REVITALIZING THE INNER CITY
THE ROLE OF THE
MINORITY DEVELOPERS ASSOCIATION

by

VERNA RENAE' HUNTER
B.Arch., Architecture
Prairie View A & M University
(1984)

Submitted to the Department of Urban Studies and Planning in Partial Fulfillment of the Requirements of the Degree of Master of City Planning

at the

Massachusetts Institute of Technology

June 1989

V. Renae' Hunter 1989. All rights reserved

The author hereby grants to MIT permission to reproduce and to distribute copies of this thesis document in whole or in part.

Signature of Author

Department of Urban Studies and Planning,
June 5, 1989

Certified by

Phillip Clay, Thesis Supervisor

Accepted by

Donald Schon, Chairman of MCP
INNER CITY REVITALIZATION
THE ROLE OF THE
MINORITY DEVELOPERS ASSOCIATION

by

VERNA RENAE' HUNTER

Submitted to the Department of Urban Studies and Planning on June 5, 1989 in partial fulfillment of the requirements for the Degree of Master of City Planning

ABSTRACT

As public policies change, so must the way in which they are carried out. The Federal Urban Renewal Plan of the 1950's and 1960's brought with it negative impacts on the inner city. The Plan gave way to vast amounts of land clearance, which forced some critics to deem the Urban Renewal Plan as a mechanism that promoted vacancy and abandonment.

The 1970's introduced revitalization and rehabilitation as a means of rebuilding the inner city. Under this policy, small parcels were developed and were aimed at a neighborhood level as opposed to large lot clearance as seen through the Urban Renewal Plan. With the initiation of this process various groups became interested in the decision-making process within their communities.

Many interest groups were aroused by the negative impacts of urban renewal as well as the process of revitalization, thus the emergence of community based organizations derived. These groups began to organize and make pertinent demands on developers and public officials.

With the emergence of community based organizations and their responsiveness to the development process, there came a need for private response. A group of elite minority developers desiring to make a positive impact on the development process took note of the community response and desired to have greater participation in the process of inner city revitalization. These developers desired to build minority developer capacity in an effort to promote minority participation in the revitalization of inner city minority neighborhoods.

Circumstances of public policies that turned its sensitivity towards the interest of minority communities, expanding population of declining minority neighborhoods, an increase in minority developer capacity, minority leaders deciding to work with the system as opposed to fighting it, and the real estate boom of downtown development that spilled over into minority communities were among some of the factors that laid the
framework for the establishment of a Minority Developers Association.

As a result, policies were initiated from state and local governments, to include more citizen participation and minority developer capacity. Minority developers are a potential solution to the problem of inner city revitalization in the fact that there is knowledge and a local interest in the community.

Thesis Supervisor: Professor Phillip Clay
Title: Associate Professor of Urban Studies and Planning
Acknowledgements

I would like to express my gratitude first to God for giving me the strength to make it through these last two years; second, to my parents who were always there for moral support and to receive the many collect telephone calls. I would like to extend my appreciation to Michael for his continuous support and encouragement and putting up with my reactions to "thesis stress". Last, but not least I would like to thank Phillip Clay and Sandra Lambert for the assistance they provided me over the course of this endeavor, for without them I would not have strived forward and succeeded.
Revitalizing The Inner City
The Role Of The
Minority Developers Association

INTRODUCTION

Chapter I. Need For Revitalization ...................... 13
Trends of revitalization
Policies Urban Renewal
Actors involved in the revitalization Process
City and Quasi Public Agencies
Community and Private Developers
Goals of Community Developers
Goals of Private Developers

Chapter II. Revitalizing Boston ......................... 27
HISTORY AND DESCRIPTION OF URBAN RENEWAL
REVITALIZING INNER CITY NEIGHBORHOODS
Roxbury
South End
THE MAKING OF COMMUNITY-BASED ORGANIZATIONS
Greater Roxbury Neighborhood Association
Roxbury Neighborhood Council
Parcel 18 Task Force

Chapter III. Minority Developers Association ............ 40
Minority Developers Association
History
Goals and Objectives
ESTABLISHING CREDIBILITY AND STABILITY
Internal capacity
Training Programs
Technical Assistance
Stability of Individual Members
DECISION-MAKING IN THE DEVELOPMENT PROCESS
Building Minority Capacity
Relationship with community
RISK ANALYSIS
Market Conditions
Property Value
Approval Process

Chapter IV. Conclusion:................................. 58
Promoting Inner City Revitalization
RECOMMENDATIONS

Bibliography
INTRODUCTION

The key focus of this thesis will be the factors that led to minority involvement in the revitalization process and the role of a minority developers association in Boston. Subsequently, the revitalization efforts in Greater Boston's inner city neighborhoods within the context of specific policies which were created to respond to the negative impacts of urban renewal of the 1950's and 60's that left vast amounts of land abandoned were among such factors that provoked the interest of various groups both public and private.

Urban decline, turnovers in the administration, the endorsement of policies, formation of citizen groups, and the demand for housing in the inner city are among the nationwide factors that will be outlined in chapter one. This section will set the stage for the events that led to the revitalization process of the 1970's.

The 1970's brought about a trend in the processes of inner city revitalization. The formation of citizen groups and critic of the Urban Renewal Program in the 1960's altered the traditions of the decision-making process. As public policies began to require more citizen participation and minority developer involvement, the decision-making process had to adjust in an attempt to meet the goals of such policies. Moreover, the changing roles of
various interest groups in implementing alternatives that impact positive effects of revitalization will be a common theme of the thesis.

The Minority Developers Association (MDA) is one such group that is interested in implementing alternatives that impact positive effects of inner city revitalization. The MDA consists of minority individuals engaged in the development business. It comprises real estate development professionals and public and private sector representatives who foster greater participation by minorities in a broad range of development projects.

The MDA exists to stimulate further involvement of minority entrepreneurs in the real estate development industry. It was formed to unite members of the development profession who share common interests and aid in the process of development. The MDA also explores ways in which minority developers can broaden their real estate ventures to include more commercial projects in diverse geographic areas, and build minority developer capacity.

The question of how such an organization can advocate and promote public policies that increase minority developer participation, citizen participation, and the supply of housing in the inner city will be addressed.
Revitalization implies improving the city as a place to live and work and adjusting to change. Inner-City is defined as those zones of older residential, commercial retail, and industrial development, lying between the downtown and suburbs of the major conurbations, where physical, social and economic problems (usually called urban decline) are concentrated. The city can be a center of industry, exchange, education, government, or involve all these activities. Although cities may have obvious faults in terms of services that are provided to its residents, cities are here to stay.

The charge to all actors, (i.e., local government, community developers, and private developers) involved in the processes of development is to make these essential elements available, efficient and thus make the city a better place to live.

The first chapter will focus on the trends of revitalization as they have evolved over the past 25 years. Chapter One sets the stage for a basic understanding of the revitalization process and is followed by a description of specific policies that have been adopted to implement inner city revitalization. This will be a summary of the various policies that promote development/redevelopment, the involvement of community-based organizations, involvement of the private sector, and minority

---

developer involvement in inner city revitalization.

