

No Foreclosures Here

With the housing crisis nationwide driving struggling families from their homes, Boston's creative Dudley Street Neighborhood Initiative shows how communities can hold their ground.

by [Holly Sklar](#)

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When I first visited the Dudley Street neighborhood in 1988, less than two miles from downtown Boston, it looked like tornadoes had struck, leveling whole sections of homes and shops that were never rebuilt.

Beginning in the 1950s, an escalating unnatural disaster of government negligence, banking discrimination, racism, and arson for profit had stripped the Dudley neighborhood of services and destroyed many homes and businesses. Nighttime often carried the smell of smoke and fear as fires struck abandoned and occupied buildings, orchestrated by absentee landlords who wanted to collect on insurance and speculators clearing out properties for later redevelopment.



"It's just a dream come true that I was able to buy a house here," said Renay Peters, 49, who grew up nearby. Peters is required to live in the city for her job at the Boston Water and Sewage Commission but couldn't afford to buy a standard home. She bought her Dudley Neighborhood three-bedroom house for \$99,000.

Photo by Evan Richman for the Boston Globe

By the early 1980s, nearly one-third of Dudley land lay vacant. The empty lots became illegal dumping grounds for garbage, construction debris, and toxic waste from around the state. The community worried it would be driven out altogether by "urban renewal," favoring costly housing, office towers, upscale retail, and high profits for developers over affordable homes and local businesses.

But instead of leaving their fate in the hands of city planners and private developers, residents did something extraordinary. They founded a community organization called the Dudley Street Neighborhood Initiative (DSNI). They organized a "Don't Dump On Us" campaign to fight illegal dumping, clean up the vacant lots, and build community hope and power. They "flipped planning on its head": Instead of trying to influence a top-down urban renewal process led by city government and developers, they created their own "bottom up" comprehensive revitalization plan and, in 1987, convinced the City of Boston to formally adopt it. Then, DSNI made history in 1988 as the only community group in the nation to win the power of eminent domain to acquire vacant land for resident-led development.

Over the past two decades, the community has rebuilt much of the vacant land with housing affordable to low-income families and revitalized the neighborhood.

Today, Dudley is much more prepared to weather the storm of predatory lending, fraud, and foreclosures sweeping the country.

Residents Claim Control

Dudley was hit hard by the widespread discriminatory practice known as “redlining” that denied home and business loans, insurance, and other services to people in low-income neighborhoods—or offered them only at exorbitant rates. In the late 1960s, Dudley temporarily experienced a reverse form of redlining in a devastating preview of today’s nationwide foreclosure crisis. Mortgages insured by the Federal Housing Administration (FHA) were finally made available to black buyers in Boston, but only within specific areas like Dudley that were designated by the Boston Bankers Urban Renewal Group (B-BURG). Realtors used racist fear-mongering and arranged break-ins and other “scare the hell out of them” tactics to orchestrate blockbusting and flight by longtime white homeowners with paid-off mortgages. FHA inspections deliberately played into the hands of speculators. They undervalued good properties so speculators could buy them cheap, while overvaluing properties that homebuyers would find out later needed major repair. Buyers who had no reserves to pay for repairs and had mortgages that were greater than the actual value of their homes often faced foreclosure. More than half of all B-BURG purchasers lost their homes by 1974. The bankers, meanwhile, made money on mortgage-processing fees while passing on the costs of foreclosure to the federal government—and the Dudley community.



DSNI director John Barros has his roots here. As a kid in 1993, he helped design the prominent 1993 “Unity Through Diversity” mural that has become a neighborhood icon.

Photo by Robert Haas

DSNI confronted the devastation by shifting control over development from city planners, speculators and private developers to neighborhood residents. Residents’ vision of a diverse, dynamic, sustainable “urban village” has guided Dudley redevelopment since the late 1980s.

DSNI’s eminent domain proposal targeted the center of the Dudley neighborhood—a 64-acre triangular section with 30 acres of vacant land, nicknamed the “Bermuda Triangle.” About half of this land was city-owned, but scattered throughout were 181 private vacant lots, many held by tax-

delinquent absentee owners. Acquiring private lots one by one would have been a complex and piecemeal ordeal. Eminent domain gave DSNI the chance to pursue a coherent plan for the area that would meet community needs.

