

Massachusetts Institute of Technology
Department of Urban Studies and Planning
11.423 Information, Asset-building, and the Immigrant City
Fall 2010

Instructor: Lorlene Hoyt (lorlene@mit.edu)
Teaching Assistant: Polina Bakhteiarov (psb2010@mit.edu)
Classroom: Mondays 5:30-6:30, Wednesdays 5:30-7:30
Studio: Fridays 2:00-5:00
Room: 9-451

Office Hours: by appointment to accommodate your schedule
Course website: <http://stellar.mit.edu/S/course/11/fa10/11.423/>
Course Locker: athena.mit.edu/course/11/11.423/...Fall_2010

Introduction

The City of Lawrence is a struggling but vital former mill city located approximately 25 miles north of M.I.T.'s campus. Lawrence, also known as "the immigrant city," is one of the poorest cities in New England and faces a range of obstacles in its struggle for renewal: a dilapidated and contaminated industrial infrastructure, an older often neglected, substandard housing stock, and a budget deficit that threatens to bankrupt the city by next year. Lawrence is also the second largest Dominican city in the U.S., with a vibrant population of newcomers, mostly Latinos, who have transformed the city by creating a thriving commercial corridor with new bodegas and Latin clubs in the once retail and theatre-lined downtown. On January 4, 2010, the first Latino to be elected mayor in Massachusetts, William Lantigua, was sworn into office. Mayor Lantigua has promised to "overhaul the way the city does business."

Problem

In 2005, predatory lending emerged as a serious problem in the City of Lawrence. As homeowners fell behind on their mortgage payments, banks foreclosed on properties and families had to relocate. By 2007, homeowners throughout the country witnessed the collapse of the subprime mortgage industry. The "mortgage meltdown" impacted earnings on Wall Street, especially among investment banks trading in mortgage-backed securities. This took a toll on the entire economy. In neighborhoods, in Lawrence and beyond, housing stock became the property of lending institutions, or "real-estate owned" (REO). REOs are residential properties whose ownership has reverted back to banks or other mortgage holders. Such properties are problematic because they are typically vacant and neglected. As a result, they are vulnerable to vandalism and illegal occupancy. Studies show that REOs drive down property values, decrease local tax revenues, and require additional public services such as police and fire protection. Moreover, foreclosures of multi-family properties put renters at risk of eviction. According to Mayor William Lantigua, "The city is broke."

Our Charge

Can we, in partnership with the people of Lawrence, collect, analyze, and present information in a way that transforms abandoned properties into community assets? How can we hold banks and other mortgage holders responsible for maintaining such properties? Can REOs generate revenue for the City of Lawrence?

In a recent editorial, Mayor William Lantigua wrote, “We have no free cash, no reserves or any other discretionary funds available. However, the timely submission of a balanced budget and the cooperation between city and state government is what I believe to be the beginning of a multi-year process of getting Lawrence's fiscal house in order. In order for our city to recover from chronic mismanagement and poor governing of the past, we must now seek a "shared sacrifice" approach from both the taxpayers and the employees. This budget is a reflection of the sacrifices that the citizens of Lawrence are being asked to make through a variety of tax and fee increases along with a reality that core municipal services will be cut, affecting quality of life for all Lawrencians.” (June 6, 2010, Eagle-Tribune)

Our primary partners, Jim Barnes and Patrick Blanchette, have asked us to investigate REOs in the City of Lawrence in relation to Ordinance #5-2008, which was approved at a public hearing in the Council Chamber on Tuesday, March 4, 2008 entitled “Regulating the Maintenance of Abandoned and Foreclosing Residential Properties.” The ordinance grants the Inspectional Services Department “the authority to protect and serve public safety, security, and quiet enjoyment of occupants...” and requires residential property owners, “including lenders, trustees, and service companies to properly maintain abandoned and/or foreclosed properties...” Our investigation will involve collaboration with numerous community partners. In particular, they will expect us to analyze the distribution and status of REOs in Lawrence, make recommendations aimed at improving city services and increasing city revenues, and explore best practices in similar cities.

- (1) We will use the online database of foreclosed properties –recently created by the Citizens’ Housing and Planning Authority (CHAPA) and the Warren Group– to collect, analyze, and present information about REOs in Lawrence. This will include determining the geographic distribution and physical characteristics of REOs as well as their ownership and legal status. These data will be presented and discussed publicly using summary statistic and computerized mapping systems;
- (2) We will work with the Inspectional Services and other city departments to evaluate organizational capacity in relation to Ordinance #5-2008 and develop/streamline procedures for identifying, registering, inspecting, and issuing violations against REOs; and
- (3) We will investigate best practices in other small, post-industrial cities by reviewing the literature and interviewing leading scholars and practitioners. We will look for strategies for ensuring that banks handle REOs in Lawrence more responsibly.
- (4) Depending on our capacity (class size) as well as student interests and abilities, we may work to devise a city-wide strategy for managing and mitigating foreclosures.

