied.

11. What can DCA do or improve upon to assist or speed up the planning
or implementation stage of NIP for the administering body? Please
be frank, providing as many details and suggestions of improvement
as possible.

End of Questionnaire. Thank you very much.

BROCKTON
 CAMBRIDGE
 FITCHBURG
 LOWELL
 ROXBURY
 WALTHAM

A. PROBLEM PERCEPTION:

	BROCKTON	CAMBRIDGE	FITCHBURG	LOWELL	ROXBURY	WALTHAM	
1. Size of designated NIP area:							B-2800 Structures 150 Owner Occup. 80 Absen. Owned 20 Neigh. Llds.
5 blocks or less		X		X			
6 - 10 blocks							
11 blocks or more	X		X		X	X	
2. Population within NIP area:							C-485 in block (1766 in census tract)
0 - 500 persons		X		X			
501 - 1000							
1001 - 1500							
1501 or more	X		X		X	X	
3. Number of housing units in NIP area:							C-205 in block 704 in tract
0 - 500 units		X		X		X	
501 - 1000	X		X				
1001 or more					X		
4. Visibility of NIP area to <u>general population</u> :							B-much traffic along border . . . less visi. of center
Good		X	X	X	X	X	
Fair	X						
Poor							
5. General physical deterioration level of NIP area as ranked in comparison with other neighborhoods in the city:							B-some areas comparabl none worse.
1 - Worst	X						
2 - Bad		X	X	X	X	X	
3 - Average							
4 - Good							
5 - Best							
6. Appearance of <u>external physical hsg. deterioration</u> within NIP area:							C-HSG. Deter. Partiall covered w/cosmetics
Prevalent (widely existing)	X	X	X	X	X		
Moderate						X	
Little or None							
7. Existence of <u>documented</u> external and internal code violations in NIP area:							
Prevalent	X		X	X	X	X	
Moderate		X					
Little or None							

Comments by: B-Brockton F-Fitchburg R-Roxbury
C-Cambridge L-Lowell W-Waltham

ERKIN
CAMERON
FITCHEL
LOWELL
ROXBUR
WINTH

A. PROBLEM PERCEPTION (continued...)		ERKIN	CAMERON	FITCHEL	LOWELL	ROXBUR	WINTH	
8. Problem of competing housing markets from other parts of city:	Critical Concern							B-while hsg. mk't is tight, bad reputatic of NIP area scares off many potential tenants & owners
	Moderate "	X	X	X	X	X	X	
	Little or No "							
9. Problem of encroachment upon NIP area by bordering element(s):	Critical Concern			X	X			
	Moderate "		X			X	X	
	Little or No "	X						
10. Existence of <u>mixed uses</u> within NIP area:	Critical Concern						X	F-mixed uses exist but not a problem B-lrg. dept. store w/ parking lot is an eyesore
	Moderate "	X	X	X				
	Little or No "				X	X		
11. Existence of vacant lots:	Critical Concern		X	X	X	X		F-w/i last 5 yrs. from city's demo. prog. C-exstg. lrg. vacant lot, hsg. lacked rehab ... led to dem
	Moderate "							
	Little or No "	X					X	
12. Existence of abandoned buildings:	Critical Concern	X			X	X		F-recently reduced due to demo. prog. B-there are vacant boarded up bldg. hav'g infectious effect on rest of area
	Moderate "		X	X			X	
	Little or No "							
13. Level of accessibility to <u>transportation systems and facilities</u> :	Critical Concern							
	Moderate "			X				
	Little or No "	X	X		X	X	X	
14. Availability of open/green spaces for recreation or aesthetic enjoyment:	Critical Concern			X				B-recently completed park/plygrd, 1st open space in area. More is needed F-1 plygrd. & 2 tot lot construc. by redev. auth. during neigh. dev. prog.
	Moderate "	X			X	X	X	
	Little or No "		X					
15. Availability of neighborhood <u>facilities</u> :	Critical Concern							B-park helps; day care & other social prog' needed.
	Moderate "	X	X		X	X	X	
	Little or No "			X				

BRACKTON
CAMERON
FITCHELL
LOWELL
ROXBURY
WALTHAM

A. PROBLEM PERCEPTION (continued...)

Problem Description	BRACKTON	CAMERON	FITCHELL	LOWELL	ROXBURY	WALTHAM	Notes
16. Availability and quality of <u>city services</u> : Critical Concern Moderate " Little or No "	X	X					B-needs much improvement. resid's feel neigh. is on bottom of the city's list.
17. Condition of sidewalks, streets and curbs: Critical Concern Moderate " Little or No "		X		X			B-need repairs. overall not that bad. C-plans are updated since NIP
18. Presence of crime in NIP area: Critical Concern Moderate " Little or No "				X			B-myth is greater than reality; but real prob's include mugging, vandalism, drugs etc. don't exist in other areas.
19. Lack of racial mixture among household composition: Critical Concern Moderate " Little or No "			X	X	X		B-neigh. well-integrat
20. Lack of income mix among household composition: Critical Concern Moderate " Little or No "				X	X		B-incomes relative to rest of city low & getting lower. Need to recruit higher in young families.
21. Existence of absentee landlords: Critical Concern Moderate " Little or No "	X	X		X	X	X	F-will be eliminated via 705 component B-prob. relates to absentee landlords.
22. Lack of homeowners: Critical Concern Moderate " Little or No "		X		X	X	X	
23. Apparent quick turnover of residents: Critical Concern Moderate " Little or No "		X	X	X	X		F-due to deteriorating multi-fam. dwellings B-esp. in abser-owned bldgs., both owners & tenants often chg.

A. PROBLEM PERCEPTION (continued...)	FRANKI	CABER	FITCH	LAWEL	ROXBUR	WALTH	
24. Lack or level of <u>community identity</u> among residents:							B-neighborhood ident. is strong
Critical Concern		X	X	X			
Moderate "	X				X	X	
Little or No "							
25. Lack or weakness of neighborhood organization(s) or association(s):							C-RCCC fills this role
Critical Concern				X			
Moderate "	X		X		X		
Little or No "		X				X	
26. Lack or level of <u>formal information systems or mechanisms</u> :							B-need newsletter C-RCCC working on this
Critical Concern		X		X			
Moderate "	X		X		X	X	
Little or No "							
27. Availability of city funds for home improvement loans or compensation (rebates):							B-none prior to NIP \$100,000 now from CDBG
Prevalent		X					
Moderate			X	X	X		
Little or None	X					X	
28. Level of <u>financial commitment of city funds other than NIP</u> in NIP area:							B-\$100,000, contingent on NIP, allotted directly from city budget. C-improving
Prevalent			X		X	X	
Moderate	X	X		X			
Little or None							
29. Availability of home improvement funds provided by local banking or loan institutions:							B-loans are being made. banks are discouraging, people must be persistent. C-atmosphere is improving
Prevalent			X				
Moderate	X						
Little or None		X		X	X	X	
30. Availability of home mortgage funds provided by local banking or loan institutions:							
Prevalent							
Moderate	X	X					
Little or None			X	X	X	X	

EXHIBIT III - 5

SUMMARY OF NIP QUESTIONNAIRE

A. PROBLEM PERCEPTION

Question 1: Considering the many problems related to neighborhood stabilization, list three or four of the most important problems that contribute to the deterioration of the NIP impact area in your city. Discuss briefly how these problems effect your NIP area specifically.

<u>NIP City</u>	<u>Most Important Problems</u>
Brockton	Absentee landlords Disinvestment Low-Income Population
Cambridge	Absentee landlords Disinvestment Rent Control
Fitchburg	Disinvestment Low-Income Population Blighting effect of de- teriorated buildings Declining population Density of dwelling units & accompanying problems
Lowell	Absentee landlords Disinvestment Vacant land (In- dustrial Park Bite) Security (for personal property)
Waltham	Absentee landlords Mixes Uses Ethnic mix

A. PROBLEM PERCEPTION (continued)

Question 2: List three or four of the least important problems commonly associated with neighborhood stabilization that fail or have little effect in the NIP impact area of your study. Discuss briefly why this is so.

<u>NIP City</u>	<u>Least Important Problems</u>
Brockton	Attractiveness of building type Encroachment Ethnic diversity Housing market
Cambridge	Housing market Abandonment Vacant parcels
Fitchburg	City services Mixed land use
Lowell	Upgrading of homes in private sector as NIP develops Neighborhood cooperation
Waltham	(not applicable)

Question 3: In developing and administering your city's NIP, what is the conceptual and working definition and image of "scattered-site" housing? What composes an appropriate and effective mixture of "scattered-site low income housing" with standard housing (e.g. distance, percentage of mixture)?

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Not more than 70% of total units in neighborhood as a whole. Restriction on allocated units assure this. Some clustering of 3 or 4 buildings permissible.
Cambridge	Scattered-site housing, as usually defined, is not and probably will not be viable in our NIP.

A. PROBLEM PERCEPTION (continued)

Question 3 (continued):

<u>NIP City</u>	<u>Summary of Comments</u>
Fitchburg	(no comment)
Lowell	We plan to acquire buildings and land that will comprise about 30 % of total area.
Waltham	In the concept of "scattered-site" housing, the NIP area should not be overly saturated with low income housing.

Question 4: When selecting a NIP impact area what were considered in the decision-making process besides level of physical deterioration? If there were none write "none".

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Existence of Brockton Housing Trust (& prior rehab. projects). Area designated by city as ideal for scattered rehab. Revitalization of Presbyterian Church and construction of "Off Street Park".
Cambridge	General appeal of area. Mix of population ... ethnic, economic, family size, etc. Availability of open space for recreation. Proximity of service (private & public).
Fitchburg	Proximity to college. Proximity to downtown. Excellence of adjacent areas. High % of owner occupants in area. Blight is scattered and somewhat limited Formerly designated as an Urban Renewal area.

A. PROBLEM PERCEPTION (continued)

Question 4 (continued):

<u>NIP City</u>	<u>Summary of Comments</u>
Lowell	% of non-resident ownership. Economic & social structure of NIP area residents.
Waltham	Predominance of absentee land- lords. Ethnic composition.

Question 5: Does the administrating party believe maximum effectiveness is to be achieved by investing NIP funds into a "bottomed-out" (extremely deteriorated) neighborhood or a "transitional" neighborhood (at a pivotal stage, going from "good" to "bad")? Briefly explain your response.

"Transitional" Neighborhood

Cambridge
Lowell
Waltham

"Bottomed-Out" Neighborhood

Brockton
Fitchburg

EXHIBIT III - 6

SUMMARY OF NIP QUESTIONNAIRE

B. SOLUTION STRATEGY

Question 1: What is the key element of your NIP as it exists now?

<u>Chapter 705</u>	<u>Chapter 707</u>	<u>Both</u>
Lowell	Cambridge	Brockton
Waltham		Fitchburg

Question 2: Does your plan dictate future expansion to be emphasized more on one component (either 705 or 707) than the other? Specify.

<u>Chapter 705</u>	<u>Chapter 707</u>	<u>Both</u>
Waltham		Cambridge
		Fitchburg
		Lowell

Question 3: Are your 705 and/or 707 structures, as presently planned, scattered throughout your NIP impact area or are they clustered within the impact area? If they are clustered please explain the reasoning for this.

<u>Scattered</u>	<u>Clustered</u>	<u>Both</u>
Brockton	Waltham	Fitchburg
Cambridge	(w/i 1 block)	Lowell

Question 3a: If future development is anticipated in what form shall this development of either 705 or 707 structures take, scattered or clustered?

