INTEGRATIVE MANAGEMENT:
A PARTNERSHIP BETWEEN RESIDENTS, NON-PROFIT HOUSING OWNERS
AND PROPERTY MANAGEMENT COMPANIES

by

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Submitted to the Department of Urban Studies and Planning
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MASTER IN CITY PLANNING

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ABSTRACT

Over the past 25 years Community Development Corporations (CDCs) have been
a strong force for stabilization and improvement of distressed urban neighborhoods. They
have grown from fledgling neighborhood organizations to professional housing developers
and have demonstrated ingenuity and creativity in developing affordable housing that
meets the needs of low income families and individuals, senior citizens, and homeless
individuals. A key element in that production has been the rehabilitation of distressed
inner-city properties.

Today CDCs face the challenge of managing their housing and meeting the needs
of their tenants with little, and sometimes no management experience from which to draw. This management challenge is particularly intensified for CDCs who acquire existing
urban distressed housing. Many of these developments have long since been abandoned
by absentee owners, leaving them vulnerable to criminal abuse and social decay. Left to
deteriorate, these developments become a nightmare for tenants who generally have no
other option but to endure the unsafe and unsanitary conditions.

A number of potential challenges exist to the rehabilitation and management by
CDCs of such distressed housing:

- A hostile tenant population, socialized to years of landlord neglect;
- The existence of drug dealers or other problem tenants;
- Severely substandard conditions and under-funded capital improvements;
- Complicated and often unpredictable construction and relocation schedules.
Tenant organizing can be complicated given the barriers of rehabilitation and management of existing distressed housing. In most distressed housing developments, the tenants are likely to view the CDC as they would any other landlord, an enemy. This leads to the central questions of this thesis, which are explored through the study of integrative management:

*Given that organizing traditionally pits tenants against landlord, how can CDCs defy this dynamic, and use organizing to convert their role from enemy to partner? Furthermore, what are the necessary organizing strategies and tactics that would allow CDCs to transform a typically confrontational relationship to that of cooperative, thus facilitating management success?*

This thesis celebrates the success of two urban CDCs who took on the challenge of such existing distressed housing and used integrative management and tenant organizing to reclaim control and rehabilitate the housing.
Acknowledgements

This exploration would not have been possible without the generosity of the Coalition For A Better Acre, the North Canal Tenant Council, the Codman Square Housing Development Corporation and the tenants of the Washington/Columbia development. The courage and openness with which they shared their stories is both what made this thesis possible and what I believe is at the core of integrative management.

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Chapter 1: Introduction

Hillview Towers

The frail, elderly tenants of Hillview Towers were barely able to pay their escalating medical bills, let alone afford a large, pending rent increase, which, if approved, would cause their displacement. The story that follows is my own experience as a tenant organizer, fighting along side the powerful Hillview Towers tenants in their attempt to defeat the rent increase and protect the long term security of their homes. I tell the story because this organizing experience provoked questions and insights in me which led to the central question in this thesis:

How can community development corporations operating in the inner-city manage their housing in a way that transforms the traditional tenant/landlord relationship from conflictual to cooperative so that the tenants, management company and CDC can maximize the realization of their interests and achieve inner-city housing success?

My work with Hillview Towers started when I got a frantic call from two senior citizens. Their management company had proposed a large rent increase that, if approved, would have caused the displacement of the very low income, elderly tenants. As an organizer for the state tenant union, they wanted to see if I could offer any support or advise.

The building was located in an inner-city neighborhood wrought with drug dealing and crime. Despite the dilapidated neighborhood, the building was in comparatively good condition. The maintenance requirements were not unusual given the age of the building.

Hillview Towers was home to 131 senior citizens with incomes that ranged
between $1,500 and $6,000 per year. The tenants were all subsidized with an outdated federal program called rent supplement which required the tenant to pay 30% of their income or 30% of the rent, which ever was greater. So, as the rent increased, the required tenant contribution also rose, even if it exceeded 30% of their income for rent. As a result, over half the Hillview Towers tenants were paying more than 30% of their income for rent, and many were paying well over 60%.

Given the level of frustration among the tenants, I was surprised to find out that the building was owned by a non-profit organization. When the organization was founded over 15 years ago, it saw itself as an extension of the neighborhood and organized the community against the forces of gentrification and urban renewal. Evolving from a typical protest organization, it eventually adopted a development strategy to harness and directly control neighborhood housing development. As the organization aged, it lost touch with the community, and eventually had an inactive board which simply existed on paper as the legal owner of the CDC’s housing.

The lack of activity by owner required the contracted management company to run Hillview Towers. The management company was well respected and had extensive experience managing non-profit developments. It had a good reputation for supporting tenants’ organizing efforts so I was shocked by their hostile response to the Hillview Towers Tenants Organization.

The tenants were angry because the rent increase proposal earmarked the additional funds to pay for maintenance, management and administration costs which, in
their opinion, were not necessary. Tenants were also angry that the management company could raise rents, but continue to provide inadequate security and insufficient maintenance. What infuriated tenants most, however, was that the management company was proposing salary increases when most tenants were forced to give up food and medical care simply to pay rent.

The tenants attempted to communicate their frustration at a meeting with the management company. Management clearly had a choice at this point regarding how to respond to the tenants. Were they going to ignore, combat, or address tenants concerns? Given their reputation as a progressive management company, management's reaction truly shocked me. Instead of addressing tenants' concerns, the management company chose to discount them and continued to advocate for the full rent increase.

The existence of another tenant organization in the building which was started and run by the management company made the campaign more complicated. The organization developed social activities for the tenants and was run by tenant leadership that had been handpicked by the management company. Because this group refused to address the "hard" issues in the building such as rents, conditions and building security, the angry tenants decided to form their own group. While the management company did recognize the existence of the new tenant group, the management sponsored organization provided a shield behind which the management company could hide.

Frustrated by management's lack of support for tenants interests, the tenants appealed for help to the Board of Directors of the CDC that owned Hillview Towers.
Because the CDC had been inactive for a number of years, the board was in no position to respond. The CDC’s failure to back up the tenants demonstrated to tenants just how marginalized and isolated they were from the official rent increase process.

Clearly this was a basis for a very real conflict. The tenants were frustrated by their isolation from the decision making process and responded by attacking the management company. A fierce battle broke out between the tenants organization and management which escalated into an aggressive media and political campaign.

The tenants also appealed to the state housing finance agency who would decide whether or not to approve the rent increase. The tenants made it clear to the agency that the managements’ priorities for repairs and improvements were not tenant priorities, especially given their severe financial hardship and threat of displacement. Luckily the state housing finance agency responded by substantially reducing the amount of the increase, partly in recognition of tenants rent hardship and partly due to a decrease in required property taxes.

A few months later the management company submitted a new rent increase application. They did so without consulting the now organized tenants. Needless to say, another fierce battle broke out between the tenants and the management company.

In the case of both rent increases, the management company’s conduct intensified an already conflictual situation. The management company responded like any traditional landlord by treating the tenants like enemies instead of recognizing and legitimizing their concerns and input. Throughout both rent increase processes, despite tenants
demonstrated capacity to understand and respond to the budget issues, the management company maintained a patronizing air and did everything to deceive and mystify the tenants. As a result, the tenants believed that the management company was arrogant, ineffective, and simply wanted to get a pay raise on the backs of poor tenants, so in return, they treated the management company like enemies. This conflictual dynamic continued so that every issue between the Hillview Towers tenants and the management company resulted in a fierce battle.

Looking back on this situation, I remembered my own frustration with the management company. Their confrontational response to the tenants was a barrier to working together on mutually beneficial alterative solutions to the rent problem. For instance, the tenants proposed approaching HUD together with the management company to convert the rent supplement subsidy to Section 8 Certificates. This would have automatically brought all tenants’ rent down to 30% of their income and still allowed for the increase. The management company, however, could not get beyond the frustration of being "targeted" as a bad landlord and only joined this effort after the tenants began lobbying the state agency and politicians to support the Section 8 proposal. The Hillview Towers Tenant Group wasn’t created out of thin air. I couldn’t have organized the group without the existence of real issues. This tenant group grew out real discontent and conflict. My primary goal was to help the tenants build the necessary power to fight the Hillview Towers rent increase. As the organizer I built a sense of entitlement among
the disempowered tenants by reinforcing that, even though they were renters, Hillview Towers was their home, and they knew better than anyone what needed to be done.

By ignoring the tenants concerns in the rent increase process, the management company gave the tenants no other option but to escalate the campaign using confrontational dynamics. In addition, the absence of the CDC as an active player prohibited the owner from being an advocate for the tenants interest. Because the tenants were in an inferior power position, it was necessary to identify the management company as a target and to unite and build the power of the tenant group to fight them.

The central questions this situation raised in me were: how could the CDC, the management company, the tenants and myself have evolved a process for addressing conflict that would have allowed all parties to have their interests met? As the organizer, could I have restructured the situation so that the parties could have realized their common ground? Given management’s hostile response to the tenants, I was left with no choice but to support the tenants frustration. But, what would have happened had the management company instead responded by embracing tenants legitimate concerns and integrating them into the decision making process?

In writing this thesis, I have had the opportunity to integrate my own tenant organizing experience into my exploration of these complex questions. This thesis is the result of my search, during which I discovered a community based management process which I explore in depth this thesis and which I believe offers an alternative to conflict: integrative management.
Integrative management uses tenant organizing to facilitate cooperation and bring tenants interests and participation into the property management process. The central theory behind integrative management is that addressing tenants interests is necessary and useful for two reasons: 1) tenants' interests are legitimate in their own right and should therefore be addressed and, 2) if unmet, tenants' interests can lead to conflict and be a potential barrier to property management success.

Thesis Outline

The first chapter of this thesis will provide a historical frame to the property management crisis currently facing inner-city CDCs. It will describe the challenge CDCs face as they increase their real estate portfolios in distressed inner-city neighborhoods and take on developments with similar problems to those described at Hillview Towers. Focusing on CDCs’ birth out of community organizing campaigns, this chapter will also examine the institutional evolution CDCs experienced as a result of their transition from community organizing institutions to housing development organizations. These issues are explored in order to argue in the concluding chapter that integrative management can be both a successful property management tool and a means of re-connecting CDC’s to their organizing and community action roots.

The second chapter will provide an analysis of the historical and structural dynamics of conflict between tenants and landlords. It will focus on the inherent structural power imbalance and conflict that results between tenants and landlords. This
will to provide a context to the confrontational tenant/landlord dynamics that CDCs inherit upon acquisition of inner-city distressed housing. This chapter will then summarize the popular theory and practice of tenant organizing, as it is the process used by tenants to equalize and gain a role in making decisions about their homes. Emphasis in the description of tenant organizing will be the role of the power differential between tenants and landlords in determining organizing strategy, as confrontation is used to gain tenant power, while cooperation can be used when tenants’ power is equal to that of the landlord. This concept will be central to understanding that successful integrative management, which seeks to transform tenant/landlord relationships from confrontational to cooperative, requires the transfer of real management power to tenants.

The third and fourth chapters will be cases studies of the process by which two CDC’s used integrative management when they assumed ownership and rehabilitated distressed housing developments. The fifth chapter, analyzing and concluding this thesis, will explore and contrast the integrative management processes of the two CDCs studied. The sixth chapter will also examine the institutional impact that integrative management had on the CDCs structure, mission and neighborhood agenda.
Chapter 2: Background on CDCs and Scope of the Inner-city Property Management Problem

Over the past 25 years CDCs have become one of the primary players in solving the country’s affordable housing shortage. They have grown from fledgling neighborhood organizations to professional housing developers and have demonstrated creativity and ingenuity in developing affordable housing that meets the needs of low-income families, senior citizens and homeless individuals. The social needs of these populations, however, can be great, and CDCs now face the challenge of managing their large and demanding housing portfolios and meeting the needs of their tenants with little, if no management experience from which to draw.

In light of reduced government funds for new housing construction and the threat of depletion of existing affordable housing, CDCs have taken the lead in the renovation and preservation of existing housing’s abandoned, distressed and at-risk stock. Given that urban CDC’s housing development agenda is increasingly preservation rather than new construction, their management challenge is even more difficult*. In addition to the regular demands of providing housing to tenant populations in stressful neighborhoods, when acquiring existing housing, CDCs inherit the history of individual and sometimes organized tenant discontent that is common in distressed and dilapidated developments.

* There are no existing studies that break down CDC’s development agendas between new construction and rehabilitation of distressed developments. Therefore, the assumption in this thesis that CDCs are increasingly involved in rehabilitation of distressed developments is supported by personal observation of urban CDCs housing activity and by the opinions of professionals in the housing field.
CDCs failure to address the tenants needs and discontent can drive a divisive wedge between the tenants and the CDC. This could further alienate and disinvest tenants from the development and, in the worst cases, lead to intensified problems in the development such as increased drug dealing and crime, loss of community among tenants, increased tenant discontent, and accelerated physical deterioration of the property.

In an attempt to break down the barrier between themselves and the tenants, some CDCs are starting to implement management strategies that use tenant organizing as a vehicle to integrate tenants into the management process. This vehicle can help bridge a cooperative relationship between the tenants and the CDC which could directly increase tenants’ investment in the housing.

The issue of how CDCs can integrate tenant concerns into their management policy and practice is particularly important as CDC’s increasingly find themselves in confrontational situations similar to the one described in the Hillview Towers story. As demonstrated at Hillview Towers, the failure of the property manager to recognize tenants’ interests caused a conflictual and confrontational dynamic that prevented the two parties from forming an alliance that would have, in my opinion, allowed them to achieve management success. The need for integration is challenging however, for many reasons, four of which are outlined in detail below:

- The stressful social conditions and dynamics in CDC’s target neighborhoods;
- The dilapidated condition of the inner-city housing stock;
The Social Conditions and Dynamics in CDC's Target Neighborhoods

The potential conflict between tenants and landlords is intensified in inner-city neighborhoods where low-income social dynamics can be stressful and the fear of violence high. Due to the frustration and discontent of tenants who are forced to put up with these conditions, CDC's who are providing housing for populations confronting economic and social crisis are challenged by the impact of these conditions on their housing and property management strategies. Understanding the social and economic environment of inner city neighborhoods in which CDC’s have operated will highlight the current crisis in these neighborhoods and demonstrate the pressing need as well as the challenge of implementing innovative property management strategies that integrate tenants into the management process.

In her thesis on successful CDC housing management practices in inner-city New York neighborhoods, Emily Haber described the severity of the inner-city housing management challenge: "While CDCs' intentions are good, most are faced with difficult building management tasks. They operate in low-income neighborhoods that suffer from a multitude of social problems."
Avis Vidal, in a comprehensive study of 130 CDCs located in 29 major American cities surveyed CDCs to identify their target neighborhoods. Her results concurred with Haber, in that a majority of CDCs surveyed were located in stressful low income neighborhoods. Vidal reported that 95 percent of all CDC units were in targeted poor neighborhoods and 87 percent of all housing activities served people who fell below 80 percent of area median income. Of the groups providing housing in poor neighborhoods, 22 percent were judged to be working in severely disadvantaged and distressed neighborhoods, 37 percent were in communities with substantial poverty and social problems and just under six percent were in neighborhoods with only modest problems.

When looking at the impact of programs on neighborhood problems, Vidal believed that CDCs success varied depending on the level of neighborhood distress and whether CDCs invested effort in property management: "Impacts are likely to be more substantial when neighborhoods are less distressed, and when the community development organization combines active property development with property management." Factors Vidal identified as contributing to more substantial program impacts include: quality construction, strong community support for and/or tenant participation in project planning (including tenant management), good project management (including management after project completion), private sector support and project location.
The Dilapidated Condition of the Inner-city Housing Stock

Given the current lack of government funding for construction of new housing, and the pressing need to preserve the existing affordable stock in light of the growing number of HUD abandoned and distressed developments, CDCs are turning their attention to the take-over and rehabilitation of such at-risk and distressed housing.

Mat Thall, Program Director of the Boston Local Initiative Support Coalition described the tough conditions of the distressed stock and the property management challenge these conditions impose: "In both Boston and nationally, CDC property management has become a ticking timebomb and if management issues are not addressed and brought under control there will be a serious crisis in non-profit sponsored housing." While Thall identified neighborhood and tenant dynamics as a management issue, he emphasized the problems associated with the distressed nature of the housing stock as the primary management challenge. The management problems Thall listed were:

- The housing CDCs acquired suffered from neglect and abuse by previous absentee landlords;
- Levels of funding for CDCs to rehabilitate the housing were not sufficient and led to substantial capital costs;
- Rental subsidies were not adequate to cover costs;
- Rent collection in properties where there were large numbers of single parent, low income households was difficult so income was not reliable or sufficient to meet costs;
- The trade off many CDCs were forced to make between developing large numbers of units at the cost of addressing tenant and neighborhood issues.
The nature of the development process in distressed and at-risk housing was also more complicated than new construction. It involved a complex legal, technical and often political acquisition process, followed by an expensive and difficult to coordinate rehabilitation and management process. The challenge these activities posed was intensified when the tenant population had disinvested themselves from the housing due to years of landlord neglect during the time when the development was absentee owned and/or infested by drug dealers or other criminal types.