Pedagogy

What began as a partnership between the DUSP and Lawrence Community Works (LCW), a nationally renowned community development corporation in that city, has –over the course of a decade– developed into a reciprocal learning relationship between MIT and the people of Lawrence. This relationship is reinforced by the fact that several community partners are DUSP graduates.

The practicum is at once the cornerstone of the partnership and a point-of-entry into the sustained, dynamic, and diverse learning network known as MIT@Lawrence (for more, see www.MITatLawrence.net). In short, MIT@Lawrence is a community of practice based on trust, mutual respect, cooperation, and hard work. Newcomers are welcome. By working across disciplines, we aim to deepen our understanding of what it takes to transform the economic, social, political, and physical landscape in Lawrence. By sharing what we learn through practice, we aim to create theories and strategies of use to civic leaders and residents other small, post-industrial cities.

Working with youth is central to our partnership. Practicum students will work hand-in-hand with teenagers from the Lawrence Family Development Charter School (LFDCS) in the classroom on Friday, Oct. 15th and Friday, Nov. 12th. These teenagers are part of an initiative known as Lawrence@MIT, which was created in 2006 to combat the high school dropout crisis and build a culture civic engagement through the alliance of students, staff, and faculty with residents and rooted institutions in Lawrence. This initiative is one of many that is supported by the MIT@Lawrence Partnership. It started as a nine-week program for a handful of teenagers who rode the bus to campus on Sundays for free SAT tutoring. Today, Lawrence@MIT is a sustained relationship of reciprocal knowledge with more than five dozen teenagers visiting campus every month to help with experiments in the Chemistry, Physics, Biology, and Civil Engineering departments as well as the Edgerton Center, Toy Lab, and GAMBIT Lab. These visits are also intended to help students meet or surpass the state’s science MCAS achievement requirements and prepare to achieve in high school and college.

In closing, an important part of the practicum is learning to work together as a team that functions effectively within a larger community of practice. Early on, we will discuss the skills you possess and those you want to develop throughout the semester. Together, we will devise a group plan that aims to meet everyone’s needs and articulates individual responsibilities. Throughout the semester, we will listen and learn from one another in a safe, respectful, and egalitarian learning environment. And, as always, we will have a fun and productive experience.

Objectives

Listed below are the knowledge and skills that students can expect to learn/build on by taking this course.

- An understanding of why “forgotten cities” like Lawrence struggle to compete in a global economy, the chronic structural problems they face, the assets they possess, and the revitalization strategies they have to offer;
- An introduction to such basic concepts as homeownership, predatory lending, foreclosure, REOs, and property acquisition and disposition processes;

- Experience using geographic information systems and social media to collect, analyze, and publicly present information and ideas for the purpose of instigating local collective action;
- Experience working within a learning network comprised of dedicated, dynamic, and progressive civic leaders and residents in politically complex and ethnically diverse urban environment; and
- Exposure to techniques for group collaboration and reflection and basic skills necessary to produce an innovative and useful end-product.

Primary Partners

The primary community partner for the semester will be James Barnes, Director, City of Lawrence - Community Development Department and Patrick Blanchette, the Economic Development Director.

<p>James Barnes Community Development Director City of Lawrence 147 Haverhill Street Lawrence, MA 01840 jbarnes@cityoflawrence.com</p>	<p>Patrick Blanchette Economic Development Director City of Lawrence 200 Common Street Lawrence, MA 01840 patrickblanchette@cityoflawrence.com</p>
--	--

Other Partners

Other partners include: Armand Hyatt, Lawrence CommunitWorks, Inc.; Peter Blanchette, Inspectional Services Department for the City of Lawrence; Tamar Kotelchuck, Lawrence CommunityWorks, Inc.; and Kristen Harol of The Life Initiative (and former Deputy Director, Lawrence CommunityWorks, Inc.).