<u>Scattered</u>	<u>Clustered</u>	<u>Both</u>
Cambridge		Lowell
Fitchburg		
Waltham		

EXHIBIT III - 7

SUMMARY OF NIP QUESTIONNAIRE

C. IMPLEMENTATION

Question 1: The original NIP plan was conceived and initiated by:

<u>NIP City</u>	<u>Local Planning Agency</u>	<u>Local Housing Auth.</u>	<u>Community Organization</u>	<u>Other (specify)</u>
Brockton	-	-	X	-
Cambridge	-	X	X	X
Fitchburg	X	X	-	-
Lowell	-	X	-	-
Waltham	X	-	-	-

Question 2: The NIP program is being administered by:

<u>NIP City</u>	<u>Local Planning Agency</u>	<u>Local Housing Auth.</u>	<u>Community Organization</u>	<u>Other (specify)</u>
Brockton	-	X	-	-
Cambridge	-	X	X	-
Fitchburg	-	X	-	-
Lowell	-	X	-	-
Waltham	-	X	-	-

Question 3: The NIP program is locally being monitored by:

<u>NIP City</u>	<u>Local Planning Agency</u>	<u>Local Housing Auth.</u>	<u>Community Organization</u>	<u>Other (specify)</u>
Brockton	-	X	X	-
Cambridge	-	X	X	-
Fitchburg	X	X	-	-
Lowell	-	X	-	-
Waltham	-	X	-	-

Question 4: Briefly describe the paid staff administering the NIP program (i.e. titles, number, responsibilities and expertise).

<u>NIP City</u>	<u>Director/ Coordinator</u>	<u>Housing Manager</u>	<u>Outreach Worker</u>	<u>Rehab. Specialist</u>	<u>Maintenance</u>	<u>Clerk/ Typist</u>
Brockton	X	X	X	X	-	-
Cambridge	X	-	-	X	-	X
Fitchburg	X	-	-	-	-	-
Lowell	X	-	-	-	X (2)	-
Waltham	X	-	-	X	-	X

C. IMPLEMENTATION (continued)

Question 5: To what extent is further technical expertise needed by the administrating body?

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Spanish-speaking liaison.
Cambridge	Relocation expert. Rehab. & Procedural consultant.
Fitchburg	Rehab. expert.
Lowell	(unspecified)
Waltham	To be determined.

Question 6: Briefly describe in general your design and construction process/system (selection of architects, construction bidding and supervision, etc.)

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Architects screened by Comm. of neigh. residents, BHA Board & NIP staff. Design review by Neigh. Advisory Council, BHA Board & DCA. Supervision by Clerk of Works, to be approved by BHA Board.
Cambridge	Gen. design done by consultant, Housing Economics. Supervision by NIP Rehab Directors.
Fitchburg	Architects selected by Housing Authority. Design in accordance with DCA's Chief Architect's recommendations. Supervision by Architect & Clerk of Works
Lowell	According to DCA requirements.
Waltham	To be determined by NIP staff.

C. IMPLEMENTATION (continued)

Question 7: Can you suggest improvements to the process/system described above?

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Local Housing Authority should confirm or reject one arch. selected by NIP staff & resid. Construction should be handled in-house ... use force account.
Cambridge	None
Fitchburg	Use forced-account process
Lowell	Too early to comment.
Waltham	Too early to comment.

Question 8: What efforts or method of approach are being taken to solicitate the participation of landlords in the 707 program?

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	This aspect of NIP under review. Most likely be used sparingly on a case by case basis for absentee landlords. Resident landlords will be recruited thru publicity of NIP Home-owners Prog. (Delays, by Brockton Redev. Auth. & Mayor, have taken 6 mos.)
Cambridge	Direct mailing, phone conversation, personal contact.
Fitchburg	contact landlords individually for appointments to explain program. Pamphlets are provided on program.
Lowell	Mail solicitations have been conducted twice. Response to date- "wait & see" attitude.
Waltham	Solicited by phone.

C. IMPLEMENTATION (continued)

Question 9: If delays are occurring in the NIP program what is causing them?
Be as objective but frank as possible.

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Comments available on informal basis.
Cambridge	Many loose ends at this time, one of delays caused by absence of final written commitment of 707 subsidies from <u>DCA</u> .
Fitchburg	DCA delays in reviews & approvals. DCA delay in preparing an approved model lease for 707 program. Delays in getting work write-ups & cost estimates from Rehab Specialist.
Lowell	Initial delay caused by adjusting cost estimates from '74 budget figures to '77 implementation prices. <u>DCA</u> approval of budgeted items for purchase. Forced Labor issue.
Waltham	Program approval in Dec. 1976. Must hire NIP staff.

Question 10: Describe the proposed Management/Maintenance system for NIP that will be used once units are occupied.

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	Will consider tenant participation.
Cambridge	To be handled by inhouse staff.
Fitchburg	Site office & maintenance workshop will manage & maintain.
Lowell	Local agencies will be utilized.
Waltham	Not applicable.

C. IMPLEMENTATION (continued)

Question 11: What can DCA do or improve upon to assist or speed up the planning or implementation stage of NIP for the administering body? Please be frank, providing as many details and suggestions of improvement as possible.

<u>NIP City</u>	<u>Summary of Comments</u>
Brockton	DCA has been responsible for 1 or 2 months of the cumulative 14 month delay process. DCA has been excellent so far in relation to this program.
Cambridge	DCA cooperation thus far has been exemplary ... only suggest they continue the timely transmittal of 707 subsidy funds. Request DCA support for requested alterations in truck routes of city.
Fitchburg	Improve communications, speed up decisions. Improve over-all coordination.
Lowell	Need for periodical joint meetings between DCA, NIP staff & directors of local agency NIP's. Local NIP staff should be given more immediate implementation power for budgeted items initially approved by DCA (e.g. purchase of equipment, Architect's contract). Lead time from initial planning to implementation should be reduced.
Waltham	Not applicable.

EXHIBIT IIT-8 BROCKTON NIP

DEMOGRAPHIC CHARACTERISTICS *

<u>Population</u>	<u>Walnut-Turner Area</u>	<u>Brockton</u>
Total Population	2,046	89,040
Racial Composition		
Black %	5.9%	2.4%
Spanish-speaking %	1.0%	1.0%
No. of Families	509	21,952
Persons/Family	3.6	3.7
w/Female Head %	21.0%	13.4%
No. of Households	710	27,688
Persons/Household	2.5	3.13
W/Female Head %	-	-
Elderly Population% (65 yrs or older)	10.4%	11.0%
<u>Education</u>		
Median School Yrs. Completed	10.8	12.1
<u>Income</u>		
Median Family Income	\$8,921	\$10,377
<u>Families w/Income Below Poverty Level</u>		
Percent of all Families	9.8%	6.5%
Receiving Public Assistance	41.1%	32.8%
AFDC %	44.0%	-
General Relief %	5.0%	-
<u>Employment</u>		
Unemployed (over 16)%	6.3%	4.1%
Occupational Catagories %		
White Collar	35.3%	47.4%
Blue Collar	51.6%	41.0%
Service	12.8%	12.1%

*1970 U.S. Census

EXHIBIT III -- 9
BROCKTON NIP/WALNUT-TURNER AREA
 RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP</u>	<u>NO. OF STRUCTURES</u>	<u>PERCENT</u>
Resident-Owned	161	62%
Absentee-Owned	97	38%
TOTAL	<u>258</u>	<u>100%</u>

<u>BUILDING CONDITIONS</u>		
Gutted	2	1%
Very Poor	15	6%
Deteriorated	66	26%
Good	115	45%
Excellent	60	23%
TOTAL	<u>258</u>	<u>100%</u>

<u>HOUSING TYPE</u>		
1 Family	65	25%
2 - 3 Family	128	50%
4 - 5 Family	25	10%
6 -10 Family	29	11%
11 or More	11	4%
TOTAL	<u>258</u>	<u>100%</u>

Source: Brockton NIP Plan (Fall 1975)

EXHIBIT III-10 CAMBRIDGE NIP

DEMOGRAPHIC CHARACTERISTICS*

<u>Population</u>	<u>Census Tract</u> <u>3534</u>	<u>Cambridge</u>
Total Population	1,766	100,361
Racial Composition		
Black %	35.0%	6.8%
Spanish-speaking %	10.9%	1.9%
No. of Families	376	20,850
Persons/Family	3.4	3.2
w/Female Head %	-	17.9%
No. of Households	658	36,411
Persons/Household	-	2.43
W/Female Head %	16.0%	7.9%
Elderly Population% (65 yrs or older)	7.9%	11.6%
<u>Education</u>		
Median School Yrs. Completed	11.6	12.5
<u>Income</u>		
Median Family Income	\$7,958	\$9,815
<u>Families w/Income Below Poverty Level</u>		
Percent of all Families	17.0%	8.6%
Receiving Public Assistance	-	-
AFDC %	15.1%	7.5%
General Relief %	5.8%	2.7%
<u>Employment</u>		
Unemployed (over 16)%	7.1%	4.0%
Occupational Categories %		
White Collar	47.2%	66.6%
Blue Collar	29.5%	20.5%
Service	19.8%	12.8%

*1970 U.S. Census

EXHIBIT III-11
CAMBRIDGE NIP/RIVERSIDE/CAMBRIDGE PORT AREA
 RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP</u>	<u>NO. OF STRUCTURES</u>	<u>PERCENT</u>
Resident-Owned	35	38%
Absentee-Owned	<u>57</u>	<u>62%</u>
TOTAL *	92	100%
 <u>BUILDING CONDITIONS</u>		
Poor	45	49%
Fair	42	46%
Good	<u>5</u>	<u>5%</u>
TOTAL *	92	100%
 <u>HOUSING TYPE</u>		
1 Family	26	14%
2 - 4 Family	134	72%
5 or More	<u>26</u>	<u>14%</u>
TOTAL **	186	100%

* Total of Buildings in RCCC Conducted Survey for NIP

** Total of Structures in Hoyt Block Area, 1970 U.S. Census

Source: Cambridge NIP Plan (April 1975)

EXHIBIT III-12 FITCHBURG NIP
 DEMOGRAPHIC CHARACTERISTICS*

<u>Population</u>	<u>College District</u>		<u>Fitchburg</u>
Total Population	2,480		43,343
Racial Composition			
Black %	4.6%		1.0%
Spanish-speaking %	-		0.2%
No. of Families	-		11,035
Persons/Family	-		3.5
w/Female Head %	9.6%		10.0%
No. of Households	269		2,917
Persons/Household	-		-
w/Female Head %	-		-
Elderly Population% (65 yrs or older)	13.5%		15.0%
<u>Education</u>			
Median School Yrs. Completed	-		11.5
<u>Income</u>			
	<u>Tract 7107</u>	<u>Tract 7110</u>	<u>Fitchburg</u>
Median Family Income	\$7258	\$9093	\$9692
<u>Families w/Income Below Poverty Level</u>			
Percent of all Families	10.7%	8.9%	7.7%
Receiving Public Assistance	-	-	6.1%
AFDC %	-	-	-
General Relief %	-	-	-
<u>Employment</u>			
Unemployed (over 16)%	-	-	-
Occupational Catagories %			
White Collar	-	-	-
Blue Collar	-	-	-
Service	-	-	-

*1970 U.S. Census

EXHIBIT III-13

FITCHBURG NIP/COLLEGE DISTRICT

RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP</u>	<u>NO. OF STRUCTURES</u>	<u>PERCENT</u>
Resident-Owned	193	64%
Absentee-Owned	109	36%
TOTAL	302	100%
 <u>BUILDING CONDITIONS</u>		
Dilapidated	7	2%
Deteriorated	23	8%
Deficient/Deteriorated	23	8%
Deficient	134	44%
Good	115	38%
TOTAL	302	100%
 <u>HOUSING TYPE</u>		
1 Family	59	20%
2 -3 Family	192	64%
4 -8 Family	45	15%
9 or More	6	1%
TOTAL	302	100%

- * Dilapidated - Recommend Demolition, Structure Is Unsound And/Or Obsolete
- Deteriorated- Building Has Many Major Code Violations
- Def./Det. - Minor Code Violations W/ Few Major Code Violations
- Deficient - Minor Code Violations
- Good - No Code Violations Or Minor Incipient Code Violations

Source: Fitchburg NIP Plan (November 1975)

EXHIBIT III-14 LOWELL NIP

DEMOGRAPHIC CHARACTERISTICS *

<u>Population</u>	<u>Lowell</u>
Total Population	94,239
Racial Composition	
Black %	0.8%
Spanish-speaking %	1.1%
No. of Families	22,690
Persons/Family	-
w/Female Head %	16.5%
No. of Households	3.04
Persons/Household	-
w/Female Head %	-
Elderly Population% (65 yrs or older)	12.0%
<u>Education</u>	
Median School Yrs. Completed	11.3
<u>Income</u>	
Median Family Income	-
<u>Families w/Income Below Poverty Level</u>	8.5%
Percent of all Families	
Receiving Public Assistance	
AFDC %	-
General Relief %	-
<u>Employment</u>	
Unemployed (over 16)%	4.3%
Occupational Categories %	
White Collar	20.0%
Blue Collar	63.0%
Service	17.0%

*1970 U.S. Census

NOTE: Information on Lowell target neighborhood not provided in NIP plan.