The key parties of interest in a city's development process are city officials, local developers, lending institutions, the business community (including local, national and international developers) local community leaders, the clergy, and neighborhood groups. The reactions of these players can and do range from support to opposition of a development project. This will be discussed to demonstrate the importance of negotiations between developers, city officials, and citizen groups.

If inner city revitalization is to take place there must be active involvement by both the private and public sectors. The community must be kept abreast of the activities that are to take place in their neighborhood. This is an important responsibility of the minority developers actively involved in the development of the inner city.

Many minority neighborhoods were affected by the increase in urban renewal programs. These programs brought with them gentrification and displacement. As rehabilitation took place in the inner city and as new middle income residents moved in the older residents were forced out due to their inability to afford to remain. There was a need to take these programs a step further in an attempt to maintain and create stable neighborhoods. The need for intermediaries was slowly becoming
inevitable in an effort to eliminate and restructure the program to reduce the chance of displacement.

The goals of community developers and private developers will be analyzed in the latter part of this chapter to illustrate and understand the commonalities as well as the conflicts the two face. It is the premise of this thesis that these two groups must strive for the same goal of promoting inner city revitalization. The connecting factor of the two entities is the desire to maintain a certain amount of control and keep that control within the hands of the minority community. How the private sector interacts with the non-profit sector is vital when trying to implement policies that affect a targeted neighborhood. Although this is somewhat of a theoretical discussion on the goals and objectives of community developers it offers a convenient basis for discussion of how community developers interact with the private sector.

Chapter Two is an overview of the trends of the revitalization process in Greater Boston. The political issues that have faced Boston in the last ten years will be discussed along with the corresponding administrative shifts that have occurred. This chapter will outline the effects that revitalization has had on economic development and the marketability of development projects in Boston's revitalized neighborhoods.

The last part of this chapter will address the events that led
to the formation of community-based organizations such as the South End Project Action Committee, the Greater Roxbury Neighborhood Association, and the Roxbury Neighborhood Council. The evolution of these community-based organizations altered the traditional trends of inner city revitalization. These organizations have had and continue to have a strong voice in what happens in their neighborhoods.

Minority developers began to take notice of opportunities such as market shifts and the demand for local products that were opening due to the creation of minority participation policies. With community-based organizations capitalizing on the many development opportunities in Boston’s inner city neighborhoods, minority developers desired to capitalize as well.

Chapter Three will outline the history and a more detailed description of the Minority Developers Association. Although development projects are undertaken by individual members of the MDA, the association serves as an information system for minority developers. This chapter will also discuss the goals and objectives of minority developers. Projects undertaken by individual members that demonstrate the stability, credibility, and expertise of minority developers promoting inner city revitalization will be the fundamental basis of this chapter.
Inner-city revitalization projects do not happen by themselves; an extraordinary event or person must initiate them.\textsuperscript{2} Revitalization requires active, informed, and visible support from all concerned parties. This last section will focus on the Minority Developers Association as that extraordinary entity that has promoted inner city revitalization through building minority developer capacity. This is in the context of keeping minority developers active in the development process of primarily minority communities.

Chapter Four will summarize the role of the Minority Developers Association and how it has promoted minority developer capacity within Boston’s inner cities. Its role in implementing policies that promote inner city revitalization by promoting minority developer capacity.

\textsuperscript{2} Luis Alberto Bomel, "Houston’s Harrisburg-Wayside - Enlisting the Private Sector in Inner City Revitalization, (U.L., Jan. 1987).
CHAPTER ONE
THE NEED FOR REVITALIZATION

The 1960's was a decade in which little public involvement existed in the decision-making process of development. Over the years, several events have occurred which altered the traditional development process. Turnovers in the Federal, state and local political administration, changes in legislative polices, the formation of citizen interest in response to inner city revitalization are among the factors which have influenced this trend.

Over the past 25 years, several inner cities have experienced declines in population, economy, and services, as a result of factors which include decentralization, demographic trends, and public policies. A rapid growth of the suburban population of metropolitan areas also aided in the decline of inner cities. Shifts in population, economy and services, and demographic trends all came to influence the disposition of land within renewal projects.

Research by John L. Goodman, Jr. indicates that, on a whole, American cities lost population during the first half of the 1970's, while suburban areas increased in population. He
concludes that more than two-thirds of the loss in central city population was caused by people who moved to the suburbs.\textsuperscript{3} Conrad Weiler of Temple University, analyzed national migratory growth rates and found that between 1973 and 1976 the number of households leaving central cities for the suburbs grew by 6.9%, while the number of moves from suburbs to the inner city increased by more than three times.\textsuperscript{4} According to Larry Long and Donald Dahmann of the Census Bureau, differences between median incomes of city and suburban residents narrowed between 1969 and 1975 in areas such as Boston, Detroit, Philadelphia, Minneapolis-St. Paul, and Seattle.\textsuperscript{5} Although analysis of revitalization studies differ, all conclude that the housing quality in the inner city has a definite connection with the revitalization process.

The changes in urban character reflected in the deterioration of neighborhood life are illustrated in many large cities. The changing nature of the city must be assessed and the natural character defined if cities are to continue as favorable


\textsuperscript{5} Bonnie Heudorfer, "Condominium Development in Boston" (Boston: Boston Redevelopment Authority, Sept. 1980) p. 13.
environments in which to live and work. These changes must be identified by those parties who influence and impact development, specifically, local government officials, citizens, and public and private developers.

As a result of the dynamic shifts in urban character and the subsequent deterioration of inner cities there has been much research on the issue of inner city revitalization. Of major concern in this research has been the relationship between reinvestment and the geographic mobility pattern of the population. The effects of gentrification on the retention of inner-city residents and on the attraction of suburbanites to inner-city living as been explored to assess the impact of inner city revitalization. Research has revealed that most "gentrifiers" were not new comers to the inner city, but are in fact residents from other parts of the city who chose to relocate to revitalized neighborhoods. This is significant in illustrating the mobility pattern of the population.

Neighborhood revitalization is characterized not only by demographic changes with regard to density and capacity for expansion or decline of the dynamic balance of a population, but also by the relatively rapid improvements of housing quality.

---


7. Ibid.
Trends of Inner City Revitalization:

Revitalization in the early 1970's was influenced by urban decline and racial segregation, unemployment and industrial decline, and suburban migration of the 1960's. For instance in the late 1960's, Boston's South End was designated as the largest Urban Renewal area in the country. Resident opposition to large-scale clearance projects has led to concerted efforts of restoration and renovation. South End/Lower Roxbury has been rediscovered by the middle class, and issues of displacement have arisen. These areas were being rediscovered by those middle class suburban residents desiring to move to the revitalized inner city. 8

The 1970's marked a period of growing public awareness of social and political issues, which coincided with the period of rapidly rising house prices in many areas. The concurrent emergence of housing and social and political public interest gave rise to the formation of distinct advocacy groups.

The effects of past planning and policies, and the role of local governments also contributed to the trends of revitalization, as the need for inner city housing increased. The strength of citizen groups, and special interest organizations rapidly

---

evolved around this time.