The History of Tenant/Landlord Conflict in the Buildings CDC’s Acquire

The effort to build cooperation and trust between tenants and management is particularly challenging because much of the housing that CDCs acquire in the inner-city has a history of distress and conflict between tenants and landlords which promotes a classic "us against them" dynamic. Instead of building new housing and setting the terms of the tenant/landlord relationship from the start, CDCs are acquiring existing, often troubled properties and also inheriting their already conflictive tenant landlord situation. In light of the current housing development opportunities for CDCs, such as acquisition of bank foreclosed properties and HUD distressed preservation, this defines CDCs challenges for the foreseeable future.

The legacy of conflict between the tenants and landlords is exacerbated by the cumulative effects of the problems in inner-city low rent housing. CDCs acquiring distressed or at-risk housing often inherit a frustrated and angry tenant population who
have been forced to endure severely substandard conditions and often drug and crime infestation. The tenants often expect the CDC to operate in the same fashion as any other landlord by continuing the legacy of neglect and abuse, and often view the CDC, as they would any owner, as an enemy.

This understandable skepticism on the part of tenants, whether organized or not, complicates the rehabilitation and management process as the tenants and CDC are forced to negotiate in an environment defined by conflict and confrontation. Given the lack of trust and the differential power relationships between the tenants and landlords, with the tenants in the least powerful position, the effort to bring the tenants in as partners and generate a trusting and a cooperative relationship is very difficult.

CDCs Lack of Organizing Experience and Institutional Capacity and Vision to Organize

In the 1960's the first CDCs that were founded out of community organizing campaigns combined organizing with a comprehensive community development agenda. Over their 25 year history, however, CDCs shifted their focus from a broad community development agenda that combined organizing and development to a more traditional development model that focused on housing development to the exclusion of organizing. This shift in emphasis influenced the tactics and strategies used by CDCs. As a result, CDCs today are unfamiliar with organizing strategies and lack the institutional vision and capacity to undertake organizing in the distressed housing developments they acquire.
Vidal’s study documented the trend in CDC activity from organizing to development in the history and activities of 130 urban community-based development organizations. Of the 130 organizations, 27 percent were more than 15 years old and were founded out of advocacy movements and neighborhood activism of the 1960s. Another group, representing 53 percent of the sample, were founded in the 1970s and within this group some got their start by taking advantage of federal supports for low income housing, while others grew out of protests against urban institutions and gentrification that were taking over low-income neighborhoods.  

By the early 1980s, despite cuts in housing funds during the Reagan years, CDCs formed primarily to address the increasing affordable housing shortage. The effect of this development environment of this new group of CDCs placed an emphasis on CDCs’ ability to produce as many units as possible, and dramatically shifted CDCs attention to the "bottom line". The pressure on CDCs to increase the "bottom line" number of units produced was demonstrated in statistics collected by Vidal on CDCs current housing portfolio: Housing rehabilitation and new construction was the primary activity or 89 percent of the CDCs.

This focus on housing development necessitated a new development strategy that required a shift away from community based development and organizing. These new CDCs concentrated on dramatically expanding the stock of available affordable housing and had a board composition and organizational agenda that reflected this development focus. Vidal documented the change in operating style of CDCs, which had become more
cooperative over time due to the new effort to deal with the establishment organizations such as banks, politicians and local institutions: "The adversarial tactics of the '60s have largely been replaced by a more cooperative style and an interest in program delivery. These organizations now constitute a vigorous, but small scale resource for neighborhood improvement in deteriorated and at-risk communities." Vidal also recorded the degree to which a CDC practiced cooperative or confrontational styles of negotiation which was correlated to the degree of professional representation on the board, with more a cooperative organizational strategy having a greater number of professionals and fewer community residents on the board. 

This shift to a more cooperative style of development required CDCs to build the staff's development capacity at the cost of employing neighborhood organizers. As a result, many CDCs lack the staff capacity or organizing experience to implement tenant organizing.

Chapter Summary:

Taking over and rehabilitating existing developments requires CDCs to transform the traditional conflictive tenant/landlord relationship. This transformative process forces CDCs to walk the fine line of balancing tenants interests in the midst of a complex development process. The specific challenges to this transformation, some of which were outlined above include:
• Assuming the role of landlord and transforming it from that of enemy of the tenants to that of partner;

• Rehabilitating the development in a high stress and hostile context wrought with drugs, crime and violence;

• Balancing tenants' rehabilitation priorities with fiscal constraints;

• Integrating tenants interests into a complex development agenda with limited time and tight construction schedules

• Accomplishing a complicated relocation process while not aggravating or alienating tenants

• Hiring a management company that has experience in inner-city property management and is committed to a partnership management model;

• In neighborhoods where there are large numbers of single parent, low income households, balancing sensitivity to tenants own budget constraints with the need to pay the mortgage;

• Integrating tenant organizing into CDCs agenda and mission, given the trade off many CDCs have made between producing large numbers of units at the cost of addressing tenant and neighborhood issues

In the stressful inner-city neighborhood environment, CDCs need to find strategies that redefine the conflictive terms of the traditional tenant/landlord relationship. The strategy suggested in this thesis is integrative management which uses tenant organizing to integrate tenants into the process, thus addressing their interests and directly investing them in the rehabilitation and management process. Using organizing to transform the traditional confrontational tenant/landlord relationship to that of cooperation, may seem like a contradiction, as tenant organizing traditionally pits tenants and landlords against each other. The next chapter will explore the theory and history of unequal power and
conflict between tenants and landlords to show that using organizing to transform the tenant/landlord relationship is not a contradiction, but simply a question of appropriate and necessary strategy and tactics.
Chapter 3: Tenant Organizing and the Evolution of the Tenant/Landlord Relationship

As CDCs mature in their role as housing developer and property manager, many are realizing that the social and economic issues of the community that dictated CDCs’ early organizing agendas, and which they have largely abandoned for a housing development agenda, are now integrally linked to the stabilization and success of their housing. Specifically, the social and economic decline of poor neighborhoods has brought an assault of crime and drugs that threaten both the condition and stability of the housing and the safety of the tenants. These problems are compounded by absentee landlords, maintenance neglect and mortgage default.

As CDCs increasingly focus on the acquisition and rehabilitation of such distressed housing, they face the challenge of avoiding becoming another typical landlord in a continuing chain of neglect and abuse. Often, with limited financial resources, CDCs must prove to tenants that they can offer a substantial change. CDCs must do so in order to achieve the necessary cooperation of the tenants to complete the complicated rehabilitation process and to sustain that cooperation in a stressful and potentially volatile management environment. The tenants resentment towards the CDC and management company and the division that can build between them can be greatest in this complicated situation, however, one in which cooperation is the most necessary.

The legacy of unequal power relationships between tenants and landlords makes the formation of partnerships between tenants and CDCs difficult. The tenants often
associate the CDC with "landlord" and therefore "enemy". The CDC often associates organized tenants with "confrontation and rent strike", and therefore also "enemy".

Confrontational organizing strategies and tactics which define the classic "us against them" legacy are designed to provide tenants leverage in a relationship in which they have an extreme power disadvantage. Therefore, transforming this power relationship so that tenants are equal partners instead unequal rivals should then support the use of cooperative organizing strategies and tactics.

Much has been written about the legacy of unequal power and conflict between tenants and landlords. Understanding this tradition is central to understanding how to transform it. This chapter will explore common theory about the conflictual and unequal tenant/landlord relationship and then review the organizing theory and practice which is designed to give tenants leverage and power in a relationship in which they traditionally have had none. Building from this organizing legacy, this chapter will then describe the challenge CDCs face in transforming this confrontational relationship. This chapter will conclude by describing the assumptions and strategies of integrative management which is the process suggested in this thesis to transform the tenant/landlord relationship to one of cooperative partnerships between CDCs and tenants.

Traditional Tenant/Landlord Relationship

"Rental housing as a commodity item embodies, by its very nature, different power and interests. Whenever two positions are so related, there is a structurally induced conflict potential."

Ted R. Vaughan

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Landlords as well as tenants and tenant advocates recognize the inherent conflict that exists between tenants and landlords. Edward Blackman and Edwin Abrams, two developers and property managers for example, write that: "The relationship of management with tenants and tenant organizations is inevitably fraught with tension."

Blackman and Abrams, however, fall short of recognizing the inherent conflict in the unequal market exchange as described by Vaughan. They do, however, offer important insights into the tension caused by personal and professional conflicts between tenants and landlords. Blackman and Abrams cite a variety reasons for this tension, all of which center around the fact that the traditional tenant/landlord relationship is deeply embedded in the psyche of either side: "Property is a very personal thing for both tenant and manager because the investment people make in their homes relates to their whole self-definition. Shelter is never impersonal". Blackman and Abrams explain the interests of all sides:

- The tenants have a psychic stake in their homes as well as a financial investment;
- The management and maintenance staff also have the investment one puts into one's job;
- The sponsor and developer have a serious financial investment in the success of the property.

When one considers the multitude of investment and interests of all sides, Blackman and Abrams point out why it is possible to see the complex set of tensions that can be set in motion by any action:
"It is no wonder that tenants express themselves with great feelings and passion; after all, it is the home; it is their selves that are effected by managements actions. It is no wonder many managers respond to organized tenants with anxiety and defensiveness. After all, what they do may affect that managers career and reputation; what happens affects the self. It is no wonder that many sponsor/developers has invested a great deal of time and money in attempting to make a project work. He sees himself as losing the investment at the caprice of the tenants who, he may feel, have no stake in the development."\textsuperscript{14}

In an effort to protect their investment, landlords have traditionally left tenants out of crucial maintenance and rent decisions. While few tenants are likely to be management professionals, they certainly are aware of management issues and have strong opinions about priorities. When denied access to management decisions, tenants form their own opinions. Informed solely by their experience, tenants harbor anger and resentment towards the management and owner for decisions with which they may not agree. This anger and resentment can be about a simple issue from choosing to repaint the hallways instead of repairing broken lighting, to extreme cases such as choosing to repair a leaking roof instead of a broken heating system.\textsuperscript{15}

Management draw its views in isolation as well. Given the tensions in the relationship, Blackman and Abrams believe that it is not unusual for managers to see tenants with ambivalence and even fear: "Tenants are often seen as transient people who will have no reason to respect or care for the property they inhabit. Managerial anxiety about tenants behavior may also extend to organized or aggressive tenants, whom they often see as a personal threat. The manager may fear that organized tenants will diminish his power or publicly embarrass him or the development."\textsuperscript{16}
Vaughan agrees that the tenant/landlord relationship is conflictual, but unlike Blackman and Abrams who attribute this conflict to divergent personal and professional interests, Vaughan believes the conflict is the result of the compounding effect of the differential power and social elements between the landlord and tenant:

"The contractual exchange (between tenant an landlord) is not simply an economic one; rather it entails complex social elements that profoundly affect the terms of trade as well as the actions of the participants involved...the participants use the relationship as a means to achieve the respective goals which often reflect a conflict of interest."17

Vaughan attributes the foundation of conflict in the tenant landlord relationship to an unequal commodity exchange, with the landlord in the superior position. He acknowledges the norm of equality which is generally associated with a market exchange, but points out why this doesn’t apply to the tenant/landlord relationship: "Although the simultaneous accomplishments of different ends is not impossible, when the situation is paired with exchange between unequals the divergent ends are unlikely to be simultaneously attainable."18

Vaughan believes that the power differential between landlords and tenants is often used by the owner to his benefit. Given his position of power, the landlord, within certain limits, sets down the terms of the contract. It is the landlord who decides to whom the unit will be rented, the conditions that the tenant must meet and has day to day control and authority over operations, evictions, rent levels, tenant selection and pet policies. The landlord’s power over the tenant is further enhanced by more extensive knowledge of the property’s financial and management systems.
Building from the theoretical frame of the tenant landlord relationship which is fraught with tension due to divergent personal and professional interests as well as an unequal power and commodity exchange, tenant organizing strategy and tactics target the very nature of the imbalance of power. These strategy and tactics are presented in the following section on organizing theory and practice. While the strategy and tactics are sometimes presented as generic to all community problems, they are directly applicable to tenant organizing.

Organizing: Theory and Practice

Analysis of Power

"It is a deep, hard-driving force, striking and cutting at the very roots of all evils which beset the people. It recognizes the existence of the vicious circle in which most human beings are caught and strives to break this cycle."

Saul D. Alinsky

Saul Alinsky is considered one of the fathers of community organizing. In his books "Reveille for Radicals" and "Rules for Radicals" about community organizing strategy he frames the problems of disempowered communities: "A people’s organization is dedicated to an eternal war. It is a war against poverty, misery, delinquency, disease, injustice, homelessness, despair and unhappiness." The root of the problem is the unequal power relationships between what he calls the "Haves" and the "Have-Not's."

According to Alinsky, "The Haves possess and in turn are possessed by power. Obsessed by the fear of losing power, their every move is dictated by the idea of keeping it."

Lee Staples, a community organizer, also characterizes the power within the social,
political and economic system as unequal. Within this system, poor people don’t have control over the conditions that affect their lives. According to Staples, the powers that be resist change because of perceived conflict of interests between the "Haves", wanting to maximize their profits, and the "Have-Nots", wanting to improve their quality of life. When "Have-Nots" confront people who benefit from the status quo, some level of conflict is inevitable.  

The specific power analysis of tenant organizing categorizes power between landlords and tenants as unequal. The nature of their relationship can be categorized as confrontational as tenants challenge the status quo power advantage of landlords. The campaigns are built around tenant demands for improved housing conditions, affordable rents, respect for tenants privacy and autonomy, evictions and displacement and decreased speculation. When these demands go unanswered, often by absentee landlords, the campaigns escalate to a level where the landlords become the target of protests and legal actions.

Tenant organizing builds the power of the "Have-Nots" (tenants), by developing their capacity to fight for control over their homes against the "Haves" (landlords). Fighting for power by building group strength is at the core of organizing strategy.

**Organizing Strategy**

"A peoples organization must be rooted in the people themselves: if a peoples organization were to be thought of as a tree, the indigenous leaders would be the roots and the people themselves the soil. To rest on the soil and be nourished by the soil, the tree must be supported by its roots."

Saul D. Alinsky  

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Strength in numbers and the ability to take collective action are the keys to organizing strategy. The primary sources of organized action, according to Lee Staples, are the power of economic and political control, and direct actions. The goal is to build the capacity of the community, through collective action, to gain control over their homes and sometimes fight for social change.

Empowerment is one of the central strategies of tenant organizing. It is a process of building people's power to act against injustice. The empowerment process has its roots in an analysis of power. Alinsky says that "power is the very essence, the dynamics of life. It is the power of the heart pumping blood and sustaining life in the body. It is the power of active citizen participation pulsing upward, providing a unified strength for a common purpose."

Both Staples and Alinsky argue that empowerment requires sensitivity to the means used to reach these ends and that the means are just as important as the ends themselves. The means, described as a bottom-up rather than top-down approach, are designed to build the power of individuals and groups while also fighting for change. Alinsky encourages organizers to promote democracy and active participation to build the self-confidence of the people by educating them. Alinsky stresses that a real "peoples program" is one where the organizational structure reflects the substance of the campaign and people become active and aware of their potential and obligations.

Alinsky and Staples also both argue that organizing and empowerment should promote strategy that builds people's capacity to see the relationships between issues in
the community and the general social structure. To carry out this agenda requires organizers, people with a developed political and social analysis who work with groups to develop their power and political vision.

The Organizers Role

"A peoples organization lives in a world of hard reality. It lives in the midst of smashing forces, crashing struggles, sweeping cross currents, ripping passions, conflict, confusion, seeming chaos, the hot and cold, the squalor and drama, which people prosaically refer to as life"
Saul D. Alinsky

The role of the organizer is distinctly different from that of a leader or a group member. A leader is always a person indigenous to the conflict, while an organizer can be, and often is, an outsider. An organizer has a developed political and power analysis, is committed to a social change vision, knows how to change institutions, and is trained in organizing tactics. According to Staples, it is the job of the organizer to transfer this vision, analysis and skills to potential leadership and recruit and to build the membership base. An organizer must bolster people's skills and confidence to encourage and convince them that they have the capacity to lead a fight against status quo power.

Alinsky and Staples agree that organizers should identify natural leaders, create power for others and lay the foundation for the leadership to build the organization and develop tactics to confront the status quo power. Words Alinsky uses to describe an organizer illuminate this principle: catalytic agent, democratic conviction, loose, resilient, fluid, able to move in a state of conflict, possessing an analysis of power, good communication, flexibility, active imagination, knows all new ideas arise from conflict
and must be able to understand and anticipate reactions of the enemy.\textsuperscript{29} This complex and challenging role is concisely summarized by Staples: "It takes a mixture of fire and ice, an optimistic spirit and a questioning mind."\textsuperscript{30}

Organizing Tactics

A peoples' organizations "sole reason for coming into being is to wage war against all evils which cause suffering and unhappiness."
Saul D. Alinsky\textsuperscript{31}

Protest actions are the most common tactic used to build the organization and win organizing victories. A protest action threatens the money, power, prestige or control of the status quo or a particular person in power, commonly called a target. People power is the drive behind a protest action. Staples emphasizes that the most mileage will come out of an action that utilizes the collective power of masses of people.