EXHIBIT III - 15

LOWELL NIP/WALNUT-TURNER AREA

RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP</u>	<u>NO. OF STRUCTURES</u>	<u>PERCENT</u>
Resident-Owned	39	57%
Absentee-Owned	29	43%
TOTAL	68	100%
<u>BUILDING CONDITIONS</u>		
Poor	2	3%
Fair to Poor	12	17%
Fair	14	20%
Fair to Good	14	20%
Good	15	22%
Good to Excellent	8	12%
Excellent	3	6%
TOTAL	68	100%
<u>HOUSING TYPE *</u>		

* Not Specified

Source: Lowell NIP Plan (1975)

EXHIBIT III-16 ROXBURY NIP

DEMOGRAPHIC CHARACTERISTICS*

<u>Population</u>	<u>Highland Park</u>	<u>Roxbury</u>	<u>City of Boston</u>
Total Population	4,335	38,490	641,071
Racial Composition			
Black %	64%	84%	16%
Spanish-speaking %	12%	6%	3%
No. of Families	873	8,838	142,019
Persons/Family	4.2	3.9	2.9
w/Female Head %	33%	38%	22%
No. of Households	1,461	12,544	217,622
Persons/Household	3.3	3.1	2.8
w/Female Head %	-	-	-
Elderly Population% (62 yrs or older)	16%	13%	16%
<u>Education</u>			
Median School Yrs. Completed	11.5	10.9	12.1
<u>Income</u>			
Median Family Income	\$6,639	-	\$9,133
<u>Families w/Income Below Poverty Level</u>			
Percent of all Families	-	-	11.7%
Receiving Public Assistance	19%	30%	14%
AFDC %	-	-	-
General Relief %	-	-	-
<u>Employment</u>			
Unemployed (over 16)%	6%	-	4%
Occupational Categories %			
White Collar	41%	-	56%
Blue Collar	38%	-	27%
Service	21%	-	17%

*1970 U.S. Census

EXHIBIT III-17

ROXBURY NIP/HIGHLAND PARK AREA

RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP *</u>	<u>Percent</u>
Resident-Owned	49%
Absentee-Owned	42%
City Owned	9%
TOTAL	<u>100%</u>

<u>BUILDING CONDITIONS</u>	
Substandard	11%
Needing Major Repairs	27%
Needing Minor Repairs	39%
Sound Buildings	<u>23%</u>
TOTAL	<u>100%</u>

<u>BUILDING SIZE</u>	
1 Family	33%
2 Family	21%
3 Family	35%
4 Family	6%
5 or More	<u>5%</u>
	<u>100%</u>

* Figures for All Buildings in Highland Park Area, Not Just Residential

Source: Roxbury NIP Plan (October 1974)

EXHIBIT III-18

TAX DELINQUENCY LEVEL/ROXBURY-HIGHLAND PARK AREA

Existing data accumulated by the Collecting Division of the City of Boston does not readily provide tax delinquency figures for the Highland Park Area. The Highland Park Area is comprised of two precincts of Ward 11 of the City of Boston and most of one precinct of Ward 9. Unfortunately delinquency data by precinct is not available, only data by ward or parcel-by-parcel is provided. A review of the data of Wards 9 and 11 can provide an overview of the level of tax delinquency in and around the Highland Park Area.

In Tables 1 and 2 all taxable parcels for Wards 9 and 11 are organized by land use and the number of all First Half delinquencies (as of November 1976). In percentage terms (refer to Table 3) Wards 9 and 11 have considerably higher delinquency rates than those reflecting citywide figures. Further breakdown of delinquent residential parcels by payment levels (i.e. no First Half payments, partial or Full First Half Payments . . . refer to Tables 4-6) further reveal Wards 9 and 11 to have higher percentages of "no payments" and lower percentages of "partial and full payments" than the citywide statistics.

Data by Ward is valuable in providing a general overview of the area, it nonetheless may not provide an accurate picture of the smaller neighborhood in question, Highland

Park. To acquire more precise data a stratified sampling of the Highland Park Area was conducted. Organized by geographical sectors and designated either as arterial or "side" streets, a sampling of streets was randomly selected within each category and analyzed parcel by parcel for tax delinquency (refer to Table 7). This stratified sampling revealed the level of tax delinquency in the First Half of Fiscal Year 1977 to be approximately 36% of all parcels in the Highland Park Area. This percentage is still higher than the 28.4% for the rest of the city but lower than the designated Ward averages (58.1% for Ward 9, 39.6% for Ward 11). Thus figures for property tax delinquency by Ward are inaccurate indicators for Highland Park as a neighborhood. A more detailed investigation of the area shows the Highland Park Area to be not as tax delinquent as the rest of the larger community that immediately surrounds it.

Exhibit III- 1977 Prop. Tax Delinq.-1st Half Payment Only/Wards Encompassing Highland Park

R1	1-Family	RC	Resid/Commercial (storefront)
R2	2-Family	I	Industrial
R3	3-Family	C	Commercial
R4	MULTI-FAMILY	L	Vacant
		X	Exempt

Table 1 All taxables parcels for wards 9 and 11
Parcels: Distributed by land use and ward

Ward	R1	R2	R3	R4	RC	I	C	L	X	ALL
9	122	92	178	416	128	5	110	142	159	1352
11	602	564	949	233	67	26	205	415	68	3129

Table 2 All first half delinquencies
Parcels: Distributed by land use and ward

Ward	R1	R2	R3	R4	RC	I	C	L	X	ALL
9	65	55	118	174	68	0	54	96	156	786
11	218	179	325	134	40	5	79	191	67	1238

Table 3 All first half delinquency
Parcels: this parcel as a% of all taxable parcels

Ward	R1	R2	R3	R4	RC	I	C	L	X	ALL
9	53.5	59.8	66.3	41.8	53.1	0.0	49.1	67.6	98.1	58.1
11	36.2	31.7	34.2	57.5	59.7	19.2	38.5	46.0	98.5	39.6
Citywide	23.2	23.9	31.2	34.6	32.5	21.7	28.8	36.0	94.6	28.4

Table 4 All residential parcels with no first half payment
parcels: this parcel as a% of all taxable parcel

Ward	R1	R2	R3	R4	RC
9	47.5	50.2	59.6	34.1	40.0
11	26.7	20.7	23.0	48.9	49.3
citywide	12.6	12.6	20.4	24.7	21.7

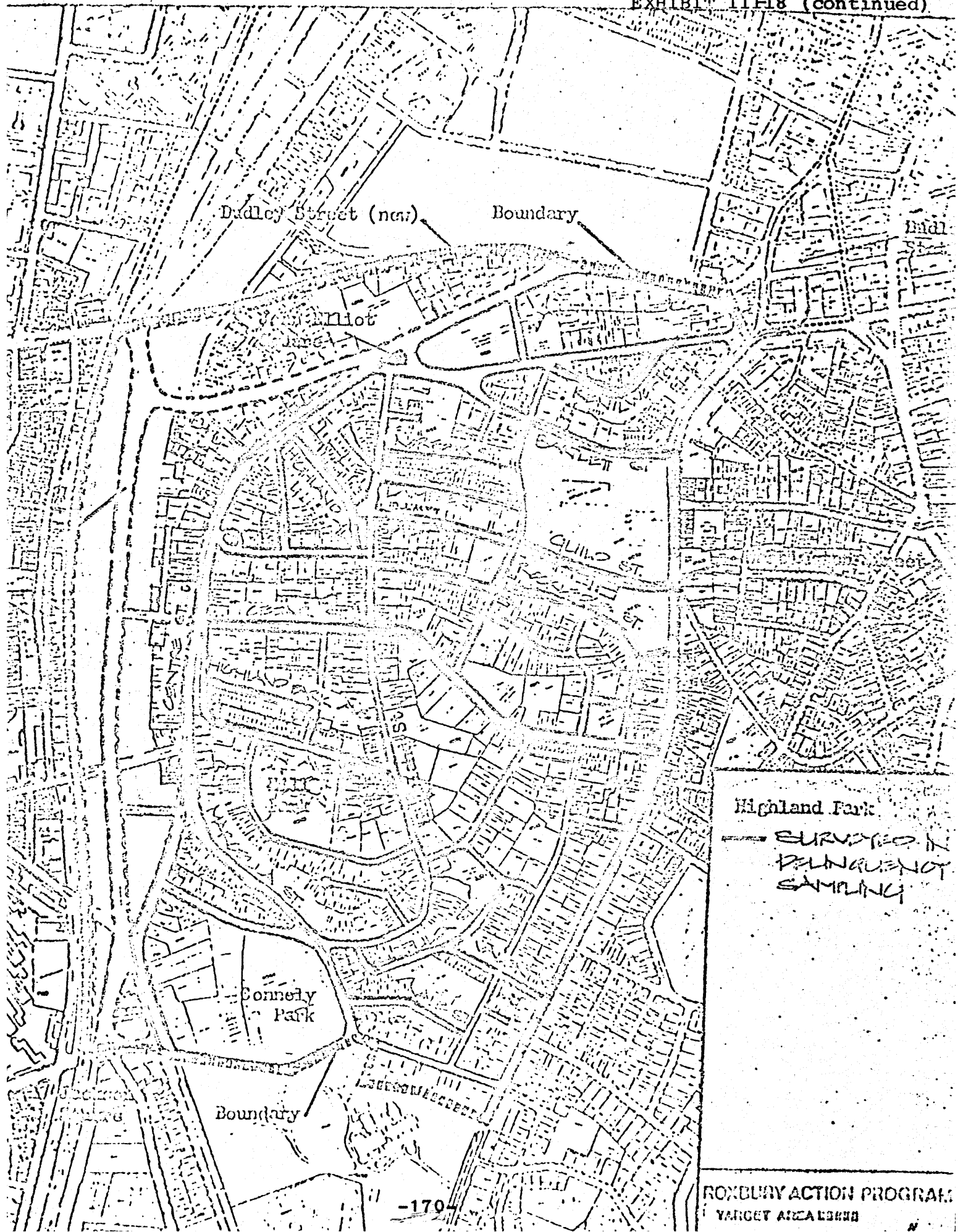
(Source: Collecting Division, City of Boston)

Table 5 All residency parcels with partial first half payment parcels: this parcel as a% of all taxable parcels

<u>Ward</u>	<u>R1</u>	<u>R2</u>	<u>R3</u>	<u>R4</u>	<u>RC</u>
9	6.6	9.8	6.7	7.7	13.1
11	10.0	11.2	11.3	8.6	10.4
cityw.	11.0	11.4	10.9	10.7	10.9

Table 6 All residential parcels with full first half payments parcels: this parcel as a% of all taxable parcels

<u>Ward</u>	<u>R1</u>	<u>R2</u>	<u>R3</u>	<u>R4</u>	<u>RC</u>
9	44.3	37.0	32.0	56.7	55.3
11	61.6	67.2	65.1	42.1	21.2
cityw.	75.4	75.2	68.1	63.7	66.6



Dudley Street (new)

Boundary

Highland Park

Connelly Park

Boundary

Highland Park

SURVEYED IN
DELINQUENCY
SAMPLING

ROXBURY ACTION PROGRAM
TARGET AREAS

EXHIBIT III-18 (continued)

First half of 1977 fiscal outstanding stratified sampling
 (Source: collecting division, City of Boston)

Main arterial roads:

<u>Ward</u>		<u>Parcels Delinq.</u>	<u>Total No. of Parcels</u>
9	Cedar Street	7	92
11	" "	6 } 13	
9	Centre Street	9	78
11	" "	10 } 19	

Northeast Sector:

<u>Ward</u>	<u>Street or Avenue</u>	<u>Parcels Delinq.</u>	<u>Total No. of Parcels</u>
9	Kenilworth St.	12	22
9	Bartlett St.	14	30
9	Guild St.	6	10
9	Rockledge St.	3	13

Northwest Sector:

<u>Ward</u>	<u>Street or Avenue</u>	<u>Parcels Delinq.</u>	<u>Total No. of Parcels</u>
9	Norfolk St.	6	20
9	Lambert St.	9	
9	Highland Avenue	12	18

Southwestern Sector

<u>Ward</u>	<u>Street or Avenue</u>	<u>Parcels Delinq.</u>	<u>Total No. of Parcels</u>
11	Highland Park Ave.	23	33
11	Fort Ave.	25	52
11	Marcella St.	38	89

Southeast Sector:

<u>Ward</u>	<u>Street or Avenue</u>	<u>Parcels Delinq.</u>	<u>Total No. of Parcels</u>
11	Valentine St.	3	27
11	Vale St.	10	19
11	Flilda St.	6	29

Total Parcels Delinquent 199	Total No. of Parcels on streets sampled 550
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199/550 = 36% of all parcels in statified sampling of Highland Park Area are delinquent

EXHIBIT III-19. WALTHAM NIP

DEMOGRAPHIC CHARACTERISTICS*

<u>Population</u>	<u>Charles-Felton Area</u>	<u>Waltham</u>
Total Population	1,448	56,590
Racial Composition		
Black %**	-	0.7%
Spanish-speaking %**	@25%	0.8%
No. of Families**	355	14,144
Persons/Family	-	-
w/ Female Head %	12.9%	11%
No. of Households	536	-
Persons/Household**	3.6	3.04
w/ Female Head %**	20%	6.7%
Elderly Population % (65 yrs or older)	10.8%	11.9%
<u>Education</u>		
Median School Yrs. Completed	-	12.1
<u>Income</u>		
Mean Family Income	\$7,140	\$11,523
<u>Families w/Income Below Poverty Level</u>		
Percent of all Families**	-	4.3%
Receiving Public Assistance**	-	3.9%
AFDC %	11%	-
General Relief %	2%	-
<u>Employment</u>		
Unemployed (over 16) %	-	3.1%
Occupational Categories %		
White Collar	-	52.0%
Blue Collar	-	34.4%
Service	-	13.4%

*1975 U.S. Census

**1970 U.S. Census

EXHIBIT III-20
WALTHAM NIP/CHARLES-FELTON AREA

RESIDENTIAL BUILDING CHARACTERISTICS

<u>BUILDING OWNERSHIP</u>	<u>NO. OF STRUCTURES</u>	<u>PERCENT</u>
Resident-Owned	138	55%
Absentee-Owned	<u>113</u>	<u>45%</u>
TOTAL	251	100%

BUILDING CONDITIONS *

HOUSING TYPE

1 Family	65	26%
2 Family	111	44%
3 Family	35	14%
4 or More	<u>40</u>	<u>16%</u>
TOTAL	251	100%

* Condition of Buildings Were Not Specified in NIP Plan

Source: Waltham NIP Plan (January 1976)

EXHIBIT IV-1 ADJUSTMENTS IN 705 FUNDING

<u>City (NIP Neighborhood)</u>	<u>Original 705 Request¹ (million)</u>	<u>Original # of Rehab Units²</u>	<u>Total 705 Fund'g to Date (CFA)³ (million)</u>	<u>705 Facilities Improvement Allotment (thousands)</u>	<u>Current Figure on # of Rehab⁵ Units</u>
Brockton (Walnut-Turner)	\$ 1.6	64	\$ 1.6	\$ 125,000	40
Cambridge (Cambridge/Riverside)			(not applicable)		
Fitchburg (College District)	1.75	50	1.26	114,000	36
Lowell (Lower Highlands)	1.2	26	1.2	114,600	26
Roxbury (Highland Park)	3.0	100	1.0	100,000 or (350,000)	28
Waltham (Charles-Felton)	3.0	26	1.0	77,000	24
	<u>\$10.55 M</u>	<u>266</u>	<u>\$ 6.06 M</u>	<u>\$ 540,600</u> or <u>(\$ 890,600)</u>	<u>154</u> <u>TOTAL</u>

NOTES, EXHIBIT IV-1:

1. Original 705 Request - this represents the original funding request of the cities in their NIP proposals.
2. Original No. of Units to be Rehabed - as given in the cities' NIP proposals.
3. Total Funding to Date (CFA) - this is the funding amount arrived at after negotiations with DCA. Contracts for Financial Assistance (CFA) that have gone out to the respective cities use these figures. The source of this 705 funding is not necessarily from 705 bonding. Fitchburg received a transfer of \$600,000 in 667 funds to be used for its NIP.
4. 705 Facilities Improvement Allotment - the amount given in the town's plans to be spent on neighborhood facilities and not on housing.
5. Current Figure on # of Rehab Units - the final figure on the number of units to be rehabed. Arrived at after the cities negotiated with DCA.

NOTES, EXHIBIT IV-2:

1. Original Funding Request - as given in NIP proposal.
2. Original # of Units Projected - as given in the NIP proposal.
3. Current Estimate of the Annual Rent Subsidy - the amount estimated by the towns in consultation with DCA as being necessary for rental assistance.
4. # of Units Approved to Date - the current number approved by DCA.

EXHIBIT IV-2 ADJUSTMENTS IN 707 FUNDING

<u>City (NIP Neighborhood)</u>	<u>Original 707 Request (thousands)</u>	<u>Original # of Units Projected²</u>	<u>Current Est. of Annual Rent Subsidy³ (thousands)</u>	<u># of Units Approved To Date⁴</u>	
Brockton (Walnut-Turner)	\$ 110,000	35	\$ 110,000	35	
Cambridge (Cambridgeport/ Riverside)	-	-	65,000	40	
Fitchburg (College District)	120,000	40	157,500	50	
Lowell (Lower Highlands)	110,000	35	120,000	35	
Roxbury (Highland Park)	300,000	100	300,000	100	
Waltham (Charles-Felton)	142,500	50	142,500	24	
	<u>\$ 782,500</u>	<u>260</u>	<u>\$ 895,000</u>	<u>284</u>	<u>TOTAL</u>

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EXHIBIT IV-2

Massachusetts Home Mortgage Finance Agency

Problem:

A prevalent problem in many declining and deteriorating neighborhoods is the lack of mortgage, home improvement and rehabilitation funds. This problem is often attributed to private sector disinvestment or "redlining" as it is often called. Named after the presumed practice of drawing a red line on a map around an area designated by lending institutions for which real estate loans are not to be made, or else made at terms substantially less favorable than available in other areas. Redlining is not always the single most critical cause of limited funds for housing. Under certain economic circumstances the ability to finance housing is hampered in some neighborhoods not so much by redlining as by an apparent lack of funds available to private mortgage lending institutions. Likewise a major factor of such a housing crisis is the lack of funds at interest rates which are at a level at which low and moderate income persons and families can afford to own and maintain housing. In such instances the problem becomes twofold: tight money and expensive money.

When credit money is generally scarce and available only at high interest rates, the lending institutions become even more conservative in assessing the risks and return on investment related to each loan application. No doubt the chief

victims of conservative lending practices are families of low or modest incomes residing in older neighborhoods.¹ As a result this older housing stock, that need the funds the most, are most likely to be overlooked in favor of better maintained, and newer dwellings in higher income bracket neighborhoods.

This lack of funds contributes and perpetuates to the decline of an already deteriorating neighborhood. A common scenario, often used to describe the cycle of disinvestment and decline, begins to take form. Potential homebuyers are not able, or find it difficult to secure mortgage loans for purchases. Homeowners also cannot secure home improvement or rehabilitation funds. Thus housing in the area falls into disrepair and deterioration goes unchecked. The housing market slides downward as the number of buyers decrease. At the same time the appearance of the neighborhood declines causing property values in the area to fall. Municipal services in turn begin to diminish as the city becomes disinterested and wary of "over-investing" in a "bottomed-out" neighborhood. The cycle comes full circle until lenders are reinforced in their justification of restricting their limited funds on the basis of sound business decisions. The question is: when redlining is not the problem, what can be done to increase the supply of funds available to mortgage lending institutions and likewise, reduce the excessive burdens of debt?

MHMFA:

In 1974 the State Legislature established the Massachusetts Home Mortgage Finance Agency (MHMFA) which was to be administered under the Massachusetts Housing Finance Agency (MHFA) with the goal of expanding the supply of funds at low interest rates.*² The MHMFA legislation provided a mechanism by which tax exempt moral obligation bonds could be sold to provide capital that would be passed on to local lending institutions for loans to individuals for the rehabilitation and acquisition of existing housing, or for the purchase of new housing units.³ Structures receiving these funds through MHMFA must have four or less units. The statute establishing MHMFA requires that at least 80% of the mortgages be made for structures in "priority areas," specifically where neighborhood preservation programs are under way or being planned; and that at least 80% of the mortgages be for structures at least 10 years old.⁴

Contractual agreements concerning this portion of MHMFA, known as the "Loans to Lenders Program," involves three parties: (i) mortgage lenders (to utilize specific amount of MHMFA funds to make mortgage and home improvement loans), (ii) municipalities (to provide visible investment of public funds and services to upgrade the designated area, and (iii) other public entities (to provide interest subsidies, rental subsidies, mortgage insurance, code enforcement, technical assistance, etc.). The minimum Loan to a Lender is \$100,000, and

* Chapter 846 of the Acts of 1974.

may be of two types: a) 10-15 year loans, with the proceeds to be used for new mortgage loans (25-year term) to homeowners, and b) 4-5 year loans, with the proceeds to be used for home improvement loans (7-10 year terms) to homeowners. Mortgage loans must be made to present or prospective owner occupants with maximum amounts of \$35,000 for single-family dwellings, \$50,000 for two-to-four family structures, and \$10,000 for home improvement loans.⁵

The lenders will assume the underwriting risk and all loans to them will be fully collateralized according to MHMFA regulations. MHMFA will charge lenders 1/2 - 3/4 percent above bond rates. Higher rates may be charged, pending current legislative amendment, on these mortgage loans to cover the lender's expenses and FHA, VA or private mortgage insurance premiums, but in no case shall total rates to borrowers exceed 1.5% above the rate paid to MHMFA.⁶ Lenders may charge fees covering all closing costs not exceeding \$300 for a conventional mortgage and \$500 for an FHA or VA mortgage. No additional fees or points may be charged to the borrowers at the time of closing or application, although delinquency charges are permissible.⁷

MHMFA also administers a Mortgage Insurance Program to insure those loans provided for by the Loans to Lenders Program and those conventional mortgage loans to resident owners made for purposes of acquisition and rehabilitation in areas designated for neighborhood preservation programs. MHMFA in addition provides for Technical Assistance by con-

tracting such services from non-profit organizations incorporated under the laws of the Commonwealth or qualified public agencies. Under this program homeowners are provided with a wide range of consultant services in the selection of subcontractors, nature of regulating codes, evaluation of the quality of work undertaken, debt management and many more.

Last but not least MHMFA provides for a Resident Ownership Subsidy Program to assist low-income families or persons who own single-family or multi-family homes or cooperative housing shares or condominium units. The subsidies to be provided under this program covers the difference between the amount required annually to pay interest and debt service, real property taxes, fire insurance, reasonable management costs and reasonable maintenance costs and twenty-five per cent of the annual income of such families or person. As of February of 1976 language for this program was written into existing MHMFA legislation, but actual funding for these subsidies has not been appropriated.

MHMFA Update:

Though MHMFA was created in 1974, actual program operations have been stalled. The program required the sale of bonds by the Massachusetts Housing Finance Administration (MHFA). Unfortunately the bond market fell on troubled times soon after MHMFA was created.⁸ Though Gary Jefferson and Joel had anticipated MHMFA to have been an important component in

strategy, yet instead MHMFA faltered in its early stages.