Urban decline is a dynamic process. It begins when a mature, stable neighborhood no longer capable of generating the necessary capital investment and services needed to operate, maintain, and replace existing assets. When an urban area is growing rapidly and housing supply falls short of demand, investments slow in local capital development. With public and private investment falling short of the amount needed to sustain an area’s viability, deterioration begins.

Deterioration occurs at various levels. Changes in the structure (i.e., social, economic and political makeup of the area) of the overall urban area, to a large extent, directly impacts changes in the local neighborhood. The decline in housing, services, and employment on a large scale (i.e., the city) directly effects housing supply, services and employment within the neighborhood. Although, the causes and rate of neighborhood deterioration are complex and certainly not uniformed, the remedies depend on the unique circumstances and conditions of a particular neighborhood, as well as its relation to the urban structure in general.


10. Ibid.
Changes in the structure of the city have lead to various responses by different interest groups. The initial reaction to the increase of housing demand by the private developer has been the proposal of housing at the high end of the market. They also focused more attention on reusing existing housing through condo-conversion and other forms of gentrification. The response of the federal government was to reduce its financial support for housing programs. Federal government subsidies for housing diminished. In the private sector, production of low-cost housing also declined as production costs increased and more attractive investments presented themselves. However, there are city and state programs that still exist that subsidize a limited number of moderate-income housing units. Yet in general advocates for low income residents have had to look for new delivery mechanisms which encourage the production of housing for their constituency.

The emergence of community-based organizations has been instrumental in addressing low income housing production. Community-based organizations have been viewed as either the delivery system of default or the ideal heir of the mission to house the nation's low income residents. They are hailed by various political perspectives for the role they are playing

---

they are playing in housing development.\textsuperscript{12}

The public sector has been a vital proponent of housing development in inner city neighborhoods. This has been a result in their commitment to serve and revitalize declining areas. There should exist a process of involvement that brings several actors together in an effort to meet the housing demands of inner city residents. Local authorities now need to stimulate investment by the private sector, firms, and individuals in industry, commerce and housing if the diversity and vitality of the inner city is to be maintained. The aim must be to encourage investment by industries, commercial developers, and financial institutions. If commercial developers and industries can be encouraged to relocate to the inner city, then lending institutions will have more incentive to reinvest in these areas as well.

These trends in inner city revitalization prompted the development of federal and local policies that addressed the changing character of cities.

Policies of Urban Renewal:

The federal Urban Renewal Plan of the 1960's allowed public agencies to take land by eminent domain and utilize the land as they deemed appropriate for a public use and later a public purpose. Many critics have taken issue with urban renewal programs and the role it had in neighborhood deterioration. Through this process, buildings were demolished in an attempt to rebuild the neighborhood. The result was not that of rebuilding and revitalizing the area, but that of creating vacant land. In light of this criticism local residents were charged to organize and protect their interest within the neighborhood. Community Action and Model Cities programs were created to require more citizen participation, further encouraging the local residents to take a more powerful stance in neighborhood development. The heightened citizen activism of the early 1970's, was further developed with the environmental movement. Through citizen activism certain issues between the public and private sector came to the forefront. The National Environmental Protection Act of 1969 (NEPA) required both a regional perspective and increased citizen participation in governmental decisions. As citizen's participation in local government decisions became more prevalent in the 1970's, citizens began to demand a voice in the decision-making process.

As a result there was an expanded knowledge within citizen's groups and neighborhoods of their growing power which could force modifications and amenities that was to their benefit.

ACTIVE INVOLVEMENT IN THE REVITALIZATION PROCESS:

City and Quasi-Public Organizations:
Traditionally, the public sector was involved in economic development through urban renewal. The role of the government was completely separated from that of private developers, who purchased land after the city acquired it, cleaned it, and readied it for development. The city's role in urban renewal was to eliminate blight and deterioration in central cities and to use grants and other funds as incentives to stimulate the process of improving land in preparation for development.

Community Developers
Community development groups, either CDC's, tenant organizations, or civic groups, have traditionally undertaken housing development to further a variety of goals. These goals included not only housing, but economic, political and social goals as well.

The most immediate goal has been the provision of housing that is affordable to the neighborhood. This includes, but is not limited to, improving the physical quality of the neighborhood by renovating abandoned buildings and creating attractive public
spaces such as parks.

Housing developments are frequently viewed by community groups to achieve broader economic development goals by creating temporary and permanent jobs for community residents, creating work for local subcontractors and suppliers, and generally stimulating the local economy.\textsuperscript{14}

Successful completion of a housing project increases the credibility and political strength of a community organization. Moreover, community developers often attempt to empower a community by promoting community input into design decisions, hiring issues during construction, and management operations.\textsuperscript{15} A greater emphasis was placed on the neighborhood by public policies created in the 1970's that encouraged neighborhood inclusion in the development process. Through these policies neighborhoods acquired some leverage within the development process.

The convergence of support for community development organizations, and the evolution of these organizations from their advocacy origins to actual participation has promoted

\textsuperscript{14} Urban Planning Aid, Inc., \textit{Community Housing Development Corporations; the Empty Promise} (Cambridge, MA., 1973)

community based organizations to a key position to develop low- and-moderate-income housing. Indeed, support for these organizations appears to be increasing in proportion to the increase in their activities. 16

Community developers have traditionally undertaken several tasks that promote development within their neighborhoods. These developers engage in a variety of activities, such as:

* providing assistance for the development of small businesses

* entering into partnerships with public and private organizations for development projects

* serving as development entities and designated development for neighborhood development projects

* serving as a conduit for funds from others active in development in neighborhoods, including government, foundations and private industry

* providing social, educational and other services in support of housing and community development activities

Often, these groups desire to have control over elements of development projects, among them, architectural design, and density of projects, public amenities, financing, and to share in decision-making.

_Private Developers:_

A major goal of the minority developers association is to come together with public and private sector organizations to foster

16. Ibid.
greater participation by minorities in a broad range of real estate projects. The goal is to keep minority developers active in the development of minority communities. Developers are also concerned about the reputation of the community. Many of these developers are products of the inner city, which instills in them a sense of responsibility to the quality of the neighborhood.

In general, private developers are equally concerned about control over a development project. From the developer's point of view, control is necessary to design a project that is profitable, and therefore manages risk effectively. Maintaining some control over management is also important because of the potential for profits. If the project is poorly managed and operates at a deficit, the developer will be responsible for that loss, and it is his goal to minimize as much risks as possible.

Private developers are prompted by the prospect of profitable development. In order for developers to develop a prosperous project, they must implement objectives that meet the local needs, physically upgrades the area, improves the tax base, creates jobs, and attracts new residents. Although these may be secondary to their interest, these needs must be met in an effort to identify and correct the needed improvements. Correcting deteriorating housing and congestion, promoting
reinvestment in the commercial neighborhood, and maintaining neighborhood quality are essential in an effort to revitalize inner city neighborhoods. Correcting these needs is a response to inner city needs that can be realistically addressed by the private sector with public sector assistance.