Alinsky stresses that a peoples organization is a conflict group and also encourages to use of protest actions. He believes that people must organize themselves through their leaders and use fighting tactics that respond to the feelings, drive and aggression of the people. Using education and skills building techniques, the goal is to bolster the capacity of the community to analyze the social and power structure and to challenge it.\textsuperscript{32}

Both Alinsky and Staples point out that when organizers clash with the status quo, some level of conflict is inevitable and that organizations must be prepared. In his book, "Roots to Power" Staples quotes Frederick Douglas: "The struggle may be a moral one, or it may be physical, but it must be a struggle. Power concedes nothing without a demand. It never did and it never will."\textsuperscript{33}
Common protest tactics used by tenant organizers include rent strikes, petitions, pickets, media campaigns and electoral organizing. While Alinsky supports and encourages the use of protest actions, he also emphasizes the need for creativity and flexibility of tactics to fit the situation. He encourages organizers not to be a means and ends moralist and that organizers must use "the best tactics for its time and place."  

The Role of Conflict and Cooperation

"Conflict is the essential core of a free and open society. If one were to project the democratic way of life in the form of a musical score, its major theme would be the harmony of dissonance."
Saul D. Alinsky

Protest actions are a core organizing tactic, however both Staples and Alinsky encourage leadership and organizers to carefully choose appropriate strategy and tactics for the situation. Neither Staples or Alinsky believe in protest or conflict for its own sake. Rather, it is a particular strategy necessary at times to accomplish a goal. In both organizers writings, they leave open and actually encourage the use of cooperation and compromise as another strategy appropriate for certain situations. Staples believes that "to the extent that social problems are acknowledged, cooperative strategies emphasizing technical solutions and mutual interests will be suggested."

Alinsky warns organizers and leadership not to enshrine the poor or the Have-Nots or to get caught up in organizing dogma: "To diminish the danger that ideology will deteriorate into dogma, and to protect the free and open questioning and creative mind
of man, as well as to allow for change, no ideology should be more specific than that of americas fathers; For The General Welfare.\textsuperscript{37}

According to Alinsky, an organizer must walk a thin line between fixed truths about societal injustice and the changing political reality and uncertainty of life. An organizer must be able to split into two parts, one that polarizes and stands firm behind the conviction of the 100% correctness of a demand, while at the same time leaving room for negotiations and compromise. He warns organizers and leaders not to shy away from the word compromise which can carry connotations of weakness and betrayal of ideas or a surrendering of moral principle. Instead Alinsky reminds us that, "A free and open society is an ongoing conflict, interrupted periodically by compromise- which then become the start for the continuation of conflict, compromise ad infinitum."\textsuperscript{38} In Alinsky’s own practices he believes that a society devoid of compromise is totalitarian. If he had to define a free and open society in one word, this word would be compromise.\textsuperscript{39}

Having laid the background on the conflictual tenant/landlord relationship and confrontational tenant organizing strategy and tactics, the next section will look at these concepts in the context of CDCs as landlords of distressed inner-city housing developments.
Transforming The Traditional Landlord/Tenant Relationship: Integrative Management In the Take-over and Rehabilitation of Distressed Developments

Some CDCs are now turning back to organizing, integrating tenants into the rehabilitation and management process in order to achieve tenant cooperation and management success. This integrative process is contrary to popular tenant organizing strategies which support a long history of confrontation between tenants and landlord. Tenant organizers have based their strategy and tactics on an analysis of unequal power which led to the use of confrontational tactics to help tenants gain power in a relationship in which they had an extreme power disadvantage. Integrative management, however, requires the CDC, the organizer, the tenants and the management company to develop a tenant/landlord relationship based on equal power that would support more cooperative organizing strategies.

Despite their vision of decent safe and affordable community based housing, CDCs however, face tremendous barriers in building this partnership and many have been unable to overcome the traditional tenant/landlord relationship. These barriers include the following:

- Many CDC's and their management companies find themselves out of touch with tenant needs, and, even sometimes, in confrontational battles with tenants over rehabilitation, maintenance and management decisions. This serious lack of communication and potentially volatile confrontational dynamic can prohibit the formation of a partnership that would allow the vision of decent, safe and affordable housing to become a reality.40

- Tenants' feelings of resentment and anger are exacerbated in developments that are in poor condition, and located in crime infested neighborhoods.

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Because many CDCs have limited experience with the takeover, rehabilitation and management of distressed housing, they are ill-equipped to confront the effects of neighborhood crime on their buildings, especially when the crime actually penetrates into the development.  

- With limited funds to spend on rehabilitation and security, and the inability to find management companies who will work under such stressful conditions, the potential exists for the problems to take control of the property.

The challenge to CDCs is to recognize and try to change the traditional landlord-tenant relationship in an arena where the typical rehabilitation and management challenges exist. Rehabilitation and property management involves making a set of choices that must balance both the physical and financial demands of the property. The process of making these choices forces the owner and manager establish priorities that affect building conditions and rent levels, issues over which tenants have intense concern. The goal is to transform the traditional polarized tenant/landlord relationship into one where tenants' needs and priorities are integrated into the decision making process.

**What is Integrative Management?**

In an effort to achieve cooperation between the parties, some CDCs are integrating tenants into management decisions using tenant organizing, a process which in this thesis is referred to as "integrative management". The central theory of integrative management is that the realization of one party's interests (either the tenants, management or CDC) relies on the cooperation and commitment of the other parties. Integrative management directly links the stability of the housing to the interrelationship between property
management policies, the CDC’s fiscal stability, the housing’s financial success, and the legitimacy of tenant needs and concerns.

While integrative management takes different forms depending on the housing development context, for example new construction or rehabilitation of a distressed development, tenant organizing is the common vehicle that drives successful integrative management in all cases. The goal of the tenant organizing is to build trust and cooperation between the parties.

The organizer’s job is to build the tenants’ capacity to participate in management decisions and to facilitate communication between the parties. Fostering cooperation between tenants, property management and CDC’s is particularly challenging as it requires the successful negotiation of complex and divergent interests such as rent levels and collection, tenant selection, and maintenance priorities. Failure to recognize and reconcile these inherent differences can lead to extreme conflict.

**Integrative Management In A Take-Over and Rehabilitation of a Distressed Development**

The challenge of combing organizing and property management is difficult, particularly in cases where CDCs are taking-over and rehabilitating distressed developments. The effort to transform the traditional tenant/landlord relationship in a take-over rehabilitation requires sensitivity to the dynamics and power relationships between tenants and landlords within the three development stages: acquisition, rehabilitation/relocation and on-going property management. So, not only must CDCs
demonstrate sensitivity to integration of tenants interests through tenant organizing, but they must adapt their organizing strategy to the different dynamics with in each stage. The chart on the following page demonstrates the differences between tenant organizing in an unequal tenant/landlord relationship and tenant organizing in an integrative management process of a take-over rehabilitation project.

Substantial differences exist between organizing and integration of tenants into the acquisition, development and management stages. The primary difference is that integration in the development stage requires the unification of the tenants with the CDC to target a hostile and/or absentee owner and negotiate a purchase. The CDC and tenants must accomplish these tasks while negotiating and balancing power and conflict with outside actors.

Integration in the rehabilitation/relocation and management stages however, require the CDC and tenants to shift their organizing strategy from confronting outside enemies to negotiating and balancing power and conflict between themselves and other actors internal to the neighborhood organization. The CDC and tenants must establish rehabilitation and relocation schedules and management priorities that meet the tenants and the CDC's interests while also working within the guidelines of a contracted construction company. Integrating tenants in the management stage also requires careful
<table>
<thead>
<tr>
<th>Issue</th>
<th>Tenant Organizing</th>
<th>Integrative Development and Management</th>
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<tr>
<td>View of Power</td>
<td>* Power between tenants and LL is unequal</td>
<td>A * Build tenants power to take control</td>
</tr>
<tr>
<td></td>
<td>* Tenants don't have control over their homes</td>
<td>* LL used power advantage to resist tenants</td>
</tr>
<tr>
<td></td>
<td>* Tenants have less power</td>
<td>R * Seeks to balance power between tenants and LL</td>
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<td>Role of Conflict and Cooperation</td>
<td>* Conflict is inevitable between tenants and LL</td>
<td>A * Tenants use conflict to acquire property</td>
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<td></td>
<td>* Tenants use conflict to gain control</td>
<td>* Powerless use conflict to gain power</td>
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<tr>
<td></td>
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<td>R * Recognize inevitable conflict</td>
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<td></td>
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<td>M * If tenants have real power than conflict is not necessary</td>
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<td></td>
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<td>M * distinguishes between structural and process conflict</td>
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<tr>
<td>Organizing Strategy</td>
<td>* Build capacity to fight for control</td>
<td>A * Build Capacity to fight for control</td>
</tr>
<tr>
<td></td>
<td>* Empowerment of tenants to build collective action and power</td>
<td>* Empowerment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>R * Make tenants partners in management</td>
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<td></td>
<td></td>
<td>M * Empowerment through skills building</td>
</tr>
<tr>
<td>Organizing Tactics</td>
<td>* Target LL to level playing field</td>
<td>A * Target absentee/abusive LL</td>
</tr>
<tr>
<td></td>
<td>* Rent strikes, pickets, media, petitions</td>
<td>R * Bridge partnership between tenants/LL</td>
</tr>
<tr>
<td></td>
<td>* Build &quot;us against them&quot; dynamic</td>
<td>M * Tenant input to level playing filed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>M * Working committees and structured input</td>
</tr>
<tr>
<td>Role of Organizer</td>
<td>* Builds leadership to confront the target</td>
<td>A * Builds leadership to confront target</td>
</tr>
<tr>
<td></td>
<td>* Supports group and encourages confrontation</td>
<td>R * Works for LL and provides tenants support (not always)</td>
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<tr>
<td></td>
<td></td>
<td>M * Builds bridges between parties</td>
</tr>
<tr>
<td></td>
<td></td>
<td>M * Builds tenant management skills</td>
</tr>
<tr>
<td>Actors Interests</td>
<td>* LL- profit</td>
<td>A * LL-profit</td>
</tr>
<tr>
<td></td>
<td>* Mgmt- cooperative tenants</td>
<td>* Tenants- affordable purchase</td>
</tr>
<tr>
<td></td>
<td>* Tenants- affordable rents, good conditions, say in management decisions</td>
<td>R * LL/Mgmt- Stable tenants and finances</td>
</tr>
<tr>
<td></td>
<td></td>
<td>M * Tenants- affordable rents, good conditions, say in management decisions</td>
</tr>
<tr>
<td>Relationships between actors</td>
<td>* Because of inherent conflict, tend to be uncooperative</td>
<td>A * Tenants/CDC in Confrontation with LL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>R * Tenants have real power so relationship is less confrontational</td>
</tr>
</tbody>
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A=acquisition, R/M=rehab/relocation/management
negotiation between the CDC, the tenants and management company to balance their often conflicting but interdependent interests over policy and rules.

When considering one of the most popular organizing strategies, "target the enemy", the integrative process requires the manipulation of this role to the appropriate actor in each stage of development. This is arguably more simple in the acquisition phase as the outside is clear: the owner. What becomes difficult is managing the transition from the acquisition stage to rehabilitation/relocation and management stage when the owner becomes the CDC and assumes the typical role of enemy. In this stage, the CDC must find strategies that obliterate the concept of the owner/manager as enemy and re-direct it to a new enemy such as drug dealers, neighborhood vandals or, if appropriate, inside actors such as an uncooperative construction company. The CDC must also walk a fine line when brokering a relationship between the tenants and management company that allows them to advocate for tenants interests while holding the management company to standards of practice adequate to sustain the development.

Too often in this process, CDCs fail to understand the complicated organizing dynamics between the tenants, the management and the CDC or to manage the transformation of organizing strategy from one stage to the next. Most importantly, CDCs often fail to understand the pivotal role that power relationships and conflict have in the process. Failure to recognize tenants interests as legitimate, and accept and work with the inherent conflict of interest between tenants and landlords can lead to potentially explosive dynamics.
Bill Traynor, an organizer and community development expert believes that the most common mistake CDCs make in the management process is the failure to give real power to tenants. He points out that this could lead to a game of smoke and mirrors in which the tenants would not gain the necessary trust for the CDC or the management company to make the process work: "Tenants need to know what there is to decide, what the decisions parameters are and have a real understanding of the process for negotiation. They must have real skills and capacity to participate. They must have real power in order to play a meaningful role. From the tenant point of view, these are the conditions that need to exist." He also stressed that CDCs need to understand these conditions, after all, "It is always the tenants choice not to cooperate."43

The chapter that follows is a summary of the methodology used to research the two case studies of Massachusetts CDCs that used integrative management to transform severely distressed urban HUD housing developments. The two chapters that proceed the methodology are the case studies, both of which detail the integrative management strategies the CDCs used to acquire, rehabilitate and manage distressed housing developments. The cases emphasize the pivotal role tenant organizing played in the transformation of the tenant/landlord relationship from confrontational to cooperative.
Chapter 4: Research Methodology

This thesis celebrates the integrative management success of two inner-city CDCs and their tenants. In both cases, the parties were successful at building a cooperative partnership that allowed for the renovation of a severely distressed low-income development and the transformation of a conflictive tenant/landlord relationship.

I chose to use case studies, a qualitative method of research, because I believed it best suited the nature of my research. My study of integrative management involved description of organizational behavior and relationships. This required the analysis of interaction between people and an exploration of the actor’s perceptions about the integrative management process. The presentation of my results in case study format allowed me to describe these complicated relationships and perceptions in such a way that an organizational "picture" is painted for the reader.

Case Studies/Methodology

Organizations and their housing developments selected for study:

1) Codman Square Housing Development Corporation, (HDC) and the Washington/Columbia Development in Dorchester, MA.

The HDC was started in 1982 as a locally controlled non-profit housing development organization. Its mission was expressly to develop affordable housing in Codman Square and its board was dominated by local real estate

2) Coalition For A Better Acre (CBA) and the North Canal Development in Lowell, MA.

The CBA was started in 1982 as a community organizing group fighting neighborhood gentrification. It was committed to local control and empowerment. Its board was controlled by local activists and indigenous community leaders. CBA in a partnership with North Canal tenants, acquired the 267 North Canal development. North Canal, a distressed HUD development, had a long history of mismanagement, substandard conditions and tenant/landlord conflict.

I choose to research the HDC and CBA cases because they both represented transformative integrative management successes, having built partnerships with the tenants to complete the acquisition, rehabilitation and management of distressed developments with conflictive tenant/landlord histories.

Primary tools of study and information collection included: 1) interviews with current and former staff of the CDCs, 2) interviews with tenant leadership in both developments,
3) interviews with CDC board members, 4) attendance at tenant meetings, 5) interviews with community leaders and other people not directly involved with the CDC, 6) review of organizational literature, meeting minutes and documents, and 7) field observation.

**Questioned Researched**

Using interviews and organizational observation techniques, I researched the following questions in detail:

1) How integrative management was implemented and its success at rehabilitating the housing and stabilizing the tenant community:

   I researched the organizational relationships, missions and agendas of the various actors including: the tenants, management company, and the CDC. I researched their success at working together to stabilize the development and build and sustain a cooperative partnership.

2) How integrative management corresponded to and effected the mission and institutional structure of the sponsoring CDC:

   I researched the consistency between the CDCs’ mission statement and institutional structure and their actual practice. I questioned the institutional impact of integrative management by reviewing their mission and structure both before and after integrative management was implemented. I also questioned the impact of integrative management on the organizations’ links to a broader political and neighborhood vision.
Chapter 5: Codman Square Housing Development Corporation and the Washington/Columbia Case

Introduction

Two years ago, the tenants of the Washington/Columbia development in Dorchester, MA were afraid to leave their apartments at night because of shootings, drug trafficking, prostitution, and youth gang control over the neighborhood. According to tenants, the condition of the Washington/Columbia development was abysmal, having suffered from a combination of management's neglect and vandalism by some tenants, and neighborhood drug dealers.

The tenants of Washington/Columbia described the struggle they faced trying to raise their families amid the filth, dilapidation and chaos in their development and neighborhood. In the winter, tenants suffered though bitter cold spells with limited heat and hot water. The tenants also described their year round fight to survive with broken plumbing, dirty hallways that were home to neighborhood junkies, and littered and crime infested sidewalks. One tenant gave a graphic description of a building that had been converted into a drug warehouse, its toilets thrown out of the windows and walls torn down to intimidate tenants and make room for their drug operation.

The HDC and management company described their own frustration at being illprepared to address the challenges of inner-city housing management and feeling completely overwhelmed by the escalating crime and vandalism in and around the Washington/Columbia development. After an intensive effort to renovate the
Washington/Columbia, the management company had all but given up hope of improving conditions at Washington/Columbia. The tenants had also given up any hope that the HDC and management company cared about them or the housing. According to the tenants and the HDC, these conditions led to extremely hostile and volatile interactions between the parties.

Recently, however, the Washington/Columbia tenants reported that conditions in their development changed dramatically, resulting they believed, from a strategic organizing and integrative management campaign to reclaim control of their development. The tenants worked as a team with an organizer, the HDC, and manager and cleaned up the development. Together they got rid of its drug dealers and started a neighborhood watch. The tenants also planned social events for the tenants, activities for the children, and began participating in major management decisions such as maintenance priorities. The tenant group also began advocating for conversion of a neighboring vacant lot into a park and creation of gardens in front of the building. The Washington/Columbia tenants expressed pride in their campaign to clean up their development and shared their relief to be living in a more secure and stable community, and to have the freedom to travel more safely to and from their homes.