Currently a great deal of effort and activity is being applied to activate and redesign MHMFA. The agency has received start-up funds of \$150,000 through the FY 1977 DCA budget to hire staff and an Executive Director. Proposed changes in MHMFA legislation have been introduced by Senator Timilty in the Legislature along with recommended amendments drafted by DCA in conjunction with the Governor's Office.⁹

Recent amendments slated for legislation involve a number of revisions for MHMFA. Foremost the new bill would spin the neighborhood mortgage agency out from under the MHFA, and expand the size and composition of the board. Second, revisions would extend the invitation of applicants beyond municipalities to "self-selected community groups that may initiate a neighborhood stabilization program in conjunction with mortgage lenders in a designated area."*¹⁰

Perhaps the most important amendment to MHMFA c. 846 of the Acts of 1974 that would concern DCA is the recommended change of the Final Application approval process. DCA has recommended that "prior to authorizing the preparation of Final Application, MHMFA will submit the Preliminary Application to the Secretary of Communities and Development for review."¹¹ This review is meant to assure that proposals introduced to MHMFA are consistent with state and local growth and housing policy. The Secretary is given thirty (30) days in which to conduct his review. If disapproval is not indicated within

* Additional legislation may add "... provided there is a letter of endorsement from the local chief executive."

thirty days, the Application shall be approved for processing by MHMFA.

MHMFA/A Closer Analysis of:

Created as it were in 1974, MHMFA was originally designed to expand the source of funds for lending institutions in times of tight credit money. It was believed that under such economic circumstances lenders could be enticed to participate to utilize a source of readily available funds and thus aid neighborhood improvement efforts. The tax exempt status of municipal bonds would make them attractive to buyers, and the percentage given to the lender for loan processing coupled with a reasonable fee would serve as an incentive for participation to lenders. The incentives to utilize MHMFA funds were provided for lenders, but whether these would be enough or maintain their attractiveness in more abundant times of credit money still remains to be seen.

The State on the other hand can accrue definite benefits for itself in this partnership between the public and private sector. Foremost, lenders are the party that must assume the risk of default. This no doubt instills an intense interest on the lender's part to see their investments secure and the neighborhoods in which these investments lie "succeed." Lenders may assume the role, along with local residents, of pressuring and monitoring municipal services and facilities. The State can likewise hope to benefit from the utilization of the

lender's "expertise" in the area of granting and processing loans (i.e. assessment of applicant's capability for payment, risk determination, administration of funds).

Though many positive elements of MHMFA can be pinpointed, drawbacks can be noted that may greatly diminish the benefits of MHMFA loans if language in the legislation is not clarified. MHMFA is aimed to aid "primarily transitional neighborhoods," those neighborhoods previously considered to be in good condition but approaching decline.¹² Strictly defined this could in effect exclude a lot of neighborhoods from receiving these funds, neighborhoods already in various stages of serious decline that nonetheless may have the potential to be "turned-around" with additional funds and that need the money the most.

Lenders, through MHMFA, are expected to serve particular neighborhoods designated as neighborhood preservation areas, not necessarily individuals. The statute specifies low and moderate income persons and families but in practice MHMFA loans nonetheless are geared for those "credit-worthy" applicants that lenders themselves would grant loans to in their normal evaluation procedures.¹³ In other words, MHMFA loans for the most part are not expected to serve any different population group than those who would otherwise be granted loans if lending institutions had the available private funds. Homeowners with Section 8 and Chapter 707 subsidies that would be given special consideration, under the legislation and those few that would be facilitated by the lower interest rates of

MHMFA loans would be exceptions.

There is also the possibility that MHMFA could follow a similar path as that taken by the Federal National Mortgage Association (FNMA). In Section 304 (a) of FNMA's Charter Act (12 USC171a) it states that FNMA's operations are to be confined to mortgages which are of such "quality, type and class as to meet, generally, the purchase standards imposed by private institutional mortgage investors." This provision greatly restricts the inclination and freedom of the agency to finance marginal loans that do not quite meet such standards. MHMFA, in the same mode, could unintentionally and indirectly be redlining other neighborhoods as areas of "risky investments" by excluding them from funding, thus flagging local lending institutions of its poor status.

An analysis of the assets and shortcomings of MHMFA as it relates to DCA would not be complete without comparing it to a similar program of funds and services that would be provided under DCA's current proposed legislation to create a revolving loan account. Known as the "Comprehensive Neighborhood Preservation Program" and outlined in the amendments proposed for Chapter 23B of the General Laws, DCA's program offers a variety of program options among which are grants to homeowners for a percentage of rehabilitation costs or as interest reduction grants, funds for a community established revolving loan, and technical assistance.*

* This amendment proposes to add after Section 10A a new Section 10B which shall read: "State Financial Assistance to Cities and Towns for Housing Rehabilitation."

DCA's CNPP is expected to be administered at the local level. The legislation is loosely worded so as to provide much latitude for the local sector to devise their own guidelines, procedures for application processing, and mode for decision-making. Unlike MHMFA, in the DCA proposal the local lending institutions are not required to participate at all, nor is it legislated that community input is required. Unless additional guidelines or regulations are provided, there exists within the current DCA legislation the potential for abuse on the local level.

MHMFA on the other hand emphasizes the participation of lending institutions, and attempts to centralize the administration of funds into one state agency governed by a state-wide board composed of both public and private sector representatives. Whereas DCA's revolving loan would be financed out of the existing housing funds within its department, MHMFA would be a new source of funds, thus not a drain to existing resources of DCA.

MHMFA/Implications for NIP:

MHMFA's major utility to NIP is that it is a rich source of home improvement, rehabilitation and mortgage funds. Funds such as these are sorely needed in the NIP neighborhoods, especially when considering that present allocation of Chapter 705 and 707 funds are not adequate enough to help the large majority of dwelling units in need of renovation monies, but

which are not facilitated by State NIP funds. These funds could be all the more accessible to the NIP impact areas given the approval powers to be bestowed on the Secretary of the DCA if proposed DCA amendments are to be passed by the legislature.

When measured against DCA's revolving loan program, the merits of the MHMFA program become more apparent. Perhaps ^{MHMFA'S} most attractive features are: a more centralized control over program administration, required lender participation, and its utility as a source of funds which do not deplete DCA resources.

Recommendations for DCA in relationship to MHMFA would be to:

- (When and if such DCA amended legislation is passed) utilize Secretary Flynn's advantageous position to get NIP target areas designated as Neighborhood Preservation areas;
- encourage local NIP communities (and lending institutions) to apply for MHMFA funds;
- (if appropriate DCA legislation is passed) coordinate DCA revolving loan pool funds with MHMFA funds for maximum impact upon the various NIP neighborhoods;
- perform outreach to NIP community residents (particularly 707 and other owner-occupants) to apply for MHMFA funds through participating local banks;
- encourage community monitoring of MHMFA lending activities.

EXHIBIT IV-3

Mechanisms to Activate

Private Lending Institution Participation

The Problem:

Lender disinvestment, or "redlining", assumes many forms. By setting appraisals in amounts below what the market value has been established between the seller and buyer(s), banks can effectively redline areas in a subtle and sophisticated manner. Such under-appraisal of properties being negotiated for purchase often prevent buyers from securing the loan amount required for them to successfully complete a home purchase transaction. Richard Seibert, administrative secretary of the year-old Boston Urban Mortgage Review Board (a voluntary group organized to review mortgage denials), says, "Appraisal practices are the biggest continuing problem we see." ¹³ As of yet under-appraisal is not defined legally as redlining, and no legislation bars its practice.

Term restrictions on home mortgage loans on particular housing types likewise effectively redline entire neighborhoods. Unusually high downpayments, or offering loan maturities below the number of years set for most mortgages in other areas make it exceedingly difficult if not impossible for many prospective buyers to afford or manage loans. The Boston Five Cents Saving Bank requires a 30-percent downpayment on any home other than a single-family.¹⁴ Such a policy would no doubt be detrimental to many of the NIP neighborhoods since most of the residential housing in these areas consists

of three-decker type multiple dwellings.

The refusal to grant conventional mortgages in an area may not completely cut off lending funds to a neighborhood but nonetheless it often forces potential homebuyers to secure a mortgage only if it's insured through the Federal Housing Administration (FHA). In Roxbury, for instance, at least 80% of the home sales that occurred in the area were financed by other sources than a bank; most often, these were FHA-insured mortgages written by private mortgage companies. Though FHA loans require lower downpayments than conventional loans (only 10% of the purchase price), FHA loans prove more expensive than conventional, 20% - down mortgages. When a lending institution grants an FHA mortgage, it charges "points" - administrative costs paid at the time of the sale. Each point represents one percent of the purchase price. Up to four points can be charged to the seller with a maximum of two points likewise charged to the buyer.¹⁵ Thus, if one were to purchase a \$20,000 house in Highland Park, the seller may have to pay up to \$1000 and the buyer as much as \$500 to the lending institutions. With FHA loans the banks do not risk any of their money. If the mortgage should foreclose, it is the federal government's money, not the lending institutions'.

Most lending institutions have been willing to participate in the Neighborhood Improvement Program at the local level however minimally. Nonetheless, this participation has been largely passive. The local lending institutions have not initiated any innovative lending programs, provided

any special technical assistance, altered any of their usual lending practices, or actively solicited for loan applicants in the various NIP areas (except for Cambridge which has been actively supportive of the Chapter 707 program). The spirit of their "commitment" reflects a certain sense of reservation. They have committed words of encouragement for the NIP efforts, and occasionally offer "commitments" largely comprised of conventional mortgages (to clients that meet up to their "usual" credit standards) and FHA loans. Such funding for the most part have always been available to residents of the NIP areas and provide no new source of funds.

Though lending institutions have been very successful through the years to avoid any alterations in their lending practices, and to likewise, even avoid admitting that such a practice as "redlining" exists, much can and should be done to pressure and encourage the banks to cooperate in combating disinvestment in older, declining neighborhoods such as those designated NIP target areas. The following is a discussion of a few of the mechanisms in existence, or which are presently being planned, that could provide the impetus for such action, or generate ideas for further investigation on the part of the State.

Legislative Mechanisms Currently Operating or Planned:

At present, banks are required by state and federal mandates to make public very specific information about home improvement loans and mortgages. The disclosure of such vital information attempts to facilitate public monitoring of the

lending practices by organizing data by bank, geographic area, volume and loan type. The Home Mortgage Disclosure Act of 1975 regulates the federally chartered banks and savings and loans. The disclosure practices of state-chartered cooperative banks, credit unions, trust companies and savings banks are regulated by a directive issued on August 1, 1975 by the Massachusetts Commissioner of Banking, Carol Greenwald.

Since most mortgage lending banks operating within Massachusetts are state chartered, the state directive is more important for the use of community people than the federal legislation. Under the Commissioner's directive, state chartered banks and credit unions that have their main office in the Greater Boston area, and also have deposits of twenty million dollars or more, are required to disclose investment information. The directive required data to be listed for the cities of Boston and Lynn (by census tract) and for the Greater Boston area (by zipcode). Banks were also required to list figures for investments made in other areas of the state as well.¹⁶

For each of these geographical areas, the banks are to disclose among other things, the total number of applications for both conventional home improvement loans and mortgages, and for federally insured home improvement loans and FHA as well as VA mortgages. The banks were required to have all the requested data on file at the Office of the Commissioner of Banks and at all of their banking offices as of August 8, 1976.¹⁷

Outside the Greater Boston area, where most of the NIP's are located, this information can be obtained if twenty-five or more of a banks depositors, having an average of fifty dollars or more in their savings accounts for a period of six months, petition the Office of the Commissioner of Banking. If the Commissioner approves the petition, then that bank will be required to disclose relevant information for that area. ¹⁸

To interpret the disclosure information the State should advise the NIP residents and cities to look for indicators of redlining such as: the high concentration of FHA mortgages in NIP areas, the ratio of borrower's income to home value in low-income areas as compared to the equivalent ratio for upper-income areas, and large investments in affluent areas with small investments in low-income areas. Tee Taggart, Director of Research at the Massachusetts Banking Department warn that "simply juxtaposing mortgage and deposit dollars, however, is meaningless unless one can prove that demand for mortgages is not being met." ¹⁹

In Roxbury, where data is available to prove that a large proportion of home sales have been completed without conventional funding, this demand for mortgages is demonstrated. Many cases of redlining, where potential applicants are initially discouraged to even pick up an application for a loan, are nonetheless undocumented.