Developers as well as the consultants they may employ are having to pay closer attention to the concerns of the neighborhood. The developer is required to demonstrate his expertise in approaching and informing the groups about the project, and their skill in negotiating agreements for feasible programs.

Although the developer is concerned with generating a profit, he is committed to generating a feasible project that will stimulate and aid in the revitalization of the neighborhood. It is evident that the actors involved in promoting inner city revitalization have differing goals and objectives.

The city's responsibility is to promote revitalization in the inner city through policies that includes minority involvement as well as provides adequate funds for such revitalization projects. The responsibility of the community is to first recognize the need for professionalism, interest, and awareness of the issues at hand and be able to aid in the implementation of these needs. The responsibility of the minority developers is
to provide the necessary experience and expertise. Private developers should be responsive to the community on which they build, and ensure that the needs of the community are addressed and met in the best of the community's interest.

The one connection that is inherent in the actors discussed in this chapter is the need for policies that promote minority involvement, and the production of affordable housing.
CHAPTER TWO
REVITALIZING BOSTON'S INNER CITY

This chapter will outline some important trends of the urban renewal process that have taken place in Boston's inner city since the early 1960's. Chapter One introduced Urban Renewal which consisted of large scale redevelopment in the 1950's and 1960's that led to a more concentrated, small scale, neighborhood based effort. In this Chapter, the focus will be of Greater Boston's inner city neighborhoods as they were effected by the trends and events of urban renewal that led to a concentration of inner city revitalization on a small scale basis. Areas of concentration are the South End and Southwest Corridor, with particular emphasis on Roxbury. The second section of this chapter will discuss the formation of community based organizations to respond to the negative impacts of urban renewal. These groups desired to alter such negative impacts as vacant and abandoned land, gentrification, and displacement.

The potential for non-profit organizations to be involved in the revitalization process was immense. This potential is seen by the amount of vacant land in the neighborhood. In 1987, there was approximately 12% of vacant land in the Southwest Corridor which included Roxbury, South End, and Jamaica Plain. It was expected that 75 to 80% of the development was to take place in Roxbury and Jamaica Plain.
With the potential for future development many interest groups were aroused. With this interest came the formation of the Minority Developers Association, which also wanted to capitalize on development opportunities in the minority community. This was an elite group of professionals desiring to come together and promote minority developer capacity in an effort to build upon and promote minority participation in the real estate industry.

**HISTORY AND DESCRIPTION OF URBAN RENEWAL:**

The 1950's and early 1960's was a decade in which large scale development projects took place. This was the introduction of urban renewal that left strips of land in and around the Roxbury community vacant. During this period, most development projects were large scale in nature. Through the powers of eminent domain public agencies had the right to take land, clear it, and then develop it for public use. However, intentions of this use did not always result in rebuilding of the cleared land. For example, in Roxbury and some of its surrounding neighborhoods the Boston Redevelopment Authority (BRA), the official development authority for the city, cleared large parcels of land under the powers of eminent domain, but did not rebuild these areas.

In the 1960's, Boston's Department of Public Works began to clear more than a hundred acres of land in the Southwest Corridor in hopes of extending a major interstate. With this
proposal came a tremendous uproar from community based organizations as well as other interested parties. By the late 1960's and into the 1970's, these groups had successfully stopped the proposed extension. Although their efforts were successful, 120 acres of land had already been cleared and more than 1000 families and businesses had been displaced. These events led to a memorandum of agreement that committed agencies involved in the development of the southwest corridor such as the Boston Redevelopment Authority to consult with neighborhood groups before any final decisions were made. Moreover, it set the stage for citizen participation in the decision-making process.

After the 1960's, urban renewal programs began to take on a new form. Public agencies and private developers began to engage in revitalizing buildings as opposed to areas. The emphasis was on rehabilitation and preservation as opposed to total clearance and redevelopment.

REVITALIZING INNER CITY NEIGHBORHOODS:
Boston has always been known as an ethnically segregated city with close knit neighborhoods such as the Italian North End, Irish South Boston, Chinatown, and now Black Roxbury. Although

17. Laura Mugnani, "The Southwest Corridor: An Experiment in Citizen Participation" (MIT Center for Real Estate Development, March, 1988)
this segregation causes much division in the city, it can reinforce neighborhood unity and collective action.

Roxbury

As Roxbury began to decline, the once predominantly Jewish and Irish merchants that occupied the area began to move out to the suburbs. The Jewish population was then replaced by southern blacks seeking better job opportunities. The population began to experience a severe decline, with a 25.2% decline between 1960 and 1970, and a 7% decline between 1970 and 1980. By 1987, Roxbury was predominantly residential with 80% of these residents inhabiting rental apartments.\(^1\)

Because of the immense clearing of land that took place under the Urban Renewal Plan, Roxbury was no longer the industrial and commercial haven it once was. Today, this community is largely characterized by densely inhabited neighborhoods, deteriorating housing, a number of urban renewal housing projects, abandoned commercial and industrial sites, and various health care and educational institutions.

It was under the Urban Renewal Program that the BRA took and cleared land, in preparation of rebuilding the inner city area.

\(^1\) Laura Mugnani, "The Southwest Corridor: An Experiment in Citizen Participation, (MIT Center for Real Estate Development, March, 1988).
The BRA however, did not carry out plans to rebuild the demolished areas which resulted in abandoned land that aided to blight in the community. [Sharif Abdal-Khallaq, 1989]. It seemed that this would be the prime time to rebuild the area and respond to the housing needs of the community.

Boston’s notorious housing crunch and high housing prices have resulted in increased land speculation and rapidly rising real estate values in the once affordable Roxbury community. As an influx of young black and white professionals moved into the area, the median housing prices in Roxbury quadrupled, from $15,000 in 1980 to $56,325 in 1985, (Boston Globe, February, 1985).

Displacement became a pressing issue as long time residents began to see the influx of these new-comers, well-to-do families from the surrounding suburbs who could afford to buy and renovate Roxbury’s brownstones. The long time residents began to fear that these new comers would eventually push them out of their neighborhoods. The residents of Roxbury had to contend with issues of gentrification and displacement as it searched for improved standards of living within the neighborhood.\(^{19}\)

\(^{19}\) Regional/Urban Design Assistance Teams, South End/Lower Roxbury Report (May 9-12, 1980)
South End

During the 1950's the South End's housing stock began to deteriorate, and a significant number of structures were abandoned. In the early 60's the Boston Redevelopment Authority began a massive urban redevelopment program that demolished one fifth of the neighborhood's housing stock and displaced 2000 households.¹⁰ Large sums of capital were invested by private developers in the surrounding areas of the South End.

Developments such as Prudential Center and Copley Place complexes were built on the neighborhood's borders. By the early 1970's, the surrounding areas of the South End had experienced a vigorous amount of commercial development. With this vast development came the city's efforts to refurbish the neighborhood.