According to staff of the Codman Square Housing Development Corporation (HDC) which was the owner of Washington/Columbia, the campaign required intensive coordination of the HDC, management company, and the Washington/Columbia tenants, parties which had traditionally been in conflicting and hostile positions. Despite their
confrontational history, the parties overcame their long standing divisions and formed a partnership to renovate the buildings, force out the drug dealers and make Washington/Columbia a safe community in which to live.

Codman Square and the Washington/Columbia Neighborhood

In the 1980s Codman Square was located in South Dorchester approximately five miles from downtown Boston. Washington Street was the main commercial strip in this primarily residential neighborhood, and it was the historic cultural dividing line of this ethnically diverse neighborhood.

In the early twentieth century the west side of Washington Street was a working class Jewish neighborhood, while the east side was a middle class Irish Catholic community. According to U.S. census data, the rich cultural and economic mix in Codman Square continued today, however the ethnicities represented had changed. The west side was more recently home to poor and working class African Americans and the east was a more racially mixed middle class area. Neighborhood wide U.S. census statistics showed that 62% of the population was African American, 29% white, 3% Asian and 6% were other ethnicities. Of the total white and African American population, 11% were documented as Hispanic. The average household income in 1988 was 64% of the Boston average.

It was important to note that the Washington/Columbia development was actually located approximately one mile North of Codman Square on Washington Street. While
the Washington/Columbia neighborhood was similarly racially mixed, it had a much higher proportion of lower income African American and Hispanic households than Codman Square and had very few white households. The Washington/Columbia neighborhood was also plagued by much more severe drug and crime activity than was the heart of Codman Square.

The Codman Square Housing Development Corporation

The Codman Square Housing Development Corp. (HDC) was incorporated in 1982 by a group of local Codman Square residents. Their founding mission was to develop affordable housing in Codman Square. The HDC's nine board members were then and more recently remained primarily real estate professionals. The majority lived in Codman Square, with the remaining members living in communities in other Boston neighborhoods and a few from outside the city. The professions of the board members included property managers, real estate developers, construction specialists, financial consultants and insurance representatives. One member was from the Neighborhood Services department of the City of Boston.

In 1983, the HDC completed its first housing development which consisted of a 17 unit rehabilitation of a residential rental building. Since that time, the HDC had completed a total of 637 residential units, primarily for low income people. In 1991 the HDC had also completed a 25,000 square foot development providing a combination of commercial, retail and office space.
Since its inception, the HDC had managed its own housing units, but after acquisition of Washington/Columbia, it decided to formalize the management function and in 1988, created its own management company called Norfolk Management. Officially established as an independent company from the HDC, Norfolk Management took over the property management responsibilities of all of the HDC's rental units. While the HDC and Norfolk Management were officially separate corporations, they were affiliated entities and shared office space, and some staff and board members.

In 1988, when the HDC purchased the Washington/Columbia development the Norfolk Management Company was still a fledgling management company. Because Norfolk had limited experience dealing with the severe crime and drug problems in the development, the management challenge they faced was great. Washington/Columbia was different than all the other HDC developments due to its extensive drug and crime problems.

According to HDC board members, at the time Washington/Columbia was acquired, the HDC was predominantly a housing development corporation which saw itself primarily as developers and kept themselves separate from their residential populations. According to an HDC board member, "the HDC was in existence to create housing for tenants. There was a reluctance on the board to have tenant representation. This was because we were still unsure of ourselves in a management capacity and felt we had to get our act together before we could get the tenants meaningfully involved." This isolated Washington/Columbia from the HDC staff and board and one board member
believed these factors combined to make Washington/Columbia its most challenging
development.

The Washington/Columbia Development

The Washington/Columbia development was located at the intersection of
Washington and Columbia streets in South Dorchester. According to HDC board
members, because Washington/Columbia was located outside of the HDC’s turf, it was
physically isolated from the HDC. It had a total of 151 units which were distributed over
11 buildings. The buildings were four and five story walk-ups that shared common
hallways. They were located across the street from each other and resembled the other
three story brick tenements in the neighborhood.

Prior to the HDC assuming ownership of Washington/Columbia, it was part of the
Granite properties. The granites were assisted by the Federal Department of Housing and
Urban Development (HUD), located at scattered sites throughout Dorchester and Roxbury.
The Granites were one of the original HUD assisted demonstration projects and had been
through a series of owners and physical restructuring since they were developed.

In 1982 the Granites were classified by HUD and its tenants as a classic distressed
development, in mortgage default and suffering from a sever lack of maintenance and
drug infestation. In response to severe substandard conditions and mortgage default, HUD
assumed control of the Granites in 1982 and became "mortgagee in possession", a stage
which proceeded foreclosure. In early 1983 concerned Massachusetts and City of Boston
officials convened a task force to address the disposition of the Granite’s 1,171 units as well as the other 3,330 distressed units in the state. In 1984 HUD began foreclosure proceedings and divided the Granites into five packages for auction. The task force advocated with HUD for alternative disposition to community based non-profits. In response, HUD granted a three month moratorium on the disposition process to allow the task force time to develop a community based strategy for the Granites. The task force developed a proposal that requested a negotiated sale of the 1,171 units to eight Boston CDCs to be passed through the Boston Housing Partnership (BHP). After months of consideration, complicated negotiations and many amended deals, HUD eventually agreed to the task force plan and sold over half the Granite units as Section 8 rental assistance properties. The BHP, in 1988, was finally able to begin the disposition process, working with eight Boston CDCs, including the HDC, who assumed ownership and management responsibility for the subdivided Granite development.

When the HDC assumed ownership in 1988, Washington/Columbia was controlled by neighborhood drug dealers and prostitutes. According to Carolyn Gibson who was the on-site manager for Norfolk Management Company when the HDC assumed ownership, "Washington/Columbia was the worst development in the entire Granite package." It had been through a series of management companies, most of whom did little maintenance. According to Carolyn, out of fear, the previous management companies refused to visit the property. Washington/Columbia tenants recalled that before the HDC took over there was no relationship with the former owners or managers. According to an un-named
tenant "we were just barely existing in the buildings." Another tenant recalled that "conditions were so bad, we just didn’t want to pay rent." As a result, the distrust of tenants towards management was high.


In 1988 the HDC reluctantly agreed to assume ownership and management of the troubled Washington/Columbia development. Jim Keefe, the president of the HDC board recalled his trepidations as he signed the mortgage papers that made the deal official: "There was some different views among the HDC board members about going forward with such a sizeable and challenging project." Jim pointed out however, that there were a number of political and major business figures committed to the success of the project, and the HDC knew that were prepared to back them up.

Still, Jim believed that, while the HDC board knew full well that challenges lay ahead, they never could have imagined just how tough the new development would be: "Washington/Columbia did not come from the heart and soul of the organization (HDC). We were unsure if we had the capacity to manage Washington/Columbia. We knew what we were up against, the problem units, drugs and squatters. We knew going into it that was not going to be a cake walk."

Upon acquisition of Washington/Columbia, the HDC, which up to 1988 had been a very successful small neighborhood housing developer, found itself thrust into a drug
war at Washington/Columbia. The HDC had become the general partner of a large, substandard development that was overrun with a drug trafficking operation that reportedly rivaled most large drug operations in the city of Boston.

In addition to confronting drug traffickers, the buildings had to be substantially rehabilitated. The HDC’s fledgling management company, Norfolk Management, which was only one year old when the HDC assumed ownership of Washington/Columbia, had never dealt with the management challenges that Washington/Columbia presented. According to Carolyn, the Norfolk Management maintenance staff had to carry knives to protect themselves at the development. Carolyn recalled one incident when a tenant, angry over a disagreement about past due rent, showed up at the management office dressed in fatigues with an automatic machine gun. He threatened to kill someone over the rent dispute.

In the midst of the drug war, according to Carolyn, the first tasks of Norfolk Management were to recertify all of the tenants, begin the rehabilitation program, and evict the drug dealers. Norfolk Management had to undertake a complicated relocation program in order to complete the rehabilitation. Entire buildings had to be cleared out at one time. The lack of access to tenants and the crime and drug dealing made this process extremely challenging. Carolyn recalled how difficult these tasks were: "People would not even open their doors to us, and when they did open their doors you never knew what you would find." Tenants were put up in hotels and other vacant units in the
development and, according to Carolyn, some tenants destroyed these units as they had the ones in Washington/Columbia.

After a difficult relocation program, Norfolk Management finally began the rehabilitation process. Carolyn spoke of the frustration she and her staff experienced during this process: "We had to accomplish a massive rehabilitation plan while trying to recertify over 100 households in 90 days. We had to confront personal threats from drug dealers and constant assaults on any progress made on rehabilitation." Carolyn recalled that any rehabilitation progress was just destroyed by the drug dealers who both blocked construction efforts and destroyed any repairs that were completed: "The dealers would put slide bolts on the inside of the doors so we could not get access, so finally we just had to take off the doors."

Six months into the rehabilitation program it became clear to Carolyn that, if the rehabilitation was going to succeed, they would have to increase security and mount an aggressive eviction campaign to get rid of the dealers. While the security did help, Carolyn recalled everyone's frustration at how long the evictions took.

During the early phase of the rehabilitation the HDC hired an organizer through the Resident Resource Initiative* to work with the tenants on strategies to improve the tenants' quality of life and to build trust between the skeptical tenants, the HDC and Norfolk

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* The Resident Resource Initiative was a project of the Metropolitan Boston Housing Partnership. The RRI provided financial and technical support to eight Boston CDCs to hire Residents Resource Specialists (RRS) who worked with residents living in the CDCs' housing.
Management. According to Carolyn, the organizer's job was to keep from getting killed during the rehabilitation and to stay out of the way of drug busts. Trying to talk to tenants about quality of life was ridiculous when there was no quality possible at Washington/Columbia."

The organizer’s attitude, in Carolyn’s opinion, intensified the rehabilitation challenge even more. Instead of breaking down the trust barriers between the tenants, the HDC and Norfolk Management, the organizer fueled the anger and lack of cooperation by the "good" tenants. The organizer did hold tenant meetings but they were just shouting matches. Carolyn recalled that the memory of neglect and abuse of past management companies and owners lingered in tenants minds. They had no reason to believe that things would be different. Tenants were also enraged at the inability of Norfolk Management to immediately evict the drug dealers.

Instead of acting as a go between and a facilitator of communication between the tenants, the HDC and Norfolk Management, the organizer saw herself as only working for the tenants. As a result, Carolyn recalled that conflict between herself and the organizer was very high: "She (the organizer) thought that management was there to screw the tenants and that’s how her attitude came across." Carolyn felt that she needed the organizer to cooperate and be an advocate for the rehabilitation and relocation effort, finding strategies to help the tenants get involved in the rehabilitation plan and have their interests recognized. Instead, the organizer encouraged conflict and confrontation between
the tenants, the HDC and Norfolk Management and drove a divisive wedge between the parties.

Dissolving of Norfolk Management and Hiring a New HDC Executive Director (1989-1990)

According to Jim Keefe, prior to assuming ownership of Washington/Columbia, the HDC and Norfolk Management had been highly successful development organizations whose missions were strictly to build and manage affordable housing in Codman Square. The HDC and Norfolk Management board had strong representation by real estate and business professionals from the Codman Square area. Because the directors of both the HDC and Norfolk Management were respected professionals, the board entrusted their executive directors and staff with most day to day financial and administrative decisions. As a result, Jim said that in the early days of the Washington/Columbia problems, while the Board knew there were problems, they were unaware of the magnitude.

The Board, according to Jim, was also unaware of the extent of the administrative and financial crises facing both organizations as a result of the Washington/Columbia development. The daily financial shortfalls of Washington/Columbia, due to vacancies and rent arrearages, had drained the HDC and their finances eventually fell apart. According to Jim, "The system that we envisioned could not be implemented due to difficulties at Washington/Columbia. The HDC has become the tail of the management dog".

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Jim also remembered the staff talking about the tension that had built up in the HDC and Norfolk Management office as disagreements erupted between staff. Communication had disintegrated within and across both organizations and the lack of staff communication spilled over onto the board.

Carolyn felt that the problems at Washington/Columbia completely devoured the time and energy of the HDC and Norfolk Management, to the detriment of the other approximately 380 units they owned and managed. Illequipped to confront the administrative and on-site challenges of managing Washington/Columbia, the situation got out of hand. She recalled the frustration of being consumed with balancing daily crisis at Washington/Columbia with implementing a substantial recertification, relocation and rehabilitation plan. She also recalled being prohibited from leasing up Washington/Columbia and from formulating a comprehensive long term management strategy for the HDCs other developments. While Norfolk Management was remarkably successful at completing a complicated rehabilitation and relocation process, Carolyn felt that, despite the intense commitment and expertise of both Norfolk Management staff and the HDC, the Washington/Columbia problems became too severe to remedy.

According to Jim, in a matter of one year, the HDC and the Norfolk Management became driven by the Washington/Columbia development: "They were a complete preoccupation. All other management and development opportunities suffered." It was not until the HDC was on the verge of a financial crisis due to the financial gridlock that the HDC realized the magnitude of their problems. Jim remembered that the impending
cash flow crisis jolted the HDC board into forming an emergency committee to deal with the fiscal, staff, and long term management problems of the HDC. In addition to addressing the HDC’s financial crisis, the board had the additional problem of bringing on a new Executive Director because their current director had accepted a job out of state.

The HDC board hired Alyce Lee, an experienced financial officer. According to Jim, despite her lack of experience in community development, Alyce demonstrated the necessary vision and enthusiasm to confront the challenges ahead. Jim recalled that within days of hiring Alyce, changes started to occur.

In addition to hiring Alyce, according to Jim, one of the first decisions the HDC board made was to dissolve the Norfolk Management Company: "Washington/Columbia had taken on the HDC agenda and after dissolving Norfolk Management we had a real HDC again with management reporting to us rather than consuming us. We had a real sense of an organization and a means of dealing with management problems rather then being consumed by them."

Simpson Management Company was hired to replace Norfolk Management. Keith Harvey, the Regional Manager of Simpson took on the on-site management of Washington/Columbia: "When we came on board, Washington/Columbia had hit rock bottom."

Carolyn, upon leaving her job at Norfolk Management, felt that the difficulty she experienced with Washington/Columbia was a necessary step to turning the development around. The success that was later experienced by the new management company and
HDC staff was possible, in her opinion, both because the new staff were skilled professionals, but also because the majority of the stressful rehabilitation and relocation was already completed. According to Carolyn, the opportunity to isolate and target the tenants frustration and anger at Norfolk Management opened the door for the new management company and HDC staff to build a relationship with the tenants while avoiding the conflict associated with rehabilitation and relocation in a drug war.

During this transition phase, lenders and funders, concerned about the financial instability of the HDC’s projects convened the "Codman Square Review Group.” This group included Alyce Lee, Jim Keefe, Pat Canavan of the Neighborhood Development Support Collaborative, and representatives from the Massachusetts Housing Finance Agency, Boston Local Initiatives Support Collaborative, Public Facilities Department of Boston, and the Boston Housing Partnership. Part of the group’s discussion about the HDC’s over-all problems was the development of a strategy to address the Washington/Columbia drug and crime crisis.

The Integrative Management Phase (1990-1992)

The Security Initiative: The First Integrative Management Strategy

Alyce and the newly formed task force viewed the turn-over in HDC staff and management as an opening to gain some trust among the tenants. A tenant meeting was called between the tenants, the HDC and Simpson Management to identify the tenants priorities for the new management company. The 23 tenants who showed up identified
increased security as their number one priority. Cleanliness of the hallways was their second most important issue. According to Alyce, this first meeting proved to be a crucial turning point in the Washington/Columbia story.

As a result of the first tenant meeting between the HDC, the Washington/Columbia tenants and Simpson Management, the HDC and Simpson began an aggressive "security initiative" in order to reclaim control of the development from the drug dealers. The following were the primary goals of the security initiative:

- Hire a security company to patrol the development from 4:00 pm to 3:00 am every night;
- Locate the organizer in an on site office;
- Have the organizer spend 80% of her time forming a tenant organization to participate in the security initiative.

The existence of a new security patrol was the most important first step in the security initiative according to Alyce. The development was essentially a war zone, and she emphasized how difficult it was difficult to organize when tenants were too afraid to come out of their homes. In an attempt to control the security patrol, the dealers made physical threats and enticed the patrol with payoffs and drugs. According to Alyce, the magnitude of the drug operation was so great that each of the three security guards were offered $500.00 per day to look the other way to the dealing. After two months of the intense security presence, the development became a very uncomfortable location for trafficking and most of the dealers decreased their activity or moved out. Those that did not move out were evicted.
According to Alyce, it was very difficult to organize during this time for two reasons. The first challenge was the drug dealing and war zone in the development. The second challenge was that the organizer, who was kept on staff after Norfolk Management was dissolved, remained aligned with the tenants and refused to cooperate with the HDC and Simpson Management. Alyce recalled the tension that existed because the organizer formally worked against management instead of building the bridge to bring the angry tenants into the process.

Due to the organizing difficulties, Alyce fired the organizer. Upon hiring Jackie Davis, the new organizer, Alyce made it very clear that "the organizers first order of loyalty is to the HDC" and that her job was to build a tenant organization that had the capacity to participate in the security initiative and the management process.