What utility such disclosure acts and directives provide are largely to indicate after the fact where reinvestment remedies may be necessary. No doubt, through such mechanisms,

the NIP community can be better equipped to find out what exactly is going on in their neighborhood, thus exposing the banks to greater criticism and pressure on the part of the local residents as well as what criticism and pressure can be brought to bear by city and state interests in these neighborhoods (i.e. local NIP cities, and DCA).

Lending institution disclosures nevertheless do not provide direct prevention action against disinvestment. Federal legislation in the form of Senate Bill 406 is currently being proposed to deal with private lending disinvestment in a more preventive manner. Presented to the Senate as the Community Reinvestment Act by Senator Proxmire, the act attempts to "establish a system of regulatory incentives to encourage banks and savings institutions to more effectively meet the credit needs of localities they are chartered to serve, consistent with sound lending practices."²⁰

At present, banks are chartered to meet the "convenience and needs" of the community. Though the "needs" of a community clearly include the need for credit services as well as deposit services, the practice has been for regulators to ignore the credit needs of certain communities with exclusive focus aimed at the deposit needs. Thus far, previous performance in meeting the credit needs of the community have not been weighed heavily in decisions to award a charter or a branch to banks or savings institutions. This in essence provided financial institutions with the "license to all but ignore the credit needs of a locality."²¹ Senator

Proxmire's bill attempts to remedy this situation by directing the bank regulatory agencies to give due consideration to the applicant's past record in meeting community credit needs and its willingness to do so in the future. The bill does not propose to inject any significantly new element into the deposit facility application approval process. Instead, it merely attempts to amplify the "community need" criteria already contained in existing law and regulation. ²²

If this Community Reinvestment Act should be implemented in the near future such a provision could open new avenues for more responsive lending practices among lending institutions throughout communities across the country. Instead of residents like those in the NIP neighborhoods permitting local banks to invest large amounts of their deposits in profitable investment ventures, the local banks in turn must meet its commitments to serve the community's credit needs (eg. home improvement and mortgage loans) as well, or suffer the consequences of its neglect.

To strike closer to home, the Massachusetts legislature is presently considering three bills that would ban redlining in one form or another. They vary in strength with the weakest of the three being drafted by the House Banking Chairman Aguiar. This bill (perhaps by being the weakest) seems to have the best chance of passage in modified form. Under the Aguiar bill, a disappointed borrower could appeal to a mortgage review board which cities would be "encouraged" to set up. The board, composed of bankers and community repre-

sentatives, would have no binding authority. Appeals to decisions handed down by this board would have to go to the heavily backlogged Superior Court for reconsideration. Since bankers have said that they will not join review boards if their decisions could eventually be used in court against their colleagues, the Aguiar bill could mean that the Superior Court would be the only avenue of repeal for distressed borrowers claiming redlining discrimination.²³

State Senate Bill No. 34, introduced by Senator Joseph Timilty, is specifically aimed at combatting redlining by geographic designation. Additional legislation by Timilty calls for the Massachusetts Commission Against Discrimination to act as a mortgage review board. It could impose penalties up to \$1000 as well as order a mortgage granted. If the MCAD failed to act in 90 days, a court appeal could be filed. This legislation recently passed the Senate: 34 to 0, a very unusual show of anti-redlining support for the state senate.²⁴

The strongest anti-redlining bill to be introduced thus far is a bill authored by four Boston legislators - Rep. Donnelly of Dorchester, Galvin of Brighton, Bolling of Mattapan, and Walsh of Jamaica Plain. Some of its major features are:

- anyone expressing interest in a mortgage immediately be given an application form, thus barring verbal denials;
- home appraisals for lending purposes must be roughly comparable to recent sales prices of comparable homes in a neighborhood;
- a denied applicant could appeal to a local mortgage review board, which could be established anywhere in the state and have complete binding authority plus include mandatory bank participation.

This Bill would also govern commercial loans, while the Aguiar bill would deal only with one-to-four-family homes. ²⁵

In the past anti-redlining bills have been introduced and debated in the Legislature without much success. Nonetheless one of these state anti-redlining bills is expected to be passed in one form or another this year. Recent controversy over legislative corruption and conflict of interest has pressured the Massachusetts Legislature to be more responsive to issues of banking policy as it relates to disinvestment and redlining. One particular incident in September of 1976 became particularly embarrassing when it was discovered that the Savings Bank Association had paid for the entire expenses incurred by the House and Senate Banking Committee chairmans and their wives during their visit to a banking convention held in Bermuda. There is speculation that such scandal facilitated the unprecedented 34 to 0 in favor vote for Sen. Timilty's bill. ²⁶ This sudden change in legislative climate up "on the hill" seems to have created an opportune time for the State to push forth with anti-redlining legislation.

Linked Deposit System for Massachusetts:

The Commonwealth of Massachusetts at any one time has approximately \$350 to \$500 million in short term investments. These investments are in bonds, notes, bills, and the like, maturing anywhere from a few days to a year or so after the date of purchase (most mature under 6 months). Eighty-percent of the State's investments are in effect sterile, either being

directly exported to out-of -state corporations, or being loaned to the big Boston commercial banks, which in turn export the bulk of their money out-of-state. These two catagories, from which the largest amounts of State money are presently being allocated, provide the lowest rate of return to the Commonwealth.

The "Linked Deposit System," proposed for Massachusetts as the "Massachusetts First" Bank Bill H3253, intends to utilize portions of these State funds in a deposit network wherein private financial institutions bid competitively for public deposits with additional credit given to lending activity considered beneficial to the community and State. This credit is then added to the bank's rate bid (rates paid by the bank) so as to rank lending institutions such that the bank with the highest equivalent yield to the State is accepted to receive a portion of the State's deposits.

Two states, Illinois and Colorado, have adopted linked deposit systems with apparent positive results. The Colorado system permits banks to bid against each other on a geographical and economic region basis, with the exception of chartered savings and loan associations which bid on a state-wide basis. Among the credit catagories set up by the Colorado system are:

- in-state loans on housing with a purchase price of less than \$35,000 regardless of age, or of more than 35 years of age regardless of price, and in both cases rehab and improvement loans are included;

- low cost single-family and multi-family housing loans;
- older single-family housing loans.²⁷

The Illinois' linked deposit program was enacted in 1968. This system also incorporated a formula of ranking bids by taking into consideration the interest rate at which each bank applied, and the loan activity areas of community service. Community service loans were identified as: loans to medical and health care facilities, residential redevelopment loans, student loans, loans to non-profit corporations working in the public interest, and small business loans.²⁸

In both Illinois and Colorado, the linked deposit systems were implemented at the initiative of the State Treasurer, without either the benefit, or the compulsion, of any special enabling legislation. Likewise both states have maintained that through the competitive bidding process the average yield of these deposits have earned additional funds for the state. In Colorado the Treasurer anticipates that the linked deposit system will earn an additional \$345,000 in interest this year. In Illinois the average yield on these "linked" deposits is at 7.15% versus the 5.99% under their Basic Deposit Program.²⁹

There remains other plausible positive spillover effects that linked deposits may foster: increases in jobs, incomes, housing construction and rehab, income taxes and other revenue for the government. No doubt such benefits, if realized, would certainly aid many economic aspects of the state and its residents.

At present a Special Commission on State Investment is presently working on a study investigating the feasibility and potential economic and social impact of a linked deposit system in Massachusetts. The Commission was developed after the defeat of the proposed "Massachusetts First" Bank Bill in an effort to keep the issue alive and to gather more data. The study is to be completed and presented to the Social Economic Opportunity Council (SEOC) by June 30, 1977.

When this study is issued more will be known about what possible application and utility can be derived from such a link deposit system in Massachusetts. Many supporters of the concept believe that many benefits to the State and community-at-large could be reaped by such a policy with special attention given to the needs of old and declining residential areas, and low-income families. Lenders would be encouraged to perform certain "deeds" of goodwill by directing funds to areas of public need and interest. Other deposits as well could also be "linked" into the state deposit system by encouraging large religious, philanthropical, educational and other institutions to allocate their deposits to banks with socially useful lending behavior. Many different formulas and program elements can be designed into a linked deposit system to maximize its impact and utility. Thus, support for the linked deposit concept by interested parties is needed if a thorough study of the multiple alternatives is to be completed.

Neighborhood Housing Services Approach:

Neighborhood Housing Services (NHS) combining citizens, city government, and lenders in a team effort aimed to stem neighborhood decline - was a unique cooperative effort pioneered by the neighborhood residents and financial institutions of Pittsburgh's Central North Side in 1968. Presently a nation-wide program being implemented by the Urban Reinvestment Task Force (a joint organization of the Federal Home Loan Bank Board and H.U.D.), the program has 18 operational NHS's and another 14 in the developmental stage. ⁸⁰

An NHS program is a small-scale, neighborhood-based private program that provides technical assistance, and a high-risk revolving loan to borrowers of particular target areas. The Urban Reinvestment Task Force serves as the catalyst for the program by first providing informative workshops on the detailed aspects of the program to the interested communities. As local capacity develops, and commitments from local government, financial institutions, and residents begin to fall into place, the role of the Task Force gradually diminishes. By the time the local director and a small staff (usually 2 or 3 persons) is hired and trained, the Task Force's role is reduced to that of only responding to the local NHS's special requests for assistance. ⁸¹

The NHS's are operated as private, non-profit corporations, each controlled by a board of directors comprised primarily of community residents and representatives from the local financial institutions. There are no governmental reg-

ulations to adhere to , and governmental representaiton, if any, is usually limited to one member. The operational budget is expected to be underwritten by the local financial institutions, while the Task Force, the city, private foundations and corporations are expected to contribute funds to NHS to carry out their high-risk revolving loan.³² Other contributions in the form of increased code enforcement (on the part of the city), and active participation in NHS programs by all the parties involved are expected.

The revolving loan operates with flexible terms and interest rates that vary from case to case. No applicant should expect a "free ride" on the revolving loan, even the "hardship" cases are expected to repay their loans in one form or another, however flexible monthly payment schedules, no-interest rates, or nominal payments can be arranged. Most loans are secured by a lien on the property.³³

Two NHS's presently operate in Boston, one in Mission Hill and the other in Dorchester. The NHS in Dorchester is called Columbia Savin Hill Neighborhood Services (CSHNS). In a recent interview with David Solomon, Director for the CSHNS, he highlighted the features and issues of the Dorchester NHS.

The CSHNS has been in operation for approximately two and one half years. The local community had originally initiated the NHS funding request in the Dorchester area, well-known for its redlining problem. The program is presently under the con-

trol of a neighborhood Board of Directors comprised of 9 residents, one representative from the University of Massachusetts (a large contributor to the program), three bankers, and two city representatives.

Equipped with a staff of four (a financial advisor, rehab specialist, office manager and program director) CSNHS offers counseling, and technical assistance as well as the high-risk revolving loan. Attempts are always made for loan applicants to first seek conventional financing in all cases. Unless conventional financing cannot be secured the applicant is then referred to the high-risk loan review board which is comprised of three bankers and three community residents. Processing of loan requests usually takes 3 weeks, and terms and interest rates are extremely flexible.

In addition to providing counseling services for those who wish to secure loans and perform rehab or home improvement, counseling is also provided for families facing foreclosure. Such counseling, often overlooked by other revolving loan type programs, serves a vital need to many trouble homeowners. The local banks have also found the service invaluable, and often refer financially troubled clients risking foreclosure to seek additional advice from the CSNHS. The most formidable problem confronting the Dorchester NHS, and as David Solomon noted among all the NHS's, is the constant search for funds for both operational expenses, and for the high-risk revolving loan. At present the operational funds

are composed of contributions from such sources as Univ. of Mass., Harvard University, the Boston Globe, and banks from the Boston community. The operational funds for this year total approximately \$80,000, but an additional \$50,000 is needed. The high-risk loan pool is derived from contributions from city CDBG funds, the Poloroid Corporation and several permanent local foundations.³⁴ How the program will financially stay afloat seems to be a constant worry of the CSNHS because the program's funding precariously depends on the continual goodwill intentions of its many contributors.