A major public redevelopment program that included street improvements, park landscaping, and water and sewer line repair, attracted new residents to this inner city neighborhood. This influx of upper income new comes increased the proportion of white collar professional residents from 19% to 62% in the past twenty five years.²¹ From this process of urban renewal in the


²¹. Ibid., p. 122.
South End, came widespread and bitter disagreements over both the extent and the proper treatment of displacement in the South End. From these concerns the creation of the South End Project Action Committee (SEPAC) emerged. In conjunction with the city, SEPAC made various attempts to stem displacement and build low income housing for long time residents of the neighborhood. The concerns of neighborhood organizations were to alter the negative impacts of revitalization, among them displacement and gentrification. Concerns of control in the development of the neighborhood was also among the concerns of the community.

THE MAKING OF COMMUNITY-BASED ORGANIZATIONS

The creation of community based organizations stemmed from within the communities in an effort to combat the negative impacts of urban renewal and revitalization. These groups were representative of the community at large. They were the advocates for the community needs. These were not groups to be taken lightly, they had a position in the decision-making process.

Creation of the Greater Roxbury Neighborhood Association

---


Community activists in Roxbury formed a new political organization in the neighborhood. The Greater Roxbury Neighborhood Association (GRNA) grew out of a series of meetings held in 1983 by community leaders who were concerned about lack of an overall vision or comprehensive plan for Roxbury. Issues such as the impacts of large development projects on the community, the disposition of vacant land, buildings, and HUD controlled properties, and the rising rate of displacement were of particular concern to the association. The members of the GRNA firmly believed that in order to empower a community it needed to be provided with adequate resource and support from knowledgeable and skilled individuals.

The role of the GRNA as seen through their eyes is four fold:

1) to educate the community
2) to organize the neighborhood's residents and businessmen
3) to serve as a vehicle for community control of planning and development and
4) to coordinate the creation of a comprehensive land use plan.

By encouraging a state-city-community partnership, the GRNA hoped to promote shared decision-making. The group also hoped to serve as a clearinghouse for area planning and development so that residents and other groups could have increased access to information, thus obtaining greater control of the development. The GRNA created its own 13 member project advisory committee and had two of its members active in the Roxbury Neighborhood
Council which was ultimately set up by the City.  

Creation of the Roxbury Neighborhood Council

The Roxbury Neighborhood Council (RNC) is an advisory group, which was given authority by the BRA and the City to approve zoning changes, create an overall plan for Roxbury, and establish criteria for specific development plans. The RNC formed a sub-committee that comprised a six member Planning and Zoning Advisory Committee (PZAC). PZAC was created to work out the details of temporary zoning classifications for Roxbury. Under the direction of Steven Coyle of the Boston Redevelopment Authority with implementation from the RNC the interim planning overlay district (IPOD) was created to control land speculation and displacement. IPOD's goals and objectives also consisted of protecting residential character; providing affordable housing and adequate parking; directing growth, preserving and creating open space; directing non-hazardous industrial uses to appropriate sites; promoting viable commercial districts; and preserving the quality of life in the Roxbury community.

The IPOD set in motion the necessary rezoning for the future and establishes that developers must come before the RNC with their

---


proposals during the interim 2 year period. The issues that face developers under the PZAC and IPOD, were brought to the attention of the Minority Developers Association. (Mohammed Ali-Shalom, May, 5, 1985) Under RNC regulations proposals are first submitted to Building Permits to obtain approval. In the event that this permit is denied, it can then be brought before PZAC in hopes of obtaining approval. This allows minority participation on a professional level to be an active voice in the development process.

Creation of the Roxbury IPOD has been good for the community and the neighborhood council. Prior to the IPOD, the BRA rarely sent information or communicated with the neighborhood. The IPOD process, however, has institutionalized the Roxbury Neighborhood Council since there is no way to bypass its 21 reviewing members. Kenneth Wade also notes that the RNC is in for the long haul, and believes the BRA has finally recognized this by becoming more responsive to the community's needs. 26

Creation of Parcel to Parcel Linkage

The Parcel 18 Task Force has been active in the Roxbury community since the early 1970's. This group comprises CDC's, local tenant organizations, Northeastern University, and other

community members. The primary concern is the planning and development of three adjacent parcels of vacant land in the Southwest Corridor - parcels 18, 22a, and 17x.

1985 was the introduction of parcel to parcel linkages. This was introduced by the Boston Redevelopment Authority, which chose Roxbury's Parcel 18 Task Force and a partner site in Chinatown, as the first program projects. Parcel to parcel linkage consists of requiring developers who wish to build on a profitable, downtown, publicly owned site to develop less profitable pieces of land in one of Boston's neighborhoods. By doing this, the BRA hoped to leverage a portion of downtown's profits back into the community.  

Steven Coyle hoped that parcel to parcel linkage would include such amenities as minority business enterprise development, employment participation, affordable housing funds, and participation by local community development firms and businesses in the processes of development. This was an effort to open Boston's elite development door to minority developers, develop a strong, vital neighborhood economy, and to assure community influence and benefits from development. This was one way to ensure that the same economic vitality so apparent in Boston's downtown is channeled into the neighborhoods. It will

---

27. Ibid.
provide new business opportunities for people who have been excluded from Boston's development economy, and the 30% minority participation will guarantee that the benefits from the projects flow directly into the neighborhoods. 28

During the first half of the decade, downtown office development was booming. Office construction accelerated to a record pace with approximately 8 million square feet and 5 billion dollars of new development. 29 With the downtown market booming, real estate development eventually spilled over into the minority community, thus increasing the interest of minority developers.

In an attempt to balance the opportunities for low and moderate income persons and families in the inner city, these groups must come together and strive for the same goal of revitalizing the inner city with positive impacts. This is an effort that must allow persons to come into the community and remain there. Providing adequate living conditions and promoting minority entrepreneurship is vital if these goals are to be met.

These groups were discussed to illustrate the response of the non-profit sector to the factors of urban renewal and the

---


revitalization process. Chapter Three will discuss the response of the private sector to the issues that surround inner city revitalization. The position that private minority developers take in the revitalization process will be the primary focus of this chapter.

With the vast amount of available land in inner city neighborhoods, and with the emergence of policies promoting minority participation, many minority developers recognized the opportunity to broaden their portfolios and create a creditable reputation as professional developers. The Minority Developers Association is one such group that wishes to implement change. Based on the trends of revitalization, public policies, and goals and objectives of community based organization; neighborhood groups, and the private sector chapter three will analyze the motives behind the Minority Developers Association and their efforts to promote minority developer capacity to stimulate inner city revitalization.
CHAPTER THREE
MINORITY DEVELOPERS ASSOCIATION

The Minority Developers Association was founded in February 1985 by 15 Boston-based real estate professional in order to expand business opportunities for minority developers. Full members are those who are primarily active in real estate development, with a minimum of five years experience and at least three successful projects in their portfolio. Associate members are those that are supporters of the real estate profession i.e., architects, lenders, brokers, and those that provide a variety of services to a development project. This is a group of professionals who are concerned with promoting minority participation in development projects. This organization stemmed from the desire to positively change the perceptions of minority developers and firmly establish the credibility of these real estate professionals in the business community. Moreover, it was needed to implement goals set by policies that required minority representation. With such policies, an organization like the MDA could formalize and build minority developer capacity in an effort to implement the goals of these policies.