Jackie Davis met regularly with Alyce to determine work objectives and develop strategies for action. According to Jackie, she and the HDC sought to provide a vehicle for tenants to participate in management decisions and help to determine management priorities: "My goal is to organize tenants to the point where they can organize independently and can learn enough to run the buildings themselves."

After Jackie came on staff, the organizing activities picked up substantial speed and turned from confrontational to more cooperative overnight. Jackie recalled telling tenants that "they don’t have to organize against management, but instead to work with management to run the buildings and take care of the entire community. Once we show the HDC we can work as a team, we can beat this place."
Jackie said that it took time before the tenants overcame their distrust of management, but within two months over 30 tenants regularly attended meetings with Jackie and Simpson Management. She remembered how the meetings evolved from confrontational attack sessions to more constructive discussion about what the tenants need and wanted.

To entice tenants to join the organization in the beginning, Jackie and Simpson Management’s strategy was to do the most rehabilitation in the building that had the largest turnout at meetings. According to Jackie, the tenants got to select paint colors and to identify other maintenance priorities and amenities. As other tenants saw the progress in one building, they too decided to join the group.

Once the tenant organization was off the ground, Jackie remembered that it also took time for the relationships between herself, the HDC, Simpson Management, and the tenants to smooth out. As the organizer, she was put in the difficult position of managing a complicated communication process between opposing parties and building their trust.

The Actor’s Analysis of Their Relationships

According to Alyce, due to the left-over tension between the tenants, the HDC and management prior to the integrative management campaign, it was difficult to establish trust between the various actors. Alyce, Jackie, the tenants and Keith of Simpson Management all emphasized the critical need for everyone to work together to establish this trust.
Each of the parties involved in the Washington/Columbia integrative management campaign reported that, while communication patterns were fairly flexible and unregulated, a consistent communication pattern had emerged. The tenants generally decided who they wanted to work with, and usually chose the organizer. If the organizer had a problem with management she generally approached management first and then only went to the HDC if she got no satisfaction. When management had a problem with the organizer however, he often approached the HDC, and then the HDC would send him to the organizer. However, with time, management began to go more directly to the organizer with problems. When the HDC needed to communicate with the tenants, they almost always went through the organizer. Finally, the organizer, management and the HDC staff met on a weekly basis to try to make sense of the complicated picture.

According to Alyce, the organizers role was to facilitate the communication between all the parties. Alyce described the organizers job as a puzzle that involved sorting out the appropriate who, what, how, and when of each problem. According to Alyce, the organizer was successful at putting the puzzle together due to her directness in communication with all parties and her avoidance of the smoke and mirrors game. For sake of clarity the following descriptions of these relationships are broken out and described separately.
Relations between the Washington/Columbia Tenants and Norfolk Management

The tenants of the Washington/Columbia development pointed out that their relationship with management changed dramatically after Simpson replaced Norfolk Management. According to one tenant, "Norfolk didn’t do much and they were afraid to come here. Simpson tries harder to organize and work with the tenants."

Keith was on site twice each week so that he was directly accessible to tenants. According to Keith, this intensive level of interaction between management and tenants helped to bridge the trust between the two parties. He emphasized that, since he had been involved with the Washington/Columbia development, the tenants evolved from complaining simply about individual grievances to viewing their problems from a collective community perspective. According to Keith, this evolution and the cooperation that developed between himself and the tenants was due directly to Jackie’s intervention and facilitation: "The threat of no cooperation was extremely high. Without Jackie, the tenants would not be as cooperative or as patient. It would still be me and mine instead of the community sense that exists now."

According to Jackie, the tenants organization was fairly young and did not yet exist independent of her support. To date, when tenants had management grievances or issues, they came to her instead of going to management. Jackie also played the critical role of translating the tenants legitimate frustration to Simpson, and explaining Simpson’s fiscal and time constraints to the tenants.
In an effort to get the tenants to start dealing with Simpson directly, Keith and Jackie actively encouraged tenants to go to Jackie with complaints only after they had tried to go to Simpson at least three times. According to Jackie, while the tenants were still dependent on her in their dealings with management, they were beginning to reach out on their own. For example, once, when Jackie went away for a two week vacation, the tenant leadership wrote an extensive angry letter to management outlining their grievances.

Tenants also played a critical role in the security initiative by informing Keith of drug activity in the development. The system that Keith and the tenants found successful was to have tenants write anonymous letters to management to report crime and drug activity. Since this system was implemented, Simpson Management received eight letters, which identified 15 units with crime and drugs.

The tenants emphasized that, while they had been successful at building trust and cooperation with Simpson, their relationship was still not always smooth. According to one tenant, "while management does make us feel more important, we still have to struggle to get what we want." For example, tenants were constantly involved in negotiations with management over proper extermination schedules and delivery dates for long since promised washing machines.

Keith disagreed with the tenants interpretation of the extermination and washing machine issues: "tenants don't understand that resources are short and already stretched way too thin. Tenants are not always realistic about the demands and costs of
management. He believed that this area of conflict, with the tenants demanding immediate response from management, and management claiming that resources were limited and the tenants are unrealistic, was at the core of the conflict between tenants and management.

Despite these points of disagreement, Alyce pointed out that while relations between the tenants and Simpson were not always smooth, she was not really concerned because they have a process for working out disagreements: "There will be ups and downs, but you need to accept this and roll with the punches."

Relations between the HDC and Norfolk Management

Both Keith and Jackie Recognized the importance as well as the challenge of their relationship. Keith stated that "the threat of not cooperating with Jackie would be that the tenants would not cooperate with me," and Jackie stated that "I am very pushy and bossy with Keith so I get what I want. I’m demanding and I have high expectations, but I know that’s why I’m good at what I do." Jackie emphasized however, the importance of mutual understanding between herself and Simpson Management and that the two parties needed to recognize and work with the natural tension in their relationship.

To help maintain the necessary communication between Jackie, Keith and Alyce they met weekly to go over issues in the development and to smooth out communication problems. Keith emphasized that he dreaded these meetings because management was always on the "hot seat" and they had to sustain "sever and brutal body blows."
Alyce said that she and Jackie spent 50% of their time "managing the management company" on such issues as accountability to tenant demands and cleaning up drugs and crime. While she was sensitive to the struggles of management, Alyce, however, stressed that she still needed Simpson to get the job done. According to Alyce, there were consequences to pushing management to clean up the development which caused conflict between the HDC and Simpson. For instance, while the development became more stable due to decreased drug and crime activity, they had 33 vacancies as a result of massive evictions. The HDC then had to pressure Simpson Management to address this massive vacancy problem, or risk a financial crisis in the development.

Keith felt intense pressure to keep on top of the vacancy issue as well as day to day management tasks like cleaning, preventative maintenance, and dealing with problem tenants. He had to do so while working under sever budget constraints, long term maintenance demands and extensive requests from tenants. While Keith was challenged by these issues in the meetings, he described the meetings as "lot's of process with long heart to heart talks so we can understand each others positions."

Keith stated that, while Jackie’s tough negotiating stance often put him on the spot, he understood that she needed things to happen fast in order to sustain her relationship with the tenants. He believed that, despite this pressure between himself and Jackie, the success of their relationship was due to the flexibility in their relationship. "There are no stead fast hard rules. We have flexibility to figure out innovative strategies." These strategies, according to Keith, led to the creation of a new inner city management model.
that placed an emphasis on rigid security and extensive contact and organizing with the community.

According to both Alyce and Keith, one of the structural issues that made the tenant organizing successful was that the organizer was supervised and funded by the HDC instead of management. Alyce thought that it was very important that "the tenants now have a distinction between the owner and manager that they didn't have before, and the owner is now on their side." Keith agreed with Alyce: "The organizing has to come from the owner and not the manager because of the importance of trust. There is a greater commitment from the HDC to allow the organizer the necessary freedom to organize and not be under the control of management."

The split between the HDC and manager made for conflict at times, but Keith and Jackie believed that it was helpful because it allowed them to play a good guy/bad guy routine. It allowed management to take blows from the tenants while not disrupting the trust the tenants had for Jackie.

**Relations between the HDC and the Washington/Columbia Tenants**

Alyce Lee made it very clear when she hired Jackie Davis that her first order of loyalty would be to the HDC. Eager to overcome the hostile relationship with the tenants, she needed an organizer that could balance their allegiance between the HDC and the tenants.
Alyce felt that the HDC had been successful at bridging trust with tenants, largely due to the distinction between HDC and manager that resulted from the dissolution of Norfolk Management. She believed that Jackie provided access to the HDC that the tenants did not have before which opened the door for more trust and helped to diffuse miscommunication and misunderstanding about management policy and decisions.

While Jackie’s first order of loyalty was to the HDC, she was located on site at Washington/Columbia, and worked daily with the tenants to start up the organization. When the organization started, it had only seven tenants. The group grew quickly and with in three months over one fourth of all tenants participated. The tenants developed a leadership structure that included building captains for each of the six buildings.

Jackie worked most directly with this leadership group, who assisted her in running meetings, tenant outreach, strategic planning and negotiating with management. The entire tenant group met once a month and Jackie reported that, while she was still chairing this meeting, the captains were slowly taking over this role. Jackie and the building captains also met two to three times a month, or as often as needed.

The tenants felt that Jackie played a critical role in improving the condition of their buildings, relationship with management, and their sense of community: "Since Jackie came on, there has been a big change. She got us together. We never knew each other before. If we didn’t organize, it would still be a drug city.” Another tenant emphasized that, when management was inefficient and slacked off on cleaning the hall ways or making repairs, Jackie advocated for them. According to one tenant, "we feel like Jackie
cares. Jackie is our advocate with the owners and with management. She really gets the job done."

Jackie was very careful to make it clear to tenants that she worked for the HDC, but successfully balanced this with advocacy and loyalty to the tenants: "I have to remind myself that I don’t work against the HDC. I can go just so far, and then I have to pull back. I am more of a liaison, and while I tell tenants most anything, I am still cautious."

For example, she described an incident when the tenants were threatening to go on a rent strike to push management to act faster on promised repairs. Jackie stepped back in this situation and allowed the building captains to handle to situation. The building captains had a level of sophistication in their analysis of the implications of their tactics, so Jackie felt comfortable allowing them to handle such a decision.

Jackie believed that the level of leadership sophistication was the result of her work to increase tenants understanding of the management process. If tenants were going to play a meaningful role in the management of Washington/Columbia, Jackie felt the tenants needed to understand of the demands of management such as the connection between paying the rent and supporting maintenance and security costs. She described this work as skills building and not empowerment: "You can’t give people power because they already have it. My job is simply to bring it out."

Alyce supported Jackie's goal of training the tenants on management issues. According to Alyce, they are "teaching the tenants the management system which helps them understand the connections to become better partners in the project."
In addition to working with the tenant organization, the HDC had to deal with individual tenants. Alyce said that the HDC was careful to balance their business and human development hats. She explained that individual tenants were encouraged to go first to Simpson Management with complaints and then to Jackie if they didn’t get results. Only in the worst case, when a tenant got absolutely no satisfaction with a grievance were they to go to Alyce for help. On issues of rent arrearage, while Alyce encouraged Jackie and Simpson Management to be sympathetic to tenants financial struggles, she emphasized that they still needed to pay their rent. When a tenant couldn’t pay their rent because they lost their job, the HDC encouraged Simpson Management to be sensitive and set up payment plans when possible.

The HDC’s Opinion of the Impact of Integrative Management on their Organizational Mission

Prior to the Washington/Columbia integrative management campaign, the HDC mission was solely to build and rehabilitate affordable housing and create economic opportunity in Codman Square. As a result of the integrative management campaign, the HDC’s mission was expanded to include the statement "to provide a support network to the tenants.” According to Jim, the inclusion of tenants’ needs in the HDC mission reflected the change in the HDC’s development and management approach.

Described as a non-ideological approach by Alyce, the HDC’s integrative management strategy grew directly out of the demands and challenges of the
Washington/Columbia development. According to a report done by Joe Stillman, as part of an evaluation of the Resident Resource Initiative, the HDC's original focus was to provide information and referral services to individual tenants in the Washington/Columbia development. According to the report, the HDC expressly stated in its original RRI contract that it would not engage in any organizing activities due to apprehension by HDC staff that organizing the tenants might turn the tenants against the HDC.

After Alyce was hired, the HDC's management approach dramatically changed and the HDC began organizing. Jim believed that HDC philosophy had expanded since Alyce's hiring from being concerned solely about the buildings to include the interests of the tenants. The HDC viewed the integration of tenant interests in management decisions as being linked directly to the success of management: "physical development is secondary to human needs in the long run in the developments. Our mission has expanded so that over the next ten years we will be dealing with the needs of all our tenants."

While Alyce pointed out that the initiation of integrative management was for practical and not political or ideological reasons, she did recognize that they were building a political base. The HDC was starting to link the Washington/Columbia tenants with their local political representatives and they had voter registration drives at some tenant meetings. The HDC also began to participate more in neighborhood activities, including Alyce serving on the board of the Dorchester Young Mens Christian Association. Codman
Square Merchants Association and the Codman Square Neighborhood Council. According to Alyce, while the HDC had been on the Neighborhood Council for a few years, it was not until recently that they became highly active in this or any other neighborhood group. A Washington/Columbia tenant was also brought onto the HDC board to further integrate the tenants into the HDC agenda and neighborhood strategy.
Chapter 6: Coalition for A Better Acre and the North Canal Apartments Case

Case Background

Over eight years ago, the tenants of the North Canal development in Lowell, Ma. were living in apartments that were physically and financially distressed. According to CBA staff, the owners of North Canal had treated it like a cash cow from when it was built in 1968 until they defaulted on their HUD insured mortgage in mid 1975. At this time HUD became the mortgagee in possession, but according to tenants, did no better than the owners at maintaining North Canal. HUD and the owners had virtually walked away from any responsibility for North Canal, leaving it in severely substandard condition and in need of complete rehabilitation.

North Canal was referred to as "Cement City" and "Flintstone Village" by local residents. According to North Canal tenants, they endured endless problems including aluminum window casings that leaked and froze in the winter and concrete slab construction that seeped so that the walls were moldy and stained. The doors were beaten up from years of wear and tear. Families with children suffered through cold winters with limited heat or hot water and drafty windows. The entire development had a substandard plumbing system and the children were forced to play in the mud surrounding the buildings because there was no landscaping. Very little interaction occurred between tenants because there was no space for community activities.

After an eight year strategic organizing and integrative management campaign to claim tenant control of the development and renovate it, the tenants of North Canal were
proud to say that conditions had turned around. Tenants shared their pride to be living in beautifully renovated buildings with community space and play grounds for the children. North Canal had shed its reputation as "cement city" due to its beautiful new brick exterior and decorative architectural improvements and instead neighborhood residents began to refer to North Canal as "the Miracle on Moody St."

According to CBA staff, the campaign to "Save North Canal", as it was named by the North Canal Tenant Council (NCTC) and the Coalition For A Better Acre (CBA), required over eight years of strategic organizing to seize control of the development. It required careful planning and coordination to create an ownership and management structure that allowed for tenant control.

The Acre Neighborhood

In the 1980s the Acre Triangle was located in Lowell, Massachusetts. It was approximately two square miles and was bordered by the Merrimack River, the Pawtucket Canal and the University of Lowell’s downtown campus. The Acre, considered the point of entry for many immigrants, was a multicultural community comprised of 45% Hispanic and 40% Southeast Asian households. The remaining 15% of the Acre’s tenants were African American, Caribbean, French Canadian and Greek.

According to the 1980 U.S. census, the Acre contained the highest concentration of poor immigrant communities in this city of 15,000 with nearly 85% of all Acre tenants living below the poverty line. The average household annual income of a Hispanic family
was below $5,900.00 and approximately one half of all Southeast Asian adults were unemployed. While no statistics existed on drug or crime activity in the Acre, CBA board and staff reported that drug trafficking, prostitution and arson had increased noticeably over the past few years.

According to the Coalition For A Better Acre, a non-profit community development corporation which worked in the acre, in the late 1980s a significant number of the Acre housing units were wrought with dangerous housing code violations. Over 93% of the predominantly wood housing units in the Acre were over 50 years old and had seen little maintenance or investment. Even though CBA statistics documented that up to 75% of the rental units in some areas of the acre were uninhabitable and ready for condemnation, the organization reported that many families occupied the units, enduring unsafe, unsanitary housing.

The stability of the Acre community had become threatened by the public and private sector re-birth of Lowell as an urban center in the early 1980s. The relocation of high tech firms and the development of Wang laboratories were two among many of the development projects that placed economic pressure on Lowell’s low income communities.

The Coalition For A Better Acre

The CBA was a community-based non-profit organization that clearly had its roots in community organizing. The CBA was born out of a neighborhood struggle to protect
the Acre from gentrification and institutional expansion. It was founded in 1982 by a group of local churches, Hispanic organizations and Acre tenants, to stop the City sponsored urban renewal plan to demolish the Acre Triangle neighborhood. CBA’s goal was to preserve the Acre as a housing and economic resource for Lowell’s low income immigrant population and bring together local residents and institutions to create resident inspired and controlled community-based economic and affordable housing development.

Angel Bermudez, a CBA board member, described CBA as much more than real estate developers. In his eyes, they were an agent of the community and worked to address multiple issues affecting the community such as affordable housing, jobs, and quality of life issues such as health care, school issues and safety.