The Neighborhood Housing Service program indeed depends almost exclusively on "outside", non-public funds to operate and maintain its high-risk loan pool. Nonetheless because of this dependency, NHS is able to "play" on the goodwill tendencies of the local banks to carry the operational expenses of the program as well as actively participate and provide input into various aspects of ^{its} operation (through the Board of Directors and the loan review board).

Within the last few years, lending institutions have been under a great deal of pressure to respond to community accusations of redlining. In an effort to dispell^o its "bad guy" image in the community, banks are gradually seeking ways and means by which they can minimize risking their assets and independence, while maximizing their public image as providers of community service and goodwill. The threat of anti-red-

lining legislation, city-wide mortgage review boards with binding power to bring banks into court if need be, and mechanisms such as the link deposit system have moved banks to enter into more "voluntary-type" programs such as the Neighborhood Housing Services.

The Urban Reinvestment Task Force believes it will be at least another four to five years before NHS can be expected to demonstrate any results in its attempts to combat neighborhood decline. Nonetheless a preliminary analysis of the NHS programs across the country (performed for HUD by ACTION-Housing, Inc.) indicate a high probability of success:

"All of the essential components of the model are in place, commitments are being fulfilled, and there is evidence that private investment is beginning to increase." ²⁵

Lending Institution Participation Mechanisms/Implications for NIP:

As mentioned before, DCA, was the central coordinating focii of the Neighborhood Improvement Program, must take the initiative to demonstrate to those at the local and community level that "implementation cannot be carried on empty hopes and good intentions alone." The "how" of the strategy to "spurn disinvestment and nurture reinvestment by private lending institutions" must be sought out and analyzed and implemented.

The overview conducted of these three different types of mechanisms points to certain specific recommendations for the State to activate in relation to NIP:

- Utilize the state disclosure directive to ascertain more precise information on lending practices and patterns in and around the NIP target neighborhoods;
- Activate continual efforts to keep abreast of anti-redlining legislation both at the federal and state level, and to provide ample support where appropriate;
- notify and educate city officials and community residents of legislated mechanisms within their grasp;
- research incentive/leverage systems (e.g. linked deposit systems) for their potential impact on private lending behavior; (follow-up on study to be issued by special commission on state disinvestment);
- encourage NHS type programs within NIP communities so as to actively involve, as well as secure commitments, on the part of the local community and private lending institutions, thus lessening the need for governmental intervention and subsidization.

EXHIBIT IV-4

State and Local Initiated Improvements for the Tax Title Process

The Problem:

When owner disinvestment occurs, but the property has not yet been abandoned, the NIP strategy is to halt progressive disinvestment and avoid abandonment, and to encourage repair, rehabilitation and maintenance. Many of the officials at the local level involved with the Neighborhood Improvement Program have implemented reassessment^S, sensitive code enforcement and abatement programs in its NIP communities. Efforts by the NIP communities are presently being funded (i.e. grants, subsidies) for home improvement and rehabilitation through the utilization of CDBG funds. Regardless of these efforts, progressive deterioration, abandonment and/or tax delinquency persist in many of these neighborhoods, often providing them with their most visible forms of blight. Deteriorated "tax abandoned" property are often blatant warnings to potential homebuyers to avoid the area. They likewise serve as a depressing element to neighborhood confidence; declining confidence in a neighborhood's vitality is in itself a powerful stimulus to further disinvestment and abandonment.³⁶

When property has been abandoned or has become seriously tax delinquent, the city attempts to assume control over the

property as soon as possible so as to minimize further deterioration, and thus also minimizing the adverse effects such property may have on other surrounding property within the neighborhood. It is a well documented fact that abandoned property invites vandalism and destruction by fire. In the City of Boston alone 18% of all structural fires in 1969 occurred in vacant buildings.³⁷ The costs associated with abandoned buildings only continue to rise when one considers that it costs approximately \$700 per structure to board up abandoned buildings and \$3,000 per structure to demolish the most seriously deteriorated of the buildings (according to 1975 cost estimates for Fitchburg).³⁸

The cost incurred by tax abandoned property that concerns municipalities the most is that of foregone property tax revenue. Many cities throughout the country are presently facing a revenue crunch, thus revenue raising in general is assuming greater importance.³⁹ Since ^{the} property tax is a primary source of revenue for many cities, and the tax title process is basically the cities' only method of property tax collection, the process is expected to perform its collection role efficiently and effectively. By acquiring firm, legal, title to property with ^{the} minimum of delay (and expense) the city is in a better position to preserve the condition of the property upon acquisition, thus the better the possibility for resale and for recouping the full amount of taxes owed upon sale.

The Tax Title Process:

The tax title process has been described as a two-pronged approach: "It is a means of coercion as well as a mode of obtaining satisfaction."⁴⁰ The municipality may coerce the owner of tax delinquent property to pay taxes or face acquisition or transfer of title. And, if the owner does not pay his or her taxes, the municipality may seek satisfaction on his/her tax debt through the acquisition and sale of the tax delinquent property. Regardless of the approach the primary role of the tax title process is the generation of municipal revenue, both as a collection device for unpaid real property taxes and as a mechanism for transferring property from non-taxpaying ownership to taxpaying ownership.

Such changes in ownership for many parcels of tax title property have at times been found to have little effect on tax payment. They often continue to become delinquent because the original tax payment problem was not related to the owner's personal financial condition, but rather from the land's inability to generate enough of a return to sustain its tax costs.⁴¹ This dilemma is often attributed to land use problems often involving inappropriate location, parking, encroachment of mixed uses, and density. Such consequences of "maladjusted" land use patterns often provide properties with little economic use.⁴² In such an instance the city is faced with two tasks: 1) to find a viable reuse for the property, and 2) to possibly fulfill an existing land use need in the community. Tax abandoned properties with land use problems can be conver-

ted by the city to facilities for relocated residents, parks, community centers, parking lots and other general municipal uses. Prime examples of the reuse or community utility of previously tax delinquent land can be found in Lowell's planned conversion of NIP target area parcels into passive open space to relieve density, and Fitchburg's utility of vacant lots to provide sites for relocated building structures "purchased" from the local state college. Such effective land reuse leads to a frequently perceived secondary role of the tax title process, that of providing land for general development, urban renewal or neighborhood revitalization purposes.

Thus the acquisition of title to delinquent property is important for both revenue and development reasons. It is unlikely a viable market would exist for property which had a questionable title. Likewise, a good title would be essential for any long-term municipal reuse of the property. The tax title process must not only yield a good, insurable title, but must do it reasonably quickly with minimum exposure to liability. In actuality such an "ideal tax title process" does not exist in an operational sense, it is instead a cumbersome and drawn-out process.

The "tax title process" involves a myraid of procedures by which a municipality can place a lien on property for which real property taxes are overdue, sell or take the property subject to the owner's right of redemption, foreclose

the right of redemption, if necessary, and, if the property is acquired by the municipality, use or dispose of the property. In theory this entire process should take 3 months from the time demands for payment are mailed out to the time of the taking of title. In practice, however, considerable delay can be expected at each step of the tax title process. As a result, instead of the tax title process taking 3 months the collecting division of a city presently takes almost two years from the date demands are mailed to the date when tax title is actually obtained.⁴³

To determine where delays occur within the tax title process a more detailed look at the steps involved is necessary. Foremost is the mailing of the tax bills which by statute are to be sent out twice a year: by June 14 and the following January 14. One-half of the total taxes on a piece of property must be paid in full by November 1, or interest on the unpaid portion begins to accrue at 8% per year (computed from the immediately preceding October 1).⁴⁴ The remaining one-half of total taxes on a piece of property and any amount still unpaid from the first one-half must be paid in full by May 1 or interest on the unpaid portion of the total tax due begins to accrue at 8% per year, computed from the immediately preceding April 1.⁴⁵

The city, for practical reasons, usually waits until there has been a delinquency of the second payment before beginning tax title proceedings. At this point the city's col-

lecting division mails a demand for payment.⁴⁶ After demands are mailed, the collecting division prepares a "Collector's Manuscript" which includes the taxes, charges, and interest (less abatements) for all delinquent parcels. A "description" of each parcel is prepared and assembled into "galley proofs" to go to press in a notice of taking to be published in the City Record two weeks before the taking of title. The tax lien statute permits the city collector to levy the taxes due if still unpaid fourteen days after demand, by "sale of taking" of the property "if the liens thereon have not been terminated."⁴⁷

When the city's collector utilizes the taking process to vest title with the city, it is still nonetheless subject to the owner's right of redemption.⁴⁸ At this point the city may decide to utilize the sales provision that permits the property to be sold at public auction.⁴⁹ Such a sale really only sells a first lien upon the land, since the buyer may not take possession of the property until the owners right of redemption is foreclosed. Because of this, little public interest is usually solicited through these sales, thus most cities do not use the sales provision since the taking device yields title to the city, but with less time, expense and trouble than the sales process.

After a tax title has been obtained, the city may proceed in a number of ways. A petition may be filed with the Land Court to foreclose all rights of redemption,⁵⁰ a process that

may only be initiated six months after a sale or taking; or the city can initiate one of two options that provide for immediate foreclosure after sale or taking. The first option permits the city treasurer to sell "low value" property (presently stated as a market value of less than \$2,500) if the taxes, interest, and charges on it exceed its value.⁵¹ The second option permits the taking of the building or property if it is "found to be abandoned".⁵²

Both options for "immediate" foreclosure are rarely used because of the problems related to low value sales and the formal determination of properties as "abandoned". Few properties fall under the \$2,500 limit for low value sales, and titles obtained through this process are considered to be of questionable validity. Moreover the administrative procedures involved with both process options are complicated and time-consuming. This is especially so when determining whether a building is in fact abandoned. Such a determination by law requires the participation of several city and state officials (i.e. city treasurer, building inspector, state commissioner of taxation). To utilize either of these options would no doubt take a few months, thus it seems wiser to just proceed through the Land Court.

During the six month interim between taking and foreclosure, the city is empowered to possess, control, maintain, and collect the rents from tax title property it holds.⁵³ Recent amendments to the foreclosure statute are responsible for

shortening the waiting period from three years to six months. Once the petition to foreclose is filed in the Land Court, foreclosure proceedings "should" take three to six months. The bulk of this time is spent on notifying all persons interested in the property. The Land Court, prior to notification, must conduct its own title search to ascertain all interested persons. This examination, done by one of the Court's "official examiners," usually takes several months.⁵⁴

The title conveyed by a taking of property for taxes or by a tax collector's deed (the result of a tax sale) is "paramount to any existing estate" in the property⁵⁵ and becomes absolute after a foreclosure decree is entered.⁵⁶ When the city perfects title to tax title property, a Real Property Board (as it is designated in the City of Boston) is responsible for its control and management.⁵⁷ The Board, in general, is allowed to lease the property or sell it at a public auction.

A Casestudy/Tax Title Process in the City of Boston:

In January of 1976 a study of the tax title process in the City of Boston was issued to the Collector-Treasurer of Boston. The study is entitled: "The Tax Title Process in Boston: Analysis, Evaluation and Suggestions for Reform." It is a very revealing study with important implications for other cities beyond Boston and throughout Massachusetts that share the common delima of an ineffective and inefficient tax title process. A summary of this study's recommendations follows, supported by

additional material gathered in interviews with Newl Cook and Steven Chu of the Boston Collecting Division, and research conducted on current tax title legislation.

The entire tax title process from the mailing of the final tax bill to foreclosure on the property could theoretically be accomplished in about a year to a year and a half.* The process presently operates in fact from three to three and a half years. Almost every stage in the process takes longer than it legally must, with the longest delays occurring between demand and taking, and immediately prior to and during foreclosure proceedings.⁵⁸ Certain phases of the process can be accelerated without jeopardizing the legal safeguards that are necessary. The following proposals attempt to greatly reduce the time and complexities of the present tax title system.

A priority system should be a part of any tax title process. The city should identify those parcels it feels, if acquired, it can use or easily sell. If the property has a good chance of recouping the tax debt owed to the city through an early sale, or the city desires the property for its own municipal needs, it is recommended that desired parcels be identified as such and given first priority in handling and be guided through each phase for quick processing at every step.