Members of the MDA have realized increased participation in Boston's residential development markets, and have begun to enter the commercial retail and industrial development arenas. Before inception of MDA these minority developers considered
themselves as "loose liaisons"; they came together to discuss development matters in a less formalized context. To gain clout and expand their knowledge and expertise within the development profession, they need a more formalized organization.

There are limited minority developers organizations of this type in the local area or on a national scale, which makes this a unique organization. What makes this organization unique is its membership make-up: members with varying expertise, experience, and disciplines. Most of the members have influence within the private and public industry both collectively as well as individually.

HISTORY AND DESCRIPTION OF THE MDA:

The Minority Developers Association consists of minorities engaged in private development. MDA comprises individuals who are committed to working with public and private sector organizations to foster greater participation by minorities in a broad range of real estate projects. The MDA provides forums for educational and informational programs and activities that will benefit community residents, the MDA and other constituencies interested in and impacted by revitalization throughout the city.

Within a limited amount of time, the organization has met its original purpose well i.e., formalizing an organization of
minorities engaged in the development business in the Boston metropolitan area. Due to the strength of its core members, the organization has also succeeded in establishing itself with the city as the respected voice of the minority development community. Furthermore, these individuals also have substantially benefited from their role in the emerging privatization of what was once exclusively, public sector development activity. However, the benefits to the different members of the MDA have been mixed. Some of the members indicate the establishment of the MDA really has had very little relevance on their individual abilities and success as private entrepreneurs. As previously mentioned, many of the original members knew and communicated with one another so if they wanted support or guidance from their development peers, they would have been in contact anyway. Although it is difficult to assess the likelihood of their progress without an MDA, it is presumptuous to assume these experienced individuals would have had the same opportunities without the founding of the organization.

A major undertaking of the MDA is to foster programs that expose less experienced members to various city agencies involved in development as well as help establish members and the community. Given that the majority of the junior members are less

---

30. Robin Berry, "Minority Developers Association: Case Study" (Politics of Development: MIT, 1988)
sophisticated than the founding members, they have a greater need for professional training, contacts, and experience. The organization has made headway in these areas and has been responsible for formulating a continued association between new members and leaders of the minority development community.

One such program is the Minority Developers Educational Program (MDEP). MDEP is a training based program that promotes skill building and provides information and strategies in an attempt to help developers deal with complex development projects.

Through monthly meetings, individual members are kept abreast of developments in the local real estate industry. Interaction with local, state, and federal public agencies and commissions is important in order to keep all segments of the minority community abreast of developments that will have an impact on the local community.

These are developers who are concerned with those areas in which considerable development activities are present, such as Roxbury. As mentioned in Chapter One the adoption of policies to promote minority participation in the development process enabled communities to participate in the decision-making process and aid in the attempt to lessen the negative impacts of revitalization.
Prior to such policies as parcel to parcel linkage and others set by public agencies to include minority participation, the community for the most part was developed by all white developers or not at all, thus creating an even stronger desire by minority developers to participate in the development process. (Sharif Abdul-Khalaq, 1989)

**ESTABLISHING CREDIBILITY AND STABILITY:**

In order for the Minority Developers Association to promote minority developer capacity in the inner city, it must first establish itself in the business community and be recognized as a stable organization capable of promoting minority development. Although there exist leadership by an effective executive director, this alone will not determine its reputation of professional developers concerned about the community.

Stability can be accomplished by insuring that its members are viewed as professionals engaged in development for the purpose of improving the quality of life in the neighborhood. Building its membership with professionals from both the public and private sector will allow a broad range of knowledge and expertise to enter into the association, thus reflecting experience into the development of the inner city. This next section will discuss methods of obtaining stability and credibility through training programs, consulting, and providing technical assistance for both individual members as well as the
Association as a whole.

**Internal Capacity:**
The quality of the Association's internal capacity (its membership) affects the likelihood that outside actors such as lending institutions, brokers, community based organizations, and major developers, will form cooperative relationships with individual firms. Building internal capacity can be accomplished when there exist a reasonably stable and devoted director, dedicated staff, some financial assets, and a previous development record. These tools are essential for minority developers seeking a major role in the development process.

**TRAINING PROGRAMS:**
The MDA provides a forum for educational and informational programs and activities that will benefit community residents, MDA members and other constituencies interested in and impacted by redevelopment throughout the city. The MDA was created on a premise of building minority developer capacity.

In 1987, the Minority Developers Association created the Minority Developers Educational Association (MDEA), the non-profit branch of the MDA. The MDEA became an important vehicle by which to manipulate the flow of public funds for the Minority Developers Educational Program and other professional development programs that are publicly financed.
These programs enable the less experienced members to connect with members who possess more experience in the development profession. This is an attempt to lessen costly mistakes for the developer and to enhance the status of development in minority communities. Members and other constituents are informed of policies that will have a great impact on certain issues of development. Through these training programs, participants discuss various mechanisms to aid in project development. This is an educational process that informs and enlightens members of the minority development community.

Organizational stability is of importance when trying to establish credibility and obtain financial commitments and equity syndication. Lending institutions and syndicators will view stable and financially secure firms much more favorably and are more apt to accept a stronger partnership position with creditable developers.

Through bi-monthly meetings, the members come together and discuss policies, proposals, and projects that effect the neighborhood. Through these meetings, the minority developers are kept abreast of the opportunities and or opposition that face development within the community. Through this informational system, there exists a greater opportunity to keep control of the neighborhood within the neighborhood and
positively impacting inner city revitalization.

**Technical Assistance**

Acting as consultant providing technical service is another method that supports credibility. Through this venture, a cohort can provide the technical services for the other party who would otherwise be unable to carry out a development project to the end due to a lack of internal capacity within the firm.

As an example, the developer can enter into an agreement as a consultant to a community development corporation that has been granted funds for a project but lack the technical services and experience that is required. Technical assistance - includes entrepreneurial training, legal and financial counselling, site selection and building construction assistance, market demand analysis and other related services.

Technical service is most valuable when an organization has identified, carefully defined, and contracted for specific technical services. The staff must possess the confidence and professionalism to ensure that these services deliver the specified products that are promised and that they comply with the goals of the community.

Providing assistance for a community-based organization could be based on a responsibility to the community by the private developer. Such development could enhance their reputation as a
"responsible developer", in terms of responding to the needs of the community either to the community they build on, or to the government agencies in which they rely for funding.

Otis Gates, a minority developer of Concord Place Associates feels that the advantages of such agreements far outweigh the disadvantages. The experience and expertise that comes with the endeavor is one such advantage. These elements are advantageous in the sense that one partner strength in marketing skills can aid in the weakness of the other who lacks the technical expertise to perform duties such as cost budgeting or overall project packaging. The disadvantages that face ventures with non-profit organizations is the possibility of the lack of discipline on the part of the non-profit organization to enforce profit. Although this is a theoretical statement, I included it to illustrate the motivating factor of the private developer (i.e., generating a profit).