According to Angel, while housing development represented a big part of CBA’s work, empowerment and developing community leadership were their primary goals. While Angel admitted that simply developing housing units would be easier and quicker, their mission in the community was better fulfilled by prioritizing leadership development. This commitment to leadership development was reflected in the CBA organizational objectives and priorities:

- The retention of safe and affordable housing for poor and minority Lowell residents in the Acre and throughout the city.

- The organization of poor white and minority Lowell residents to develop political clout and to demand better city services, more resources for their neighborhood, and increased low income and subsidized housing opportunities.
The revitalization of the troubled "Acre" and the implementation of a tenant sponsored development agenda in that community.

Majority control on the CBA board belonged to active neighborhood residents, and minority representation went to neighborhood institutions. The board had an economic and racial balance that reflected the balance in the Acre community. Two seats on the CBA board were reserved for North Canal tenants.

The North Canal Apartments

The North Canal Apartments was a HUD assisted development located in the Acre neighborhood. Prior to the campaign to save North Canal, its physical condition was similar to that of the entire neighborhood, substandard, unsafe and unsanitary. As previously stated, the tenants of North Canal were forced to endure limited heat and hot water, leaky, moldy walls and drafty windows. The unsightly concrete exterior was surrounded by muddy, un-landscaped grounds that offered no play space for children and no areas in which the community could gather.

The North Canal community reflected a multicultural mix that was similar to the Acre neighborhood in which it was located. According to a survey done by CBA in 1991, North Canal was inhabited 58% Hispanic, 18% white, 10% Indian, 8% Asian and 6% African American households. The majority of North Canal’s 267 units were occupied by approximately 200 families, the remainder being single and elderly people. While the Acre Triangle was plagued by drugs, crime and violence, CBA staff reported
that the North Canal community had far fewer social problems than the surrounding
neighborhood.

According to the CBA, North Canal’s problems began in 1968 when it was built on an urban renewal site, which before demolition, had been a French-Canadian community that was known as "Little Canada." Shortly after construction, the owners of North Canal, a Boston based company called Development Corp. of America, stopped making mortgage payments and repairs, leaving the buildings with structural problems that threatened the health and safety of the tenants. In 1981 HUD finally initiated foreclosure proceedings, but then waited until 1985 to take physical possession of North Canal. According to CBA, HUD did so in order to re-capture the remaining mortgage debt.

After HUD foreclosed, they initiated a public auction of North Canal. According to CBA staff, word of the auction pushed the North Canal tenants into action. The tenants took charge, organizing a campaign to guarantee a tenant and community based preservation solution.


In January of 1986, CBA hired a tenant organizer, Mike Fogelberg, to address the threat of the auction, to build the North Canal Tenant Council (NCTC), and to help the council take ownership away from the absentee owners.
Mike recalled that his first organizing task was to establish relationships with the North Canal tenants. He did extensive doorknocking to visit existing leadership and to search for new members. Mike used the substandard conditions and the neglect of HUD and the owners as an appeal to tenants to convince them to join. According to Mike, "I talked to the tenants as if they were the real owners and used the appeal that the community should own and control North Canal."

From the beginning, Mike made it clear to the tenants that CBA’s goal was to help the tenants own North Canal. While the future ownership structure was unclear at this stage, he emphasized that CBA was committed to tenant control. At this stage of the campaign, his job was "to build a union of CBA and the tenants, but to develop an independent tenant council with its own name" to give it political autonomy and power.

Mike did extensive education with the tenants, explaining to them the multiple tracks of the campaign including technical, legal, political, development and organizing. He kept the tenants focused on tasks and agendas, all building toward the vision of community control.

Mike described the campaign as clearly "us against them", with the CBA and the NCTC fighting against HUD and the owners. The strategy he used was to balance pressure and negotiation tactics to get HUD to transfer North Canal to the community: "The strategy was to beat up on HUD and to let them know that we meant action." CBA and the NCTC recognized the risks, however, in such a strategy because they did not want to sour their relationship with HUD or push them towards an auction too fast, thus
diminishing their chances for ownership. Notwithstanding their cautionary approach, CBA and the NCTC undertook some provocative actions.

Mike described the first of a series of strategies to pressure HUD not to auction North Canal. CBA and the NCTC invited HUD to a meeting at North Canal which was attended by over 250 tenants and community members. The tenants prepared questions intended to grill HUD and put them on the spot to cancel the auction. According to Mike, because HUD was legally bound to the auction, HUD could only agree to inflate the auction price to help prevent a sale.

After establishing a working relationship with the local HUD office, CBA shifted its attack to the New England HUD officials. At a HUD regional conference of local town planners on affordable housing strategies, the NCTC staged a picket and theatrical demonstration. The tenants picketed, handed out leaflets to conference attendees and successfully pressured John Mongan, the Regional Director of HUD, to come outside and address the group of 25 tenants. The tenants had a toilet and a person dressed as President Reagan. In front of television and news paper crews, the President Reagan character spoke sarcastically about how much HUD had done for low income tenants and then flushed Section 8 and North Canal leases down the toilet. Mike recalled "President Reagan's" closing comments: "HUD putting on a conference on affordable housing is like a cigarette company putting on a lung cancer conference."

Following these meetings and actions, the CBA and NCTC had established a constructive relationship with the local liberal HUD staff and had placed the regional
republican appointees on the hot seat. Their strategy then turned to targeting the owners. Mike recalled that CBA and the NCTC knew that HUD would appreciate avoiding the hassle of a formal foreclosure and public auction, so the tenants started pressuring the owners to transfer the deed to HUD in lieu of foreclosure.

Mike conducted extensive research to identify the limited investors in North Canal. It was discovered that one of the limited partners was George Kariotis, who was running for governor against Michael Dukakis. CBA and the NCTC used this information as an organizing opportunity and targeted Kariotis, getting his commitment to help the tenants. They then used Kariotis' commitment to tenants to pressure Governor Dukakis to make the same pledge.

Mike also worked with the NCTC to file a major law suit against the owners, demanding that they post a bond equal to the amount required to repair North Canal. In addition the suit included a damage claim amounting to almost one million dollars which was filed by 50 tenants to compensate them for the code violations they had endured. The tenants participating in the suit agreed that any financial settlement would be used to help finance a tenant purchase of North Canal.

The North Canal tenants won in court and the judge ordered the owners to transfer the deed to HUD in lieu of foreclosure, thus rendering the auction null and void. After the court victory, Mike explained that the campaign changed: "The campaign to Save North Canal was of a different process and nature. Before the court victory, it was the NCTC and CBA against the outsiders (HUD and the owners). After, it became more
planning and negotiation with HUD." Mike also recalled that the relationship between CBA and the NCTC was changing: "A greater level of detail would need to be worked out about what the tenants and CBA wanted as ownership partners."

According to Mike, following the legal victory the door opened for negotiations with HUD over the disposition of the property. Mike left CBA at this point.

The Development Phase (1987-1989)

According to CBA staff, because the NCTC was instrumental in getting HUD the deed in lieu of foreclosure, they were in a strong position to negotiate for tenant control of North Canal. 10-18 tenants and CBA staff were regularly involved in meetings and negotiations with HUD over the ownership of North Canal. According to Ron Applegate, the Development Director who participated in the negotiations near their ending point, "we really came together around key issues and relationships. We developed an ability to deal with issues of disagreement and move towards consensus and live with the constant reassessment and changing of plans."

As documented in "The Campaign to Save North Canal"45, a booklet written by CBA which described the North Canal development and organizing effort, the CBA and NCTC had to mount a major effort to generate public and private support to assist in the transfer of site control to the community. CBA and the NCTC termed this "moral site control" around which they organized a community planning process. For strategic
purposes, HUD was included in putting together the development plan. The development principles determined by the group were: 1) no displacement of current tenants; 2) permanent affordability of the units; 3) full rehabilitation of the property and; 4) joint ownership by CBA and the NCTC.

The CBA and NCTC met regularly with HUD to demonstrate progress on this plan. While HUD did not commit to community control in the beginning, according to the CBA, HUD was beginning to buy into the idea. According to Angel Bermudez, a CBA Board member, in order to instill confidence in HUD and the potential investors, a critical issue was structuring the deal in a way that balanced tenant control with a display of financial control and development experience. For this reason, the North Canal Housing Trust (NCHT) was established as the legal ownership entity for North Canal and was a partnership between CBA and NCTC. The NCHT board was made up of nine people, five from the CBA board and four from the NCTC, effectively giving CBA 60% control and NCTC 40% over decisions about North Canal. Angel pointed out that this power balance was necessary to secure the development financing. In practice however, the CBA board made sure that one of its five seats was filled by a North Canal Board Member, effectively guaranteeing North Canal tenants five of the nine seats.

HUD eventually agreed to transfer site control to the NCHT. According to Angel, the structure of the North Canal deal was such that the tenants had control over all decisions about the development with input from the CBA board. He felt that the sentiment of the entire board was that "because the North Canal tenants are a corporate
partner in the development as well as CBA, they absolutely also have to have a say in CBA’s business." This reciprocal relationship according to Angel "is not a wishful request, it’s an absolute."


According to Ron, "the extensive work around the law suits and HUD negotiations provided the basis for the NCTC to have the knowledge and flexibility to deal with the negotiation madness during rehabilitation and relocation." He believed that the experience gained during this phase clearly contributed to the tenants capacity to negotiate and helped further unify and strengthen the relationship between CBA and the NCTC.

CBA’s commitment to tenant control was carried through to this phase of the campaign, as Angel pointed out that "all the contractors and the architect were chosen by the tenants and from the beginning it was made clear that the tenants were the bosses." Maloney Properties, which later became the property manager, was brought on board at this time to handle the tenant relocation.

The NCTC worked together with Maloney Properties and Ron to develop a relocation plan and construction schedule. But, according to Ron, this plan was constantly changing due to unpredictable construction schedules. He recalled the need to work closely together: "Problem solving was always going on. It was common sense rational approach in which communication was the key." Ron’s role was to facilitate the communication and he recalled in dealing with the complicated construction process that
'only by working with the tenants did I really come up with creative solutions and strategies.'

One example of the difficulty of construction was the relocation process itself. Ron explained that the tenants were only supposed to move once, but in reality people had construction workers coming into their homes 10 to 20 times. In addition, the average number of households who had to move at one time was six. Because each unit took six weeks to complete, that meant that 36 households were moved at one time.

According to Ron, to help mitigate tenants frustration with the erratic relocation schedule, CBA hired a North Canal tenant to serve as the relocation liaison. Her job was to communicate all moving schedules and changes to tenants. In addition, six tenants were hired to provide daytime security when units were under construction and nighttime security when the construction equipment was not being used.

Ron recalled that "in the dynamic, everybody had a role and the answers emerged out of the group process, not based on the expert categories of management or construction. We concentrated on defining the problem and using group process to find solutions."

Ron continued to work with the NCTC on development issues after the construction was completed. To Ron, "the tenants role in this process is pivotal. I don’t want to glamorize it in an unrealistic sense. It’s not that we have a different kind of tenant, but rather a belief in a group dynamic and process. There is no controlling or keeping secrets. Manipulation doesn’t enter in because everybody in the process is equal.
We are all willing and able to take the risk to let the group come up with the right answer."


CBA employed a tenant organizer to work with the tenants to provide ongoing support and to bridge communication between CBA and the tenants. The tenant organizer’s salary was paid for with funds from the North Canal project. According to Angel, "the job of the organizer is to organize and not provide social services. The organizers job is to build tenants skills and management expertise and to help hold management accountable." He explained that the organizer also had to facilitate communication between CBA, the NCTC and Maloney Properties.

The tenant council was made up of 13 North Canal tenants who were elected by the entire North Canal community. Pedro Alguila, the President of the NCTC, emphasized the importance of accountability to the community by the NCTC. He explained that the structure and process of the NCTC was set up so that members represented everyone and not their personal interests: "We make decisions based on all 267 families. When we sit at the table we are not only deciding for ourselves, but for the whole community." Pedro also emphasized his personal motivation for serving on the council: "You want to live with the freedoms that your kids are safe and also with the pride that makes you feel like you have done something good for yourself and for your next door neighbor."
Actors Analysis of their Relationships

Ron Applegate explained that the relationships and communication between the NCTC, CBA and Maloney Properties were of a supportive and open nature: "Things are fluid around here because the tenants and Maloney have confidence in each other. There are no ego hang-ups. Everybody comes into the process as a human being and works out the problems. We blended a community group and a tenant group that fertilized each other. Each understands each others issues. We really are creating new structures for working property development and management out."

Within the formal ownership structure, while CBA was the principle partner, it was made clear to the NCTC and Maloney Properties that the NCTC was the ultimate boss. According to Ron, the CBA supported the NCTC decisions and facilitated the relationship between the NCTC and Maloney Properties. According to management staff, while they understood that the CBA was legally their boss, they were still obligated to principally respond to the wishes of the NCTC.

For the purpose of this case, while it will be helpful to break down the relationships between the various actors for sake of clarity, it is important to emphasize the circular nature of all the relationships and the base of equality, mutual trust and cooperation that existed between CBA, the NCTC and Maloney Properties. According to the CBA staff, the cooperative relationships were sustained by a level of trust and a commitment to open communication.
Relations Between NCTC and Maloney Properties

According to Pedro Alguila, the president of the NCTC, the NCTC board and Maloney Properties both understood that the NCTC was ultimately in control of decisions in the development. These decisions included setting all management policy, making budget decisions such as determining rent levels, establishing maintenance priorities and participating in long range capital planning. According to Pedro, when Maloney Properties was hired, the Tenant Council was careful to make sure that they hired a management company who respected and was committed to tenant control. Most importantly, he said that "the company hired understood our struggle to control North Canal."

Lynn Delidow, the on-site property manager’s sentiments reflected management’s commitment to tenant control: "Managing for us is easier because the tenants are our bosses. They provide direction for us to carry out our jobs. It works because people believe and know they have a say. When you don’t really give the tenants true input, the process won’t work."

As a result of the tenant control in the management hiring process, Ron believed that "there is really very little questioning about Maloney Properties because the tenants don’t feel that they gave up anything up in hiring them". All parties involved agreed that this trust facilitated positive communication and cooperation between the NCTC and Maloney Properties.
Margaret Miley believed however, that the perception of Maloney Properties by the tenants at large was different than that of the NCTC: "Some of the tenants at large see management as the owners, and it is an ongoing struggle to change this. But they do know that they can go to the CBA to the NCTC if they have problems. The NCTC understands that they hired Maloney Properties and that the Council is the ultimate boss."

When Maloney Properties was hired, Lynn Delidow recalled the struggle the tenants were going through in making the shift from a fighting organization to one which was working to build a community: "People had fought for over seven years to make North Canal a nice place to live. Their battle was difficult, and the rehabilitation and construction was difficult. The tenants were so used to struggling to get their needs met that it was difficult for them to begin focusing on working together and building a community." According to Lynn, the tenants made the transition well, and communication between herself and the NCTC was very smooth.

Lynn felt that the NCTC was very good at articulating their issues and concerns which she believed came from the extensive experience the NCTC gained while working together in the ownership negotiations. She also attributed it to the NCTC's extensive management training which had come from CBA, not herself, and which helped to give the tenants an autonomous relationship with Lynn in the policy setting process. Sometimes, however, Maloney Properties did provide technical help on decisions, especially complicated decisions that were affected by HUD regulations and tax codes.
One of the most challenging tasks for the NCTC and Maloney Properties, according to Ron, was to set and implement management policy together. He remembered that when Maloney Properties was hired, the tenants wanted to rewrite the entire management regulations, policies and procedures. While they wanted to do this immediately, they waited until management was on board and then together, with their organizer and the management company, rewrote all the policies. Ron believed that the tenants' organizing experience had given them the confidence to follow through on the management policy process.

The formulation of the tenant selection policy was an excellent example of the success of the policy setting process. According to Lynn, Maloney Properties and the NCTC worked cooperatively to establish the policy, taking into account the tenants interest in being involved in tenant selection and Maloney Properties interest in expediting a tedious and lengthy process. The agreed upon a policy was that Maloney Properties would meet first with applicants to conduct the eligibility and interview process. If applicants were eligible, they would then meet with the NCTC to receive an orientation about the history of North Canal and learn of opportunities to become involved in the Tenant Council. Lynn believed that this policy provided a simple and clear process which effectively allowed Maloney Properties and the NCTC to select residents for North Canal.

Lynn and the NCTC dealt with other management issues on an ongoing basis through a management committee which was a sub-committee of the NCTC. The committee met monthly to review policy, make decisions and discuss issues in the
development such as anti-drug and crime strategies, maintenance priorities, financial decisions and individual tenant grievances.

Pedro said that the NCTC and Maloney sometimes played a good cop, bad cop routine when implementing management policy. "We have a good relationship and good communication and we can help each other so one party doesn’t have to take all the heat." The NCTC tried not to get involved in individual cases such as evictions, instead they worked on overall policy for the development. This allowed the Tenant Council to avoid difficult eviction decisions, and Pedro believed, also allowed Maloney to fall back on the Tenant Council policy when having to be tough with an individual tenant. In all cases however, Pedro pointed out that tenants could always come to the NCTC or to the CBA board with grievances. One example of this was that kids were constantly fighting in the playground. Maloney Properties and the NCTC intervened by meeting with the families involved. When meeting with the families, Lynn said that Maloney Properties focused on enforcing the rules of the lease and the NCTC members played the role of facilitator between the family and Maloney. According to Margaret, "once again a group problem solving process was used. The families came up with the solutions themselves."