<p>Armand M. Hyatt Attorney at Law Hyatt & Hyatt 8 Jackson Court Lawrence, Massachusetts 01840 Tel (978) 688-3521 Fax (978) 689-8977 ahyatt@lcworks.org</p>	<p>Peter Blanchette Building Commissioner Inspectional Services Department 200 Common Street Lawrence, Massachusetts 01840 978-620-3130</p>
<p>Tamar Kotelchuck (DUSP/MCP '99) Real Estate Project Manager Lawrence CommunityWorks, Inc. 168 Newbury Street Lawrence, MA 01840 tkotelchuck@lcworks.org</p>	<p>Kristen Harol (DUSP/MCP '99) Vice President The Life Initiative 420 Boylston Street Boston, MA 02116 kharol@masscapital.com 978-828-7491</p>

Travel

The City of Lawrence is easily accessed by train, personal automobile, or Zip car. The expectation is that students who choose to participate in this learning network have a deep interest in meeting frequently with community partners, attending community meetings, working on the ground with residents, etc. To be reimbursed for travel-related expenses, you must submit original receipts with a travel voucher to Janine Marchese (neen610@mit.edu) in 7-337. To reduce our carbon footprint, we ask that all drivers are accompanied by at least one passenger.

Course Requirements

Assignment #1 – Group Plan (20%)

Students must meet to discuss their ideas, goals, deadlines, deliverables, and budget for the semester. Use the first page of the plan to frame the problem. What is your current understanding of the problem we aim to solve? What kind of data should we collect to begin our investigation? With whom should we work to sharpen our understanding of the problem and its potential solutions? Subsequent pages of the plan should illustrate how you plan, as a group (or two or three), to get the job done. *Be sure to begin by combing through the syllabus together to ensure that everyone is clear on deadlines and deliverables for the semester.* Document exactly how many hours per week each student is going to commit to this practicum outside the listed classroom and studio hours. Figure out how you will organize yourselves and your time. Be specific and realistic. Determine and document the roles and responsibilities for each group member. You will need one Project Manager, per group, (no more than 6 people per group), who will work with the teaching assistant to schedule site visits, public meetings, etc. Discuss and decide whether other positions need to be designated. Also discuss and document a protocol for communicating among yourselves outside of class. Develop a budget for anticipated travel and supplies. Who will drive to/from Lawrence? Who will purchase supplies and submit receipts for reimbursement? The group will submit a single and *detailed* document that explicitly addresses these and other relevant logistical issues on Monday, **September 27th by noon**; we will discuss it in class later the same day.

Assignments #2, 3, and 4 – Public Meetings (30%)

To ensure that students are working together throughout the semester to craft innovative and actionable recommendations with input from our primary partners, three cumulative group assignments will be completed before the final report is compiled and disseminated. These may take the form of a short memo or handout to be distributed to community partners at each presentation.

- #2 (10%) – draft **due 10/18**; revised version **due 10/20**
- #3 (10%) – draft **due 11/8**; revised version **due 11/10**
- #4 (10%) – draft **due 11/29**; revised version **due 12/1**

Students are expected to present a draft and practice their presentation/facilitated meeting in class and revise materials for the next class meeting, which will take place in Lawrence or at M.I.T. The purpose of the public presentations/facilitated meeting is to receive feedback from partners to ensure we are moving in the right direction and allow us to recalibrate our investigations accordingly.

The project manager and/or Lawrence liaison are/is expected to coordinate the above events. Where will the presentation take place? Will you advertise the meeting or will our primary partners take the lead on that task? Will there be refreshments? Should the meeting have an English-Spanish translator?

Assignment #5 – Final Report (20%)

The final report is a well-written narrative (between 10-15 pages), with graphics, representing the analysis and recommendations for the problem as we've framed it. The report should illuminate the scope and depth of our investigation and begin with an executive summary. We expect students to coordinate efforts to create a stylistically consistent and intellectually coherent document. We urge students to avoid the use of jargon. The final report must be submitted to the instructors and sent to primary partners, James Barnes and Patrick Blanchette on Wednesday, **December 8th**. Polina will then work to get the report translated into Spanish and deposited in the Lawrence Public Library.

Assignment # 6 – Data and Documentation (10%)

Now that you have completed an important piece of an ongoing learning relationship, it is critical that you organize and archive your work. As a group, you will bundle and submit all project-related information, including group meeting minutes, correspondence with the partners (e-mail, meeting minutes, etc.), and presentation-related materials (maps and associated data files, slide presentations, and the final report). This information must be submitted to the instructors in notebooks and on compact diskettes on Monday, **December 13th**. Such documentation materials for 2002 through spring 2010 are available in room 9-428 and in the course locker. We look forward to adding the notebook from the fall 2010 practicum to our growing library!