Stability of Individual Firms

The Long Bay Management and Development Company is a prime example of demonstrating the importance of stability and credibility. The Guscott brothers, members of the MDA and owners of Long Bay Management and Development Company have built a 20 year reputation for responsible development and rehabilitation in the field of subsidized housing. The Guscotts' were raised in Roxbury, which gives them that necessary link to the community.
They bring with them local entrepreneurship, local employment and skilled development, and local pride to provide rehabed housing that will contribute to the neighborhood economy.\textsuperscript{31} In undergoing the Granite 5 project, in an area of low rise apartment buildings in the Grove Hall section of Boston; Long Bay needed to acquire more capital and construction financing. Because of its reputation, successful record plus the nature of their commitment to the Roxbury community it was easily acquired. They were backed financially by Eliot Bank, headquartered in downtown Boston, but with historical ties in the neighborhood. This project serves as an enlightenment for inner city revitalization. The project fulfills a revitalization wish list for all concerned: rehabilitated housing, no displacement, social service add-ons, employment for local people, and not to mention 10 year tax benefits for the investors.\textsuperscript{32} Of the 55 jobs created in the course of the project, 85\% were filled by minority workers. According to George Guscott,

"...this project kept the money within the community, by promoting jobs for the minority community."

Under the direction of Larry Smith, President of MDA and Property Development Services, Inc. (PDS) has entered into agreements in which it serves as an interface between architects

\textsuperscript{31}. Massachusetts Banker (March, 1989) p. 5.

\textsuperscript{32}. Ibid.
and contractors to provide cost budgeting and technical assistance. Although in some instances, the architect might very well be capable of doing this task themselves. PDS could take on this task to lessen the duties of the architect. The structure of this agreement would benefit the owner in the sense that the architect could concentrate its energy on the design development and the construction document phases while having the technical support provided by someone else.

**DECISION-MAKING IN THE DEVELOPMENT PROCESS**

The Minority Developers Association was formed to unite members of the development profession, share common interest and aid in the process of development. There existed a desire among minority developers to keep control of development in the hands of local minority entrepreneurs both profit and non-profit organizations.

Ensuring that the neighborhood has a voice in the decision-making process is one means of obtaining control of the neighborhood. Various members of the MDA considers control as an important factor if minority participation is to be viable. Many of these developers are products of the inner city, therefore the desire to have an input in the procedures that take place in the inner city are of utmost importance to them. The Minority Developers Association allows the opportunity for minority developers to come together and express their views of
dealing with inner city revitalization and ways of promoting minority participation. Ventures in which the minority developer will employ minority consultants, and contractors is one such way of building minority capacity and maintaining a voice in the process.

Fountain Hill Square Condominiums is an example of such a venture. Developed by Taylor Properties, a minority owned development company, Fountain Hill is presently under construction in Roxbury. Richard Taylor, president of Taylor Properties and former president of the MDA, employed SAAK Realty, Inc. to provide marketing skills for the project. SAAK, a minority owned and operated realty firm is responsible for reaching the community and informing them of the project. It is responsible for the leasing contracts of this 195 unit moderate to high income housing development.

As explained by Sharif Abdal-Khallaq, president of SAAK Realty and treasurer of the MDA, 

... this venture keeps control of the neighborhood within the neighborhood, because it allows job opportunities for minority contractors and other constituents involved in development.

Keeping the minority community abreast of development projects, and public policies that will impact the neighborhood is yet
another way of ensuring participation. If the neighborhood is informed of the issues, they are better able to communicate and have some influence in the decision-making process.

The makeup of a community is vital when considering the factors that caused its deterioration. Viable areas include a make-up of all incomes. Viability can not exist unless the area can support the elements that go into building a community. These elements consist of health care facilities, banks, retail stores, etc. If there is not enough income in the area to support such elements, they ultimately leave the inner city for more viable areas thus extracting income from the inner city.

George Guscott of Long Bay Management and Development Company commented:

How far do we take affordable... poor people should be a part of the community, but the entire community should not be poor.

Creating a strong group identity with the community is essential in the organizational structure of the MDA as well as that of the individual members. The developer's working relationship with neighborhood groups is an important factor when considering the impacts of revitalization. It is important for the Association to acquire "roots" in the community. This "root" will aid in creating a strong and durable relationship between the developer and the community. It is vital in recognizing
MDA's viability as an organization, the need for cooperation between private and public sectors, and the desire to keep control of the neighborhood within the hands of the minority community.

The preceding sections have outlined the advantages of promoting inner city revitalization and minority developer capacity on the part of the Minority Developers Association as well as public policies. However, there are considerable amounts of risks that face the developer such as market conditions, the value of property and its location, and the approval process that all projects must go through.

RISK ANALYSIS
In analyzing the capacity involved in the processes of development, several factors come into view. These are constraints that influence the mobility of the firm during the process. These factors consist of methods by which the firm measures the amount and types of risks it can sustain, time limitations that can be allocated to negotiate an agreement and the financial constraints the process must operate within.

Private developers understand the risk that are involved when negotiating with public agencies as well as private sector. Such negotiations can prove to be negative and stymie the development project, and cause costly delays as well.
A development project in general is related to a combination of the strength of the general regional market, the availability of land and institutional incentives offered by the public sector.

**MARKET CONDITIONS**

In analyzing the market conditions, the developer considers

1). the length of time it will take before the market will support the development project,
2). possible repercussions of acquiring and holding the property, and
3). proceeding with the development project.

It is apparent that in order for a project to succeed, there must be a market for the product. If the project is located in an area in the path of growth, or near a major artery or business corridor, the project stands a probable chance of yielding good returns, which minimizes the risk.

The strength of the local development market has a tremendous impact on the nature of the development project. Slow growth and inner city deterioration or abandonment will allow a number of concessions and even offer incentives to developers who are willing to build in these deteriorating areas. This was the case in Boston in the 1960's when local government provided all the necessary infrastructure improvements and substantial property tax benefits to developers.
This is conducive in the fact that there is available land in which to build in the inner city, but there also exists risk that the developer may not be prepared or equipped to handle.

**PROPERTY VALUE:**

In strong markets, it is clear that property values do increase. From this standpoint of risk measurement, there is little liability in assembling the property. Even if the development plans are not carried out, the property could still be sold for a profit. However, the downside of this scenario, is if land values are increasing, prices are also increasing. Property owners are aware of this and will likely expect the price offered to reflect this increase. Given this scenario, the developer must make a decision on the price it can afford and still be capable of operating within its budget.

The use of the site is critical in this evaluation of property. This scenario is usually where community based organizations and housing advocates come in. The inner city neighborhood consists of deteriorating housing as well as abandoned land. Therefore, these advocates desire the revitalization of its housing stock. On the other hand, commercial retail development could improve the tax base of the area and give investment incentive. All of these attributes are needed in an effort to revitalize inner city neighborhoods and restore them to viable areas.
Single family residential development or industrial uses generally have the lowest value of any other type of use. First rate office or luxury hotel uses generally generate higher land prices. Thus, the land is valued not for the fact that it is available, but for its location and the use proposed for the site.