There was a reciprocal exchange of information between Lynn, members of the committee and Margaret which Margaret believed stemmed from the mutual trust which had developed between the parties. Lynn agreed and said that "I don’t look at is as tenants making demands on me or as making complaints. This is too negative. They have legitimate concerns about their neighborhood and their community and this is there
home and they should have the right to say what they want. As a manager I need to be sensitive to this." As a result, negotiation around management policy was usually conflict free. According to Lynn, "all the discussion and decision making is done so openly that the process never really broke down."

Ron felt that Maloney had a great willingness to really be part of the partnership and were always willing to get in and work through the tough issues: "Lynn is a good balance of rigidity and flexibility. She is a good role model for the tenants about the value of rigidity and she has helped the tenants increase their skills and understanding about the complexities of property management."

According to Lynn, Maloney’s staff at North Canal were trained to take all complaints seriously and to look into every issue: "Tenants don’t make up issues. All issues are real, including personal and structural complaints." She felt however, that following through on this sometimes required extensive flexibility on the part of management to be able to respond to the diversity of tenant concerns: "We are always dealing with social issues and a zillion other issues that need attention. This makes it hard to keep up with the paper work and other administrative demands."

Ultimately, Lynn believed that there was an accountability between herself, the NCTC and the tenants at large which made it easy for her to implement and enforce the rules that they design: "I feel the sense of access tenants have to the process makes it easier for me to enforce the rules. The tenants are more willing to cooperate with the
rules because the rules were designed by the NCTC, and that if they are unhappy, they have access to change them through the Council."

Relations between CBA and Maloney Properties:

The relationship between CBA and Maloney Properties was described by both parties as one of open communication and cooperation. According to Lynn, "it's such a good relationship that it's hard to pick it apart. On a daily basis, I don't look at it as CBA being the owner. We just work well together".

Lynn felt that, "a great part of our success is the personalities. If there is a disagreement, we work on solutions together and move on." Still she recognized the structural reality of relations between herself and CBA and pointed out that the CBA was the owner, and therefore she worked for them. Lynn, however, also pointed out that she really didn't differentiate between CBA and the NCTC: "The tenants really need to feel that they have control and are included in the decision making." Despite this, Lynn still looked to CBA for direction about how to proceed in the management process and was in touch daily with Margaret and Ron to talk about issues that needed to get presented to the Management Committee such as policy review and tenant grievances. Lynn also met with Ron to discuss capital improvement issues, and she consulted with CBA about major issues such as transferring funds and budgeting processes.

Margaret agreed that relations between CBA and Maloney Properties were very healthy. Margaret said that she and Lynn were in constant contact, and shared ideas and
information. Margaret, however, said she was careful to balance her allegiance between the CBA, NCTC and Maloney Properties: "I pass on information about drugs and other serious issues in the development, but not personal issues like non-regulation pets or additional income earning tenants who are not listed on the lease. I am not a cop and I need the tenants to trust me. I am trying to get the participation of the tenants and if they think I will turn them in, then they won’t trust me."

Margaret also said that she struggled with what she called "living the lie." She felt her job was difficult because "getting people out of their homes, making decisions as a group and taking control of their lives is hard when they are afraid that their lives will be examined," especially if they were socially or legally vulnerable. Margaret explained that, for this reason, she left tough decisions up to Maloney Properties such as evictions when people were breaking the lease. This allowed her and Lynn to play an effective good cop and bad cop routine. According to Margaret, she was usually the carrot in a tough eviction and Lynn was the stick and that she and Lynn needed to understand the difference between advocacy and management.

Despite this close and cooperative relationship, Lynn believed that management and organizing should be kept separate because there was too much potential for a conflict of interest to develop: "When an organizer’s role is to work on building and empowering a community it is difficult for that same person to also be responsible for enforcing rules."
Relationship between CBA and NCTC

The relationship between CBA and the tenant council was also described by both parties as healthy. According to Pedro, after years of working in a partnership to gain control of North Canal, the two parties had developed an egalitarian and trusting relationship that had helped when addressing management and ownership issues.

The CBA however, according to Pedro, still played a crucial support and training role with the NCTC: "The CBA has experienced people who are very helpful to us in making decisions. The CBA guides us in decisions instead of controlling us. It's like a father and son relationship, they guide us to make the best decisions we can for ourselves."

Pedro believed that the NCTC understood that they didn't actually have a legally controlling interest in the development. He also stressed that the NCTC understood that Margaret worked for the owner, CBA. But, because CBA was committed to tenant control and had structured representation on the NCHT board, Pedro believed that the NCTC was able to view their relationship with CBA as a partnership: "It makes a difference having a partnership instead of having CBA be the official owner. As partners, we are here to help each other. If CBA were the owner, then they would control us."

Margaret saw it as her job to facilitate the relationship between CBA, the NCTC and North Canal tenants. This job was fairly easy according to Margaret because she believed that everybody in the CBA was committed to tenant control. She said that the goal of tenant control was consistent with the CBA mission, and that it made sense as the
best way to manage housing: "The tenants feel more ownership and take more collective responsibility for the development." In addition, Margaret believed that tenant control offered a good way for the community to get to know each other and to reinforce personal contact. The benefit of personal contact, according to Margaret, was that it helped to support a process for resolving conflict in the community: "They have a foundation from which to work. Tenant control fulfills both a practical and philosophical goal."

Margaret also described her role as communication coordinator and she spent a good amount of her time helping the parties understand each other's interests. But, because the tenant council was fairly sophisticated, she actually spent more of her time, which she said was still minimal, assisting in conflict resolution between individual tenants and Maloney Properties rather than between the NCTC and management or NCTC and the CBA. She attributed this to the inherent trust between the parties.

The NCTC, Margaret and Ron all worked together on decision making about issues in the development. Margaret and Ron's role was to try to help the NCTC frame and then support the decisions they needed to make. Within this role, both Margaret and Ron still felt that they needed to balance their commitment to tenant control with their commitment to CBA. For example, CBA helped the NCTC establish rent levels but still left the final decision to the NCTC. Ron and Margaret felt confident that the NCTC would make a responsible rent decision largely because the NCTC had received the necessary financial training to understand the budget implications of their decision and the effect it would have on the stability and condition of North Canal.
Margaret said it was sometimes hard for the NCTC to "see the greater social good rather than the individual need" which required her to assist in some decision making. For example, Margaret remembered a situation when a neighborhood leader wanted to overstep a waiting list procedure to let in a family that they knew would compliment the community. In this situation, Margaret saw it as her role to remind the tenants that if they made exceptions to their tenant selection policy then they were actually changing that policy. After framing the decision in this manner, they kicked Margaret out of the room and took a secret vote. According to Margaret, "the secret vote was an excellent process for resolving sensitive issues among the group." Margaret believed that this was an example of the skills transfer which she made a priority in her job.

Helping tenants build skills was a tough job according to Margaret because it required an intensive amount of time. She also found that because most tenants worked and had families, the time they had to commit to the council was limited. This forced her to struggle with how much she should do herself, and how much she should commit to building the tenants capacity to do for themselves.

The NCTC decided to give homeless people priority for vacant units after the rehabilitation was completed. Because of this, Margaret pointed out that there was an increasing need for social service provision because North Canal had 50 new tenants who came from homeless shelters. Margaret said however, that at times she needed to walk a line between social service provision and organizing: "I try my best when big problems arise to lay out people's options. People confide in me in ways that they wouldn't talk
to others, especially the kids. I find myself informally counseling, even though this is really not my job or what I want to do." She believed this stemmed from the fact that she spent most of her time hanging around and talking with tenants to build trust.

Margaret worked with the NCTC to doorknock in the development to identify tenants' needs and to try to keep membership in the council active. According to Pedro however, one problem the tenant council ran up against was the difficulty of keeping tenants involved because there were no more huge problems. Pedro asked himself, "what do we have to offer these people to get them involved? We just enacted a one year rent freeze and I ask myself, do these people really care?" He believed that despite this struggle, "it is better for the community and for North Canal as a whole if we remain organized. It is worth the struggle to keep pushing people to get involved in the NCTC."

The CBA's Opinion of the Impact of Integrative Management on their Organizational Mission

According to Angel Bermudez, the CBA used an empowerment approach in their housing development and management work that emphasized the importance of community control: "When it comes to tenant issues it's a difficult process. You can't put people into a Lotus spread sheet. It requires an intensive people process and training and support." Yet he acknowledged that there were barriers and challenges to this approach, and as such, the CBA Board's predominant consideration was the housing finance angle. Angel emphasized, however, that the CBA Board was well aware of the
potential tension this could create and always sought creative solutions to problems that considered both tenants' quality of life and housing finance.

Angel believed that the success of the empowerment approach hinged on the ability of the tenants to make responsible decisions about the development from a business and a social perspective. This required extensive capacity building to develop the necessary skills as well as support in making decisions. The primary focus for the training was on development finance and budgeting, management policy, organizational process such as running meetings, outreach and leadership development and writing newsletters. He explained that "North Canal is run as a business and the tenants are trained as business analysts and development partners." Because of the intensive skills building and training of the tenants by CBA, Angel said that the CBA never felt nervous about giving control to the tenants. He said that the North Canal tenants understood the economic impacts of all their decisions and believed that the quality of their life at North Canal was coming right out of their pockets.

Angel explained the importance of addressing conflict directly: "Issues of conflict are avoided, but instead are dealt with in an open forum." He also pointed out that the communication process demanded a slow and careful process, but that economic demands wouldn't always allow this. While the NCTC may have wanted to assist a family with a severe rent arrearage, the CBA, as the principle financial partner, often chose to move towards eviction faster.
Angel also emphasized that the success of CBA's empowerment approach required a management company that was committed to tenant control. According to Angel, "you need to hire a management company that is highly skilled in management and people skills."

Finally, Angel said that the empowerment approach "from a business perspective makes absolute sense, and from an organizing and empowerment perspective it's even more critical for tenants to have a voice on the CBA Board. It's important not to have the tenants isolated from the issues in the neighborhood in which North Canal is located."

The NCTC had official representation on the CBA board and there was a clear process for North Canal tenants to bring issues to the CBA. Angel however recognized the conflict that could arise between the tenants and the CBA board due to the potential divergent interests between CBA and the NCTC on issues of development finance, maintenance and rents: "Our biggest fear is that 50 North Canal tenants will picket our office. But our attitude is that if this has to happen, it should. That is what were training them to do. It's fair game as far as I'm concerned."
Chapter 7: Analysis and Conclusions

As demonstrated in the Coalition for a Better Acre and Codman Square Housing Development Corp. cases, central to the CDCs transition into the role of landlord and property manager, particularly in distressed developments and neighborhoods, is the recognition that the tenant communities interests and issues are integrally linked to the success of the housing. In both cases, in which the CDCs took over severely distressed developments, they used integrative management strategies to transform the typical tenant/landlord relationship and to bridge communication and partnerships between themselves and their tenants.

According to ideas expressed in the CDC and organizing chapters, CDCs that attempt to change the traditional tenant/landlord relationship by combining organizing with management, must walk a difficult strategic line. While remaining true to a vision of social change and empowerment, CDCs must also adopt a professional and technical practice. The challenge of combining organizing with management, essentially the ability to walk this strategic line, was exemplified by both the Coalition for A Better Acre and The Codman Square Housing Development Corp.

Even more extraordinary was both CDCs ability to achieve integrative management success in the face of a complicated take-over rehabilitation development process that involved the acquisition, rehabilitation/relocation and management of distressed developments. Both CDCs proved that organizing tenants during such a complex process was not only possible, but could actually contribute to the success of the
development process if sensitivity was applied to the changing nature and role of organizing during the different development stages.

Both the CBA and HDC believed that the varying pressures and priorities of each party, the changing relationships through the stages, as well as the potentially unequal power each possessed in the process, had the potential to cause disagreements over development and management decisions. Both CDCs believed that this conflict could not be discounted or ignored. Their integrative processes recognized that legitimate divergent interests were likely between the parties and that it was unrealistic to expect to erase the conflict that resulted. Instead, both organizations felt that the stability of their housing depended on the ability to meet the conflict head on, and work through it using a collaborative process and collective decision making procedures that helped to bridge partnerships and level the playing field between typically unequal parties.

In a comparative exploration of integrative management, this chapter will 1) highlight the key distinctions between the CBA and HDC cases to provide a greater understanding of the different conditions under which each initiated integrative management; 2) examine the integrative management approach used by the CBA and HDC and discuss both CDCs ability to use organizing to integrate tenants into the different stages of the take-over rehabilitation process; 3) discuss the nature of integrative management and its relationship to and effect on the CDCs overall mission and practice; and 4) draw conclusions about the integrative management process in an attempt to
identify the common themes that could help inform other CDCs undertaking similar campaigns.

The different conditions under which ownership was assumed

The integrative process of both the CBA and HDC hinged on their ability to recognize the challenge of adapting their organizing strategy to the appropriate stage of development. The need, however, to adjust to the different stages of development and the inclusion of multiple actors and conditions in the process made the development process complex for both the CBA and HDC. As a result, both met with varying degrees of success. The following comparison and analysis of the two cases will focus on each CDCs transition from and organizing process within each stage. In doing such analysis however, close attention should be given to the following issues, circumstances and, in some cases hurdles, which had an affect on their varying level of success:

- **The varying degrees of practicality and ideology in their integrative management approach**

  **HDC:** While the HDC recognized the value of the empowerment process, they made it very clear that their primary motivation for organizing the Washington/Columbia tenants was, from a business perspective, to capture control of the development away from drug dealers and to allow for rehabilitation.
CBA: While CBA admitted that the integrative process made practical business sense, their primary commitment and motivation for organizing the North Canal tenants was to encourage empowerment and expand community control.

- **Different process under which ownership was acquired**

HDC: The HDC agreed to take ownership as part of a city-wide effort to save Washington/Columbia and the other Granite Developments. Washington/Columbia was outside of the HDC’s turf and the HDC had no connection to the tenants prior to ownership.

CBA: Assuming ownership of North Canal was part of a shared neighborhood vision between North Canal tenants and the CBA. The two parties worked together as an organizing team and targeted the abuse and neglect of the owner and HUD to gain support for their alternative community ownership plan.

- **The differences in the tenant community upon acquisition**

HDC: The HDC was reluctant to assume ownership due to Washington/Columbia’s reputation as a development infested with and controlled by drug dealers, criminals and vandals.

CBA: While North Canal had some problem tenants and drug dealers, their overall reputation was that of the "cream of the crop" in the distressed Acre community.
Different views of ownership and tenant power when the campaigns were initiated

**HDC:** When the HDC assumed ownership, while they hired an organizer to help involve the Washington/Columbia tenants in the management process, they made it clear that the HDC was the owner, and had final say over all decisions.

**CBA:** From the beginning and throughout every stage of the North Canal campaign, it was made clear that the tenants were the boss and the role of the CBA, the architects, contractors, and management company was to work on behalf of and for the tenants' interests. CBA and the tenants carefully crafted an ownership structure that gave tenants decision making control, while allowing CBA, for financial purposes, to be the actual majority owner.

These conditions led to substantial differences in the CDCs integrative management campaigns and resulted in varying degrees of success at achieving a cooperative tenant/landlord relationship. Because the CBA had a ideological empowerment approach and integrated organizing into all stages of the take-over rehabilitation process, trust and cooperation between the CBA and NCTC permeated all of the development stages. The HDC, however, experienced tremendous difficulty in their first year of ownership due to their business approach, acquisition process and the stressful tenant dynamics. As a result, the HDC had to struggle to build trust and cooperation between themselves and the tenants throughout the integrative management
process. The following analysis of the three development stages illuminates the issues and strategies of the CBA and HDC’s integrative management campaigns in greater detail.

Analysis of the CBA and HDC’s Integrative Management Processes

Integrative management Philosophy:

**HDC:**

The HDC’s integrative management approach emerged from a business perspective, and was used as a means of securing their housing investment. The HDC mission was strictly to build and rehabilitate affordable housing in the Codman Square neighborhood. While they expressed sensitivity to resident issues and concerns, their priority was the financial stability and physical security of their housing investments.

The HDC organized the tenants in the Washington/Columbia development in order to unite them against the drug dealers that were destroying the HDC’s property and the lives of the tenants. The HDC, however, had avoided organizing in their other developments and were reluctant to use it at Washington/Columbia due to fear they expressed about the potential for organized tenants to take over their developments.

**CBA:**

The CBA approached integrative management from a deeply rooted organizational ideology of empowerment. Integrative management was part of CBA’s organizational mission which was to empower residents in Lowell’s Acre neighborhood to strengthen their ability to control their own destiny.
To accomplish their primary goal of building neighborhood power, the CBA organized tenants around housing development and used this process as a tool to assist neighborhood residents in achieving their vision of control. While they emphasized the importance of keeping a strict business perspective to their housing development work, the CBA kept this in close balance with the human aspect of development and sought to balance priorities of preserving tenants’ quality of life with housing finance demands.

The CBA believed that tenants who lived in their developments should be involved with CDC organizing activities to keep them from getting isolated from the larger neighborhood dynamics. This also provided a vehicle for the tenants to participate in setting the neighborhood vision. CBA guaranteed this inclusion by reserving seats on the CBA board for North Canal tenants.