* This depends on whether the six-month wait between taking and foreclosure is observed or whether either of the two options mentioned earlier are utilized.

Priority parcels could be identified by a computer entry if the Collector's records are computerized, and if not, a simple stamp of color-coded tag could be placed on the appropriate parcels. Other city agencies or departments should notify the collections office if it likewise desires to utilize certain tax title property for its purposes, or wishes to be notified if a particular parcel it is interested in has become delinquent. To save the collector the trouble of interacting with every department of every tax delinquency, it should be incumbent on each department to notify the collector of those parcels or areas in which it holds an interest.

The steps which have shown to be most time-consuming in the phase between the mailing of demands and the taking of title are the preparation of the Collector's Manuscript, and the preparation, checking, and assembling into galley proofs of the parcel descriptions.⁵⁹ The processing at each of these steps in the past has been done "by hand" from handwritten ledgers and journals.

These time-consuming steps have been greatly reduced, from 2 years to about 2-3 months, by the Boston's Collecting Division through the assistance of a computerized system that can generate a current manuscript in far less time than it presently takes to create one by hand. Unfortunately not all cities can afford to computerize their tax title data like the City of Boston. Boston has spent approximately \$150,000 to \$250,000 on its computerized system, 60% of the cost which

was allocated to loading the Collector's files into the computer. Nonetheless some interest has been shown by others in the computer program utilized in Boston's tax title process, but as of yet it is not known whether other municipalities can "buy into" portions of such a program. Such a possibility nonetheless warrants further investigation.⁶⁰

Often descriptions of delinquent parcels have been formulated from "abutter's descriptions", which describe a parcel by referring it to abutting parcels. To reduce time in this phase of the tax title process the city may wish to use a less detailed description based on the Assessor's parcel number. The notice provisions for taking require "a substantially accurate description of the land to be sold" (Ch. 60, secs. 53 and 40, Mass. Gen.Laws). The City of Boston's Law Department is of the opinion that parcel description by the Assessor's parcel number is not below the minimum requirements set by law.⁶¹

A bill was filed in the General Court in 1970 providing for a "simplified judicial forfeiture" proceeding, which essentially eliminated the steps requiring demand, taking, and the recording of a tax deed altogether. Six months after payment is due, the Collector could file a forfeiture petition in Land Court, and after notifying interested parties and conducting a hearing for those who wish to appear before the Court, the Court could enter a forfeiture decree. This would no doubt eliminate the entire drawn-out process between demand and taking. This bill was given a favorable report in committee but allowed to fade into obscurity from the official re-

cords. Consideration might be given to the idea of reviving it in some form for re-filing.

After the taking stage, the City is faced with the option of attempting a "low value" sale under Sections 79 and 80. However rarely low value sales occur, the provision nonetheless provides an excellent method for quick acquisition as it may be instituted only ninety days after taking, thus altogether avoiding the cumbersome foreclosure proceedings. Certain problems prevent low value sales from becoming a viable mechanism by which speedy taking can be implemented. Foremost legislative amendments to raise the \$2500 limit and reduce the administrative requirements to effect a low value sale are recommended. The option could be freed of its various administrative entanglements (e.g. State Commissioner of Taxation inquiries to the "value of such parcels") yet contain safeguards against abuse by municipalities in search of shortcuts to foreclosure. The Boston study suggests the city itself could make the determination as to the value of parcels and the validity of its tax title, record the determination in affidavit form in the registry of deeds, and then proceed to sale by public auction. The safeguard could be the provision of a hearing (with a right of appeal to the Land Court) for those with an interest in the property who wish to challenge the city's determination.⁶² Notice of the sale would be by registered mail to the owner of record, as well as by publication and public posting to insure further safeguards to the process. Increasing the \$2500 limit

is not viewed as a major obstacle considering the limit has not been increased since 1968 though property values have risen significantly. 63

Revisions to greatly simplify the "abandoned building" option provided under the tax title process are likewise strongly recommended if it is to be made viable to cities for convenient processing. The statutory requirements for designating a building as abandoned are as complicated as those for low value sales, and involve not only the Treasurer and the Commissioner of Taxation, but also the city's building inspectors.* 64

When foreclosure proceedings finally begin, they usually take three to six months to complete, largely because of the time involved in giving the required notice to all parties with an interest in the property. 65 Since the 1930's, discussion in many states have concerned the strict notice requirements in tax foreclosure proceedings. A frequent suggestion is to convert the foreclosure action from an in personam to an in rem proceeding, thus notice by publication with certified mailing to the owner of record would suffice. A number of states have adopted one variation or another of the in rem

* Unless the low value sales and abandonment options can be simplified most parcels will have to wait out the mandatory six month "grace period" before foreclosure proceedings can begin. Those interviewed believe it is unlikely that this period can be reduced by any legislative amendment because of the desire to protect the owner from any possibility of municipal abuse of its powers, and to afford the owner the opportunity to pay his/her debt.

procedures.⁶⁶ Similar changes have been suggested for Massachusetts but past court cases have caused considerable confusion on the topic.⁶⁷ It seems that as long as tax foreclosure remains in the "exclusive jurisdiction" of the Land Court,⁶⁸ the notice presently required could not constitutionally be reduced. The General Court could pass legislation providing for foreclosure in the Land Court with notice by publication only but the Supreme Judicial Court would have to support such an action, and that seems unlikely given the United States Supreme Court decisions over the past twenty-five years that have been decided otherwise.⁶⁹

To accelerate the title search conducted by the "official examiners" of the Land Court - who are appointed by and often pursue their private searches at the expense of the Land Court - a time limit can be enforced in which they may complete their search.⁷⁰ If such deadlines are not met the Land Court may revoke their appointment as official examiners. An elimination of the extensive title search process altogether would be exposing the city to legal confrontation and should be avoided. Nonetheless there is the possibility that private title searches could be initiated by interested parties, such as cooperatives or citizens, who have a special interest in processing the parcel through the Land Court as quickly as possible so as to be given the opportunity to purchase the building through public auction.

The disposal of property, once a decree for foreclosure has been granted, could be greatly facilitated if the city was not

always required to hold a public auction. The public auction requirement in theory has two purposes: to generate the highest price possible for a given piece of property and to prevent city officials from making "deals" with private individuals that would stand to gain at the expense of the public.⁷¹ The City of Boston has found both of these theories "rarely realized" in practice.⁷² Though the Boston Real Property Board's primary concern in its disposal of tax title property is to get the best price possible for each parcel, there is not a large or active market for most of this property. And, as a result of this public disinterest in tax title property, City officials often wait for someone to express interest in a parcel before scheduling an auction for it. Such being the case the auctions are often attended only by the City and the one party of interest. If the interested party bids at the City's minimum price, he/she acquires the property.

If the city were permitted to set an "acceptable" price for a parcel, and an interested buyer was prepared to meet that price, the property could be transferred to the buyer with minimum time and expense compared to the public auction process. To control possible municipal abuse of this provision between the city and potential buyers these "non-public auction transfers" can be restricted for property below a certain value to reduce corruption. Further restrictions or priorities could be administered to allow prospective owner-occupants, low-income persons, or collectives only to utilize such "non-

public auctions." To safeguard against the deceptive low appraisal of parcels it is suggested that each low value determination set forth in the Real Property Department Records be accompanied with a short explanation outlining the basis for determination.

Legislation should be provided to give the city the power to lease. Leasing property, scheduled for eventual redevelopment, would provide an interim use for the city as well as generate revenue. The building would not have to be boarded up and such on-site activity would safeguard against vandalism and malicious fires.

Last but not least, every provision should be made to allow the serious owner or other interested party early notification of intent to take the tax delinquent property as they might muster the funds required to protect their interests. Technical assistance should be provided to help the financially troubled delinquent property owner. Likewise a flexible payment scheme to accommodate for maintenance expenditures, code enforcement and short-term cash flow problems should be implemented. Installment payments should be allowed, and limited tax waivers for overdue taxes be granted to "special hardship" cases. No doubt safeguards should be attached to each of these provisions to insure against abuse by the private delinquent owner, and code compliance should be emphasized even when taxes are paid and especially so, if tax waivers are granted.

The City of Boston has almost completely computerized their Collector's records and are now in the process of utilizing their new system. They are presently backlogged 2 years in the processing of their tax title properties. They hope by within a year they will have caught up to a current caseload and can process a tax title case within 9 months of its demand for payment versus the past "record" time of approximately 3 years or more .

Tax Title Process/Implications for NIP:

Obviously a city can acquire tax delinquent property, or any property for that matter it wishes to utilize for its municipal needs, by eminent domain or by simply arranging to buy the land from willing owners. These methods nonetheless require the city (or the State in the case of NIP utilized properties) to make an actual outlay of cash. Likewise such operations often require special administrative mechanisms to be initiated on part of the city, whereas the tax title process is an ongoing, continual operation of any city. In essence the tax title process exists for the city to quickly acquire tax abandoned property before it deteriorates beyond salvaging, and its negative spillover effects become a detriment to the surrounding neighborhood. Numerous revisions are required before this process becomes as "efficient and effective" in practice as claims to be in theory.

A computerized tax title process is probably a distant notion to many of the NIP areas located in the suburbs of Massachusetts. Nonetheless the State may be in the position to inquire into the feasibility of "borrowing" from the Boston computerized tax title system, or in any case investigate into the costs involved in developing a centralized system for the suburban communities where the Collector's data to be logged may differ from city to city but the basic computer program could be shared. The Highland Park NIP area should no doubt utilize the added advantages of the computerized Boston tax title system to its interest, prioritizing and quick processing parcels it may wish to purchase.

Likewise the State is in the position to advise the NIP communities of improvements to be made in the present tax title process that are recommended in this section that have not yet been implemented in any form by the city itself. Such improvements as prioritizing parcels, inter-department notification of "special interest" parcels, simplified parcel descriptions, and privately initiated title searches require no computerization, just a different approach to processing. Since computerization is financially not feasible to many of the NIP communities, and many of the aforementioned steps nonetheless require processing by hand, perhaps the State could temporarily employ a small group of aides to systematically update the tax title process for the NIP Impact Areas in particular. They could likewise guide certain

parcels through the Land Court "pipeline" for quick processing and serve as a centralized resource for State initiated title searches.

The most important role the State could assume in the area of revision of the tax title process lies in initiating or supporting legislative amendments that would streamline the presently cumbersome process considerably. Legislative revisions to simplify the low value sale and abandonment provisions would make both options true alternatives to the six month lag time presently favored for its fewer administrative clearances. The "simplified judicial forfeiture" bill should be closely investigated for its revival potential in the General Court, and the public auction requirement should likewise be considered for amendment.

Until tax title procedures can be effectively and efficiently used to bring action against tax delinquent owners, many such owners guilty of gross disinvestment, abandonment and code violations can go untouched with little pressure to meet its responsibilities. Likewise tax delinquent property in stages of neglect or disuse will remain out of reach, except through eminent domain, of cities that wish to utilize such property for parks, parking, transfer of title to cooperative type organizations wishing to renovate and purchase inexpensive housing, and other uses.

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37. "Special Report on Abandoned Buildings & Related Programs," Finance Commission, City of Boston (Nov. 1970), p. 2.
38. Ibid.
39. "The Tax Title Process in Boston . . ." op. cit., p. 12.
40. Wilson v. Shearer, 50 Mass. 9 (met) 504, (1854).
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42. Ibid. For a good line of explanation.
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44. Ch. 59, sec. 57, Mass. Gen. Laws.
45. Ibid.
46. Ch. 60, sec. 16, Mass. Gen. Laws.
47. Ch. 60, sec. 37, Mass. Gen. Laws.
48. Ch. 60, sec. 53-56, Mass. Gen. Laws.
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66. New York for Example. sec. N.Y. Tax Law, sec. 165 to 165-i.
67. Previous proposals for change within Mass. were expressed in (2),p. 27.

refer to (1), p. 37-38 for a more detailed discussion and reference to court cases: Tyler v. Court of Land Registration, and Bucher v. Randolph.
68. Norwood v. Norwood Civic Assoc., 340 Mass. 518, 165 NE 2nd 124 (1940).
69. refer to (1), p. 38-39 for a more thorough discussion.
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