The acceptable uses, densities, and heights for the property are all issues that must be ironed out in the early phases of the development process. The developer must keep in mind the type of development he is proposing and the impacts it will have on the community. This is inherent when analyzing the approval process.

**APPROVAL PROCESS**

Revitalization in inner city areas where high density development exist, issues of zoning are bound to arise. The developer must be prepared as well as proficient in matters of zoning negotiations. All developments must function within existing local government frameworks, codes and ordinances. Establishing a liaison with community groups; and seeking satisfactory relationships with higher levels of government - metropolitan, state and federal units are inherent factors when establishing creditability.

The ability to deal effectively in this intergovernmental maze is critical to the success of development - for it is the governmental agencies, via their legislative powers, that can
veto development plans, can stall approval of supplementary grants, and can influence the community's receptiveness of the project.

Through training programs, the MDA can aid its members to become proficient at enlisting and maintaining the cooperation and support of local planning commissions, school boards, housing authorities, state highway departments and other public entities. Failing to establish this intergovernmental communication and rapport can prove to be very damaging when trying to acquire development approvals.

There are many associated risks involved in the process of development. Citizen groups, community based organizations, market conditions, and financial constraints of the developer must be considered before a project is undertaken. The existing conditions of the area combined with the needed improvements of the area are all important factors that impact inner city revitalization. The needed improvements must be addressed not only by those who are developing the area, but must include participation by the ultimate users of the area (i.e., the residents). This brings together the minority business community and the inner city residents. This is an effort that links together the goals and objectives of public policies, community groups, and the Minority developers Association.
Inner-city revitalization projects do not happen by themselves; an extraordinary event or person must initiate them.\(^{33}\)

Revitalization requires active, informed, and visible support from all parties. In an effort to keep minority developers active and strong forces in the development of minority communities, several elements must be at the forefront of this task.

First, in areas with a minority population there must be a strong minority representation. The Minority Developers Association provides this representation by bringing together professional developers devoted to working with public and private sector organizations in an attempt to revitalize inner city neighborhoods.

The purpose of MDA is to utilize the tools (i.e., experience, expertise and community relations) that each member possesses and promote development in minority areas by minority professionals. Given the make-up of areas such as Roxbury and Dorchester where there is a strong black presence, it seems

\[^{33}\text{Luis Albert Bomer, "Houston's Harrisburge-Wayside-Enlisting the Private Sector in Inner City Revitalization," (U.L., Jan. 1987).}\]
appropriate for an organization like the MDA to be present in the community. Minority developers have a strong vested interest in inner city neighborhoods. With this interaction, communities are more likely to support the development that these developers are proposing for their neighborhood.

The role of the MDA is to promote and stimulate further involvement of minority entrepreneurs in the real estate development industry. The MDA has laid the ground work for strong development by enabling its members to tap into broader opportunities, both geographically and in terms of product development.

Through the goals of the Minority Developers Association, and shifts in public policy, inner city revitalization is taking place through the hands of interested parties who were concerned about the negative impacts of urban renewal of the 1960's. These persons desired to alter negative impacts such as decentralization, gentrification, and displacement.

The MDA has been successful in bringing together minority developers in an effort to broaden their involvement in the development process of inner city neighborhoods. Collectively, these developers have established an organization that can promote minority cohesiveness and implement the goals of city policies. Through its training programs, the developers, on an
individual basis are able to expand their knowledge and aid in the process of revitalizing the inner city.

Although many of the members have expanded their level of experience into downtown development, they are still committed to working with and creating even greater opportunities for the minority community as a whole.

For less experienced members of the MDA, the benefit is the accessibility to professional training, contacts, and experience. The necessity of training programs is viable to ensure a long term mission of promoting minority involvement. As nature would have it, the founding members will not always be around to "carry the torch". Therefore, it is vital to the continuing success of the MDA to train the upcoming leaders and prepare them for the future.

MDA as an organization is dependent on more than its historical roots and the competency and entrepreneurialism of its founding fathers, but on how it confronts issues in the future.

The greatest role that the MDA can play in inner city revitalization is not for the individuals administering the organization to use it as a platform for their own businesses, but to use it as an information base to inform other minority entrepreneurs and the minority community as a whole. The greatest role that members can play in inner city revitalization
is to establish credibility, build upon and implement the policies that promote minority participation through the employment of other minority entrepreneurs, revitalize urban renewal housing projects in the inner city, provide housing for all levels of income.

The success of the MDA will ultimately depend on its

* organizational stability
* the credibility of its members
* and the framework in which the organization shall operate under (i.e., that of a active development entity, a development consultant service, an advocacy group, or a community based educational resource.

In order for the Minority Developers Association to successfully accomplish its goals it must consists of a group of members who are proficient as professional developers. These members must be dedicated to the field and dedicated to making the inner city a stable place to live and work. Through joint efforts of minority developers, community based organizations, city officials, and the community at large inner city revitalization can happen and create a unity among inner city residents.

Creating value for both the private and public sectors is key to successful development. No value can be created for either the public or the private sectors unless they are respected. The two
entities must come together and aid in the revitalization of the inner city. [Otis Gates, 1989]

**RECOMMENDATIONS FOR INNER CITY REVITALIZATION**

In order for inner city revitalization to take place, we must first determine its total deficiencies by examining the causes of blight. There has been a lot of speculation as to why inner city areas become abandoned. Speculation that centers around crime, safety, blight, and lack of services are examples as to why commercial retail left the inner city.

Boston has set to accomplished this task of positive revitalization impacts through the establishment of public policies that promote inner city revitalization and increased minority participation. Policies that promote minority involvement can be implemented by such organizations like the MDA that promotes minority developer capacity in the real estate industry.

These elements provide the instruments for inner city revitalization. An organization of minority developers who care and are devoted to the building of the community is an important mechanism to meet the needs, and is the means of putting these instruments to work. The greatness of the tools incorporated will not make inner city revitalization successful, it shall ultimately depend on the effectiveness and commitment of public and private organizations, public policies, and most importantly
the commitment of the community.

The Minority Developers Association has been effective in changing the perceptions of minority developers and firmly establishing the credibility of these professionals in the business community. Through special programs and assertive public relations strategies, the MDA has focused attention on the successes and competency of minority developers and professionals associated with the real estate development process. At the same time, these activities have helped open lines of communication between minority real estate professionals and bankers, press, non-minority developers, and public agencies.

The MDA has been effective in impacting positive project specific issues since its inception in 1985. As the membership grows, and as public policies continue to require minority participation, minority developers will realize even greater public policy triumphs that reflect the organization's collective expertise, credibility, and influence.

According to Larry Smith, president of Property Development Services, INC. and president of the MDA, the MDA has acquired respect within Boston and the New England states. It has gained respect from the majority developers and the city. He states, "... we do influence government."
Bibliography


Regional/Urban Design Team, South End and Lower Roxbury. May, 1980


Thesis Advisor: Phil Clay

Reader: Sandy Lambert - Center for Real Estate Development