Finally, the CBA believed that tenants had a right to determine the conditions and rules where they lived including management and fiscal policy. In order to feel confident in giving tenants real power in decision making, the CBA prioritized training tenants in real estate and management issues and strategies.

**Acquisition:**

**HDC:**

The HDC reluctantly assumed ownership of Washington/Columbia in response to a city-wide campaign to save the distressed Granite Properties. The tenants were not part of this process, but rather hostile to it, assuming that the new owners would just be one
more in a chain neglectful and uncaring owners. While there was no tenant group in place at acquisition, the legitimate frustrations and attitudes of individual tenants embodied the typical "owner as the enemy" perspective.

Due to the extreme drug dealing and crime in the development upon acquisition, it was difficult for the HDC to form a relationship with the tenants to overcome their role as enemy. Not only were the tenants hostile to the HDC as landlord, but they were not united as a community, and were actually afraid to meet anywhere in the development.

**CBA:**

The Acquisition of North Canal was the result of an intensive organizing campaign that united the NCTC with the CBA to fight for ownership of the development. The campaign involved the use of typical organizing tactics, with the absentee owner and HUD as the recipients of CBA and NCTC’s confrontational tactics. They used the issues of unsafe and unsanitary conditions as well as the owners financial neglect to argue that a new owner was necessary.

Organizing during the acquisition phase allowed the CBA and the NCTC to start building the alliance which laid the foundation for their cooperative relationship. The CBA made sure to start educating the tenants from the beginning about the acquisition and development process so that they could play a meaningful role in the ownership campaign and HUD negotiations. CBA also made sure that the tenants were in control of development decisions from the beginning and made a commitment to restrict their role to supporting the tenants.
Upon acquiring North Canal, an ownership structure was designed that guaranteed tenant control would be carried through to the long term ownership of North Canal. While CBA owned 60% of North Canal and the NCTC only 40%, they were able to structure the decision making process to effectively give tenants decision making control. The effect of this balance of power demonstrated CBA’s true commitment to tenant control and maintained the already existing trust between the CBA and NCTC.

Rehabilitation/Relocation

**HDC:**

The HDC, due to the nature of their acquisition process, was thrust into a volatile relationship with tenants at the beginning of the rehabilitation and relocation stage. In addition to the traditional challenges of relocation and rehabilitation, and their reputation as the enemy landlord, the HDC faced two other barriers to successful integrative management in this phase: the drug dealers and their tenant organizer.

The intense level of drug dealing and crime was an extreme barrier to the integrative management process at this stage. Not only were the tenants angry with the HDC, but they were reluctant to organize for fear of confrontation with the dealers. The HDC hired an organizer to help bridge communication with the tenants and to unite them against the dealers. The organizer, however, was not located on site in order to protect her safety, so her ability to hold tenant meetings was hindered by the lack of safe space in the development.
Despite the difficulty of organizing a tenant group, the organizer did make some contact with tenants. After making contact she immediately aligned herself with the tenants and adopted their belief that the owner (the HDC) was the enemy. Instead of organizing the tenants against the real enemy, the drug dealers and vandals, she drove a divisive wedge between the HDC and the Washington/Columbia tenants. As a result, the organizer encouraged and fueled a confrontational relationship that prevented the HDC and the tenants from identifying their shared interest in evicting the drug dealers and improving the development.

The HDC was forced to carry out a complicated recertification, relocation and rehabilitation process in the midst of a drug war, and without the direct cooperation or involvement of the tenants. This inaccessibility to tenants made coordination of relocation and moving schedules difficult. The drug dealers also destroyed completed rehabilitation causing delays and frustration on the part of everyone involved.

Compounded by the problems of drugs and an uncooperative organizer, another barrier to successful integrative management was the lack of distinction between the HDC and the management company. Because the HDC and the Norfolk Management company were indirectly linked, they were considered one in the same to the Washington/Columbia tenants. The tenants equated the inability of Norfolk Management to solve the developments problems with a lack of concern on the part of the HDC for the tenants welfare. The organizer did not attempt to make this distinction which further prevented the HDC from building an alliance with the tenants.
These barriers kept the HDC from building a partnership with the tenants and including them early on in decision making and priority setting during the rehabilitation and relocation process. As a result, the tenants developed no real trust for, or sense that the HDC really cared about their interests.

**CBA:**

The CBA and NCTC made a smooth transition from integrative management during the acquisition of North Canal, to integrative management in the rehabilitation and relocation phase. The team building that readily developed was largely due to the NCTC and CBA’s experience making difficult collective ownership decisions. The level of trust between the parties also contributed to the ease with which CBA and the NCTC transitioned from a process of fighting the outsider enemy (the owner) to internally negotiating tough relocation and rehabilitation decisions.

The decision making power of the NCTC was carried over into this phase, which allowed the NCTC to choose the architect and contractors. The NCTC was also actively involved in designing and enforcing the complicated construction and relocation schedules. This power helped to sustain the trust between the CBA and NCTC.

The success at integrative management in this phase was primarily due, however, to CBA and NCTC’s ability to turn complicated and often divisive construction and relocation issues into organizing opportunities. Instead of allowing the frustrating and annoying inconveniences of construction and relocation to drive wedges between the CBA and North Canal tenants, they successfully positioned the NCTC to be a liaison with the
tenants to intervene and head off confrontation and the CBA to be an advocate for the tenants with construction company.

Integrative Management:

HDC:

The HDC experienced tremendous success in this stage and overcame their previous challenges and hurdles to an integrative management process. The three key elements to their success were 1) the initiation of an intensive security and eviction campaign to clear out the drug dealers; 2) the hiring of a new organizer who was more committed to bridging a partnership between the Washington/Columbia tenants and the HDC; and 3) the hiring of an outside management company which allowed the HDC to act as an advocate for the tenants in their dealings with Simpson Management.

The security initiative, which resulted in the eviction of a majority of the development’s drug dealers, demonstrated to the tenants that the HDC did actually care about their welfare. As a result, the opportunity existed for an alliance to begin to form between the HDC and the tenants. The restoration of security and safety to the community also brought tenants out of their homes and started building the alliances between tenants necessary to form a tenant organization.

When the old organizer was fired due to her inability to work in a cooperative setting, a new organizer was hired who was committed to building a partnership between the tenants and the HDC. While she made it clear that she worked for the HDC, the
organizer successfully balanced advocacy for the tenants with her allegiance to the HDC. The organizer embodied an actual bridge between the tenants and the HDC. Her success at gaining the trust of tenants allowed her to represent the possibility for the tenants to identify common interests with the HDC.

The HDC also hired a new management company, and while this company was primarily hired because of their management track record, they were also committed to involving tenants in the management process.

The removal of the dealers and the new organizers cooperative approach, compounded with the HDC’s ability to assume the role as tenant advocate with the hiring of an outside management company, allowed the HDC to begin to build the trust of the tenants. The process of building trust however, was still challenging for two reasons; 1) the difficulty of simply overcoming the long history of distrust due to landlord neglect and abuse, and 2) the tenants capacity to participate in decisions was not developed which required the HDC to limit the tenants role to input into, rather than control over, decisions. While the HDC could eventually envision giving more control to the tenants and was beginning to invest in building the tenants capacity to make their input possible, the perception among tenants was that their interests were peripheral. As a result, the tenants still viewed Simpson Management as their enemy rather than partner. They felt they had to fight to get their interests recognized. While this incremental process of including tenants into property management decisions was largely necessary due to the
limited capacity of tenants to make informed management decisions, it made the formation of a trusting and cooperative relationship more difficult.

**CBA:**

The transition to this phase presented the possibility of a breakdown of the positive relationship between the CBA and NCTC because the interests of a new party, an outside management company, were brought into the process. This conflict was avoided for two reasons: 1) Maloney Properties (the management company) was previously hired to assist with the relocation during the construction phase, so the parties had already established a positive working relationship and; 2) the NCTC carefully interviewed management companies and chose Maloney Properties because they were committed to tenant control.

The parties successfully avoided the high potential for conflict in the management process due to their mutual commitment to open communication and cooperation. Interestingly, the parties succeeded in developing and agreeing to a delicate power balance between the NCTC, Maloney Properties and the CBA which defined the power and parameters of each party carefully. Yet, while the roles and responsibilities of each party were carefully defined, due to the level of trust and cooperation, the parties were actually able to make decisions using a fluid and open process that maximized the realization of all parties interests.

The parties also succeeded in identifying and maintaining relationships with the general North Canal tenant community. The NCTC made it clear that they represented
the interests of all the tenants, and generally limited their activities to setting
development-wide management policy and acting as a grievance and appeals committee
for dissatisfied tenants. The CBA organizer successfully balanced her commitment to the
Tenants with the CBA by only intervening in individual cases where extreme violations
were committed in order to preserve her trust among the tenants. Maloney Properties was
strict in their enforcement of NCTC policy on an individual basis, and while they
participated in setting management policy, they were careful to attribute responsibility for
policies to the NCTC. Maloney properties was also careful to keep their role exclusive
to management issues and avoided organizing so as to preserve their professional
objectivity.

Institutional Effect of Integrative Management on the CDC

HDC:
The implementation of integrative management had a dramatic impact on the
HDC’s institutional makeup. Prior to integrative management, the HDC’s organizational
structure, development agenda and mission reflected that of strictly a non-profit housing
developer. The HDC was founded on the singular goal of developing affordable housing
in Codman Square, which it did successfully, however, to the exclusion of participation
in or attention to other neighborhood issues.

The HDC’s board composition also reflected their singular commitment to housing
development, with majority representation by neighborhood real estate professionals. The
HDC Board made a clear distinction between themselves and their tenants by not including them on the Board or partaking in organizing activities.

After implementation of integrative management, the HDC’s organizational agenda, mission and structure changed. The HDC actively encouraged tenant organizing in Washington/Columbia and in the future hoped to expand organizing to their other developments. The HDC also introduced political issues to the Washington/Columbia tenants by connecting them to their local political leadership and doing voter registration at tenant meetings. The staff and some Board members also began to participate in neighborhood committees and organizations that were concerned with diverse neighborhood issues such as economic development, youth concerns and crime prevention. Finally, the HDC mission expanded from a singular concentration on housing development, to recognizing the needs of tenants in their housing and the board opened up membership to Washington/Columbia tenants.

CBA:

The implementation of integrative management did not change the CBA’s institutional makeup because their structure, organizational agenda and mission reflected integrative characteristics before the acquisition of North Canal. The CBA was founded on and sustained the principles of community control and empowerment throughout their entire neighborhood and organizational agenda. In addition to affordable housing development, they worked on diverse issues affecting the neighborhood such as employment, service provision, crime prevention and recreation.
The CBA board was committed to integrative principles and their composition reflected their commitment to local control. The majority of the CBA board positions were occupied by Acre residents and the remainder were filled by local activists and advocates. Most importantly, the CBA reserved seats on the Board for North Canal tenants to guarantee their access to and participation in larger organizational, political and neighborhood issues.

Conclusions:

In the preceding analysis of the CBA and HDC’s integrative management process, sensitivity to the following 4 organizing themes surfaced as crucial to making the transition from a conflictive to a cooperative tenant/landlord relationship during the three development stages:

**Target the Enemy**

**Tenant Organizing:**

The fundamental tactic used in tenant organizing is "target the enemy." Because of the unequal power between tenants and landlords, and the structural power advantage of the landlord over the tenants, "targeting the enemy" is a necessary tactic to level the playing field and equalize power.

**Integrative management:**

In both the HDC and CBA cases, the success of transforming the traditional tenant/landlord relationship was dependent on the CDC’s ability to assign the role of
"enemy" to appropriate parties external to their relationship with the tenants. As a result, the role of "landlord as enemy" was transformed into "landlord as partner", which facilitated the formation of trust and cooperation between the tenants and the CDC.

Real power in decision making

Tenant organizing:

In traditional tenant/landlord relationships, the tenants have no role in decisions made about their development. When their interests are not recognized, tenants use confrontational tactics to gain power in the decision making process.

Integrative management:

Tenants having real decision making power was central to both CDC’s integrative management success. This required the CDCs to give tenants an active role as well as training to build tenants capacity to play a meaningful role in decision making. The varying success of the CBA and HDC at building trust between themselves and the tenants was directly dependent on the tenants perception of the legitimacy of their input.

Role of Conflict

Tenant Organizing:

Tenants and landlords have substantial conflicts of interests over issues in their housing, including rent levels, management policy and maintenance decisions. Because tenants have a power disadvantage in the relationship, they often use confrontational tactics to gain power over conflicts of interest.
Integrative management:

Integrative management in both the CBA and HDC cases also recognized inherent structural conflicts of interest between tenants and landlords, but used cooperative tactics to resolve such conflict. The success of these cooperative tactics, in both cases, depended on the degree of commitment and cooperation by all parties to a cooperative process as well as real power being given to tenants.

Role of the Organizer

Tenant Organizing:

The role of the organizer is to build and support the tenants capacity to confront the power of the landlord. The organizer encourages the use of confrontational tactics when appropriate to get tenants interests recognized. The organizer is usually a person from outside of the conflict and her allegiance is strictly to the tenants. Interaction with the owner is generally limited to confrontations with the entire tenant group.

Integrative Management:

The role of the organizer in both cases was to build and support the tenants capacity to participate in management decisions. The organizer encouraged all parties to recognize and accept their divergent interests and facilitated cooperation in negotiation over management decisions. The organizers were both employed by the CDCs and therefore were forced to balance their allegiance between the CDC and the tenants in the negotiation process. I should note, however, that I do not believe that the organizer needs to work for the CDC in all integrative management cases. Sensitivity to the different
power dynamics that result when the organizer is independent of the CDC should, however, be recognized.

Summary:

As CDCs increasingly acquire and rehabilitate urban distressed housing, they assume a multitude of property management challenges including:

- Stressful social conditions
- Comprehensive and often under-funded rehabilitation requirements
- Lingering distrust and anger of the tenant population

Compounded by CDCs lack of management experience, these challenges require CDC to rehabilitate distressed developments, while also transforming an often hostile tenant/landlord relationship that can be prohibitive to management success.

The strategy I recommended to accomplish this task in all its complexity was integrative management. The success of integrative management as an urban property management strategy was well supported by the experiences of the Codman Square Housing Development Corporation and the Washington/Columbia tenants and the Coalition For A Better Acre and the North Canal tenants. Through integrative strategies, the CDCs and their tenants were able to convert the property management challenges into organizing opportunities. Ultimately both CDCs used integrative management to convert housing disasters into housing successes.
Perhaps the most exciting aspect of integrative management to me however, was not its success as a housing management strategy, but the relationship to and effect it had on the institutional structure of the CDCs. As demonstrated in both cases, there was a close link between organizational practice and mission. The CBA started out and remained committed to integrative strategies throughout their work with North Canal. The HDC's institutional structure, mission and broader neighborhood agenda, however, evolved and expanded in way that directly correlated to their implementation of integrative management.

In light of the examples both cases provided, I believe that integrative management presents the opportunity for CDCs to maintain and/or reconnect to their neighborhood constituencies, thus supporting a return to CDCs community organizing roots which they have largely abandoned for housing development. This offers tremendous potential to rebuild the empowerment agenda upon which CDCs were founded and strengthen the urban neighborhood movement to advocate and organize for low-income peoples justice.
Endnotes

1. Haber, Emily. "Successful Housing Management Practices: The Experience of Two New York City Community Development Corporations" (Massachusetts Institute of Technology, 1991)


15. These ideas are drawn from my own personal experience as a tenant organizer for the Massachusetts Tenants Organization from 1986 to 1990.


18. Ibid, p. 78.


23. Alinsky, Saul, D. "Reveille For Radicals" (University of Chicago Press, 1946) p ?.


32. Ibid, p. 175.


40. These ideas are drawn from my own personal experience as a tenant organizer for the Massachusetts Tenants Organization from 1986 to 1990.

41. These ideas are drawn from my own personal experience as a tenant organizer for the Massachusetts Tenants Organization from 1986 to 1990.


43. Traynor, Bill, April 13, 1992.


Appendix: Thesis Interviews

Pedro Alguila, President, North Canal Tenants Council

Ron Applegate, Development Director, Coalition For A Better Acre

Pam Bender, Organizer, Massachusetts Tenants Organization

Pat Canavan, Program Officer, Neighborhood Development Support Collaborative

Jackie Davis, Resident Resource Specialist, Codman Square Housing Development Corporation

Lynn Delidow, Maloney Properties and On-Site Manager, North Canal Apartments

Mike Fogelberg, Former North Canal Tenant Organizer

Carolyn Gibson, Executive Director, Gibraltar Associates, Board Member of the Codman Square Housing Development Corporation

Keith Harvey, Regional Manager, Simpson Management

Jim Keefe, Executive Director, Trinity Financial and Founding Codman Square Housing Development Corporation Board Member and President

Alyce Lee, Executive Director and President, Codman Square Housing Development Corporation

Margaret Miley, North Canal Tenant Organizer, Coalition For A Better Acre

Bill Traynor, Director of Community Development, Community Training and Assistance Center
References


Wilson, William, J. *The Truly Disadvantaged: The Inner City, the Underclass and Public Policy.* Chicago, Illinois: The University of Chicago Press, ---date---