Class Participation and Reflections (20%)

The quality of this course depends on your participation. While it is reasonable to miss a session due to illness or emergency, you must notify Lorlene (lorlene@mit.edu) in advance if you will be absent more than once.

Academic Integrity

Students taking this course are expected to read the presentation on academic integrity available at: <http://web.mit.edu/academicintegrity>

Please let one of us know if you have any questions or concerns about this policy.

Disabilities

If you have a disability, or any other problem you think may affect your ability to perform the work outlined here, please see one of us early in the semester so that arrangements may be made to accommodate you.

For more on M.I.T.'s policies for academic accommodation for students with disabilities, see: <http://studentlife.mit.edu/dso/students>

Schedule

The course is organized into 5 distinct phases. The first phase orients participants to the City of Lawrence, its history, its people, and the problem that we aim to solve. The following 3 phases are “sprints.” Each, about 2 weeks in duration, is a period that begins with a reflection exercise and ends with a public presentation of findings where we will receive constructive feedback from partners. The final phase is characterized by archiving the materials we have collected, evaluating our engagement with the people of Lawrence, disseminating findings and recommendations to our partners, and celebrating our achievements.

PHASE ONE

Connecting with People and Place, Framing the Problem, Designing a Group Plan

Classroom Session One (Wednesday, September 8th)

Discussion:

- Introductions
- Course Introduction

Classroom Session Two (Monday, September 13th)

Discussion:

- Introduction to the City of Lawrence, Massachusetts – Past and Present
- Required Readings

Classroom Session Three (Wednesday, September 15th)

Guests:

- Patrick Blanchette, Director, City of Lawrence Economic Development Department (not confirmed)
- James Barnes, Director, City of Lawrence Community Development Department (confirmed)
- Required Readings

Friday, September 17th – Group Work on Group Plan

Classroom Session Four (Monday, September 20th)

Guest:

- Kristen Harol, Vice President, The Life Initiative (former Deputy Director of Lawrence CommunityWorks, Inc. and DUSP alumna '99) (confirmed)
- Required Readings

Site Visit (Wednesday, September 22nd)

- Project Updates

- Required Readings

Friday, September 24th – Site Visit

- Peter Blanchette, Inspectional Services Department (not confirmed)
- Armand Hyatt, Attorney-at-Law (confirmed)

Classroom Session Five (Monday, September 27th)

Discussion:

- **Assignment #1 Due**
- After-action-reflection

Classroom Session Six (Wednesday, September 29th)

- Group reflection
- Next Steps: Sprint 1

PHASE TWO

Collecting Data, Reporting to Partners, Reframing the Problem

Friday, October 1st – Group Work

Classroom Session Seven (Monday, October 4th)

Discussion:

- Project Updates
- Required Readings

Classroom Session Eight (Wednesday, October 6th)

Discussion:

- Project Updates
- Required Readings

Friday, October 8th – Group Work

Monday, October 11th – Holiday – No Class

Classroom Session Nine (Wednesday, October 13th)

Discussion:

- Project Updates

Friday, October 15th – Work with Students, Lawrence Family Development Charter School

Classroom Session Ten (Wednesday, October 18th)

Discussion:

- Practice Run

Classroom Session Eleven (Wednesday, October 20th)

Due: Assignment #2

- Presentation in Lawrence
- After-action-reflection

PHASE THREE

Analyzing Data, Reporting to Partners, Refining the Problem

Classroom Session Twelve (Friday, October 22nd)

- Group reflection
- Next Steps: Sprint 2

Monday, October 25th – Group Work

Classroom Session Thirteen (Wednesday, October 27th)

Discussion:

- Project Updates

Friday, October 29th – Group Work

Classroom Session Fourteen (Monday, November 1st)

Discussion:

- Project Updates or Group Work

Classroom Session Fifteen (Wednesday, November 3rd)

Discussion:

- Project Updates or Group Work

Friday, November 5th – Group Work

Classroom Session Sixteen (Monday, November 8th)

Discussion:

- Practice Run

Classroom Session Seventeen (Wednesday, November 10th)

Due: Assignment #3

Discussion:

- Presentation at M.I.T.
- After-action-reflection

PHASE FOUR

Synthesizing Information, Presenting Actionable Recommendations

Friday, November 12th – Work with Students, Lawrence Family Development Charter School

Classroom Session Eighteen (Monday, November 15th)

- Group reflection
- Next Steps: Sprint 3

Classroom Session Nineteen (Wednesday, November 17th)

Discussion:

- Project Updates

Friday, November 19th – Group Work

Classroom Session Twenty (Monday, November 22nd)

Discussion:

- Project Updates

Wednesday, November 24th – Holiday – No Class

Friday, November 26th – Holiday – No Class

Classroom Session Twenty-one (Monday, November 29th)

Discussion:

- Practice Run

Classroom Session Twenty-two (Wednesday, December 1st)

Due: Assignment #4

Discussion:

- Final Presentation in Lawrence
- After-action-reflection

PHASE FIVE

Archiving and Disseminating Information, Evaluating and Celebrating our Experience

Friday, December 3rd – Group Work

Monday, December 5th – Group Work

Classroom Session Twenty-three (Wednesday, December 8th)

Due: Assignment #5

Discussion:

- Group Reflections
- Evaluations

Monday, December 13th – No Class – **Assignment #6 Due**

Readings

September 13th

Lawrence History Center, <http://www.lawrencehistorycenter.org/>

- Lawrence History Timeline and Background and Early Development

Lawrence CommunityWorks

- <http://www.lcworks.org/>

MIT@Lawrence

- <http://www.MITatLawrence.net>
- Previous work in course locker at: athena.mit.edu/course/11/11.423

Hoyt, L., Dougherty, A., Leavy-Sperounis, M., Martin, D., Mills, A., Sisk, E. 2009. "Sustained City-Campus Engagement: Reflections on Our Practice." DVD. Cambridge, MA: MIT@Lawrence and U.S. Department of Housing and Urban Development. <http://techtv.mit.edu/videos/3498-sustained-city-campus-engagement-reflections-on-our-practice>

September 15th

City of Lawrence

<http://www.cityoflawrence.com/Pages/index>

Hoyt. 2010. "Sustained City-Campus Engagement: Developing an Epistemology for Our Time." In Saltmarsh, J. and M. Hartley (eds.) *Democratic Civic Engagement: Institutional Change for Reclaiming the Public Purpose of Higher Education*. Philadelphia: Temple University Press.

Hoyt, L. and A. Leroux (2007). Voices from Forgotten Cities: Innovative Revitalization Coalitions in America's Older Small Cities, PolicyLink, 1-56. http://www.chapa.org/files/f_1220886295forgottencities_final.pdf

Traynor, W. and J. Andors (2005). Network Organizing: A Strategy for Building Community Engagement, Shelterforce Online. <http://www.nhi.org/online/issues/140/LCW.html>

September 20th

Bianco, Katalina et al. 2001. The Subprime Lending Crisis: Causes and Effects of the

Mortgage Meltdown. pp. 2-28.

<http://www.MITatLawrence.net>

2005 Practicum report

2006 Practicum report

September 22nd

<http://www.MITatLawrence.net>

2007 Practicum report

Hoyt, L., Balderas-Guzman, C., Bonilla, J., Bopp Stark, A., Caraballo, L., Espinoza-Toro, C., Mills, A., Rich, D., Rodda, L., Rotzel, M., and R. Ochshorn. "Predatory Tales." DVD. Cambridge, MA: MIT@Lawrence, U.S. Department of Housing and Urban Development, 2007.

Predatory Tales: The Story of Osmara, July 24, 2009

<http://techtv.mit.edu/collections/mitatlawrence/videos/>

Predatory Tales: The Story of Isabel, July 24, 2009

<http://techtv.mit.edu/collections/mitatlawrence/videos/>

Predatory Tales: Advice from the Experts, July 24, 2009

<http://techtv.mit.edu/collections/mitatlawrence/videos/>

October 4th

Fleischman, Daniel. 2009. Nonprofit Strategies for 1- to 4-Unit REO Properties: An Analytical Framework, NeighborWorks America, Joint Center for Housing Studies of Harvard University, pp. 1-32.

Chakrabarti, Prabal, Massachusetts' Efforts to Address Foreclosed Properties, Community Development Investment Review, Federal Reserve Bank of Boston pp. 65-72

http://www.frbsf.org/publications/community/review/vol5_issue1/chakrabarti.pdf

October 6th

ICIC Briefing Paper. 2008. Foreclosures and the Inner City: The Current Mortgage Crisis and its Inner City Implications, pp. 1-3.

Madar, Josiah, Been, V., and A. Armstrong. 2008. Transforming Foreclosed Properties Into Community Assets, Furman Center for Real Estate and Urban Policy, New York University, pp. 3-50.

Immergluck, Dan, and Geoffrey Smith. "The External Costs of Foreclosure: The Impact of Single-Family Mortgage Foreclosures on Property Values." Housing Policy Debate 17 (1) (2006): 57-79.