Dudley’s approach turned the long-abused power of eminent domain into a tool for development without displacement. Eminent domain applied only to vacant land: No one lost their home or business in the process. DSNI worked with residents who owned vacant land in the Triangle and wanted to develop their lots as homes or gardens, for example.

And the strategy placed control over vacant Triangle land in the hands of a community land trust, Dudley Neighbors, Inc., to institutionalize resident control over the land and its development, and ensure that housing created is not only affordable to the first buyers but future homeowners.

How It Works

In a community land trust, families purchase homes but a nonprofit organization owns the land. This approach “protects affordability in perpetuity,” says May Louie, DSNI director of capacity building.

In the Dudley Neighbors land trust, homebuyers receive a 99-year renewable and inheritable lease for use of the land. They agree that all future sales will be made to a low- or moderate-income buyer and follow a resale formula at a price that allows them to recoup the cost of home improvements and benefit from modest price appreciation.

Dudley Neighbors prohibits the shoddy construction that so often undermines affordable housing. Homebuyers often qualify for downpayment and closing cost assistance through the Boston Home Certificate Initiative.

Homeowners benefit from city and state affordable-housing subsidies, and get a quality home they couldn't otherwise afford. And land trust homeowners pay significantly lower property taxes because the city recognizes the resale restrictions.

Land trust subsidies aren't lost if the homeowner leaves. “The subsidies stay with the home generation after generation,” Louie says. “They can't be cashed out. In the land trust model, the investment is shared, and the equity is shared. It builds family wealth and community wealth.” And the housing remains affordable for future buyers.

Homeowners also get protection from predatory lenders. Dudley Neighbors restricts loans to reasonable terms from approved lenders and steps in to help if homeowners miss payments due to job loss or medical crises.

“Homeowners get more than a financial subsidy,” explains John Barros, executive director of DSNI. “They get an ongoing partner in dealing with lenders.”

The land trust provides stability and opportunity that low-income neighborhoods generally don't have.

Housing experts across the country have their eye on community land trusts as proven means of preventing foreclosures. A survey released March 2008 found only two foreclosures among a national sample of 3,115 land trust homeowners.

“Turnover in the land trust is very low,” says Jason Webb. “People really plant roots in the community.” He should know. Jason grew up in the neighborhood and started volunteering with DSNI when he was seven years old. By 13, he knew he wanted to work for the group as an adult, and he's never wavered, going from volunteer to DSNI board member to full-time community organizer to director of the Dudley community land trust.

John Barros is another of the many residents who prove that moving up in a low-income community doesn't mean moving out. John's parents emigrated from Cape Verde to Boston before he was born, and as a teenager, he was the founding co-chair of DSNI's youth committee and the first youth to serve on the DSNI board. A graduate of Dartmouth College, John became DSNI director in 2000. “It's a real sign of progress that so many kids move up and stay [in Dudley],” John says.

Weathering the Next Disaster

The strategies that enabled Dudley to overcome the housing disasters of earlier decades are now helping protect it from today's foreclosure crisis. There were 713 foreclosures in the city of Boston in the first seven months of 2008, but none in the Dudley land trust.

“The community land trust secures the wealth and assets [people] worked for,” says Barros, “Without the land trust, the risk is not just to homeowners, but the community. Foreclosure destroys communities. With the [land trust], public funds are used more efficiently and responsibly. Society gains from the more stable market the community land trust provides.” DSNI cannot stop all foreclosures on neighborhood homes outside the land trust, but it is helping homeowners negotiate with lenders to avoid foreclosure, and supporting tenant rights in foreclosed apartment buildings. It is also working with the city of Boston to purchase and repair vacant foreclosed neighborhood properties and add them to the community land trust where possible. Without the land trust and these other actions, says Barros, the situation “could have been catastrophic.”

“We’ve learned from the past,” says Jason Webb. “We want to intervene before the [foreclosed] homes are stripped and burned. We want to rebuild while the homes are still standing.”

DSNI is working with Boston City Council president Maureen Feeney who is exploring whether the community land trust model can help fight foreclosures citywide and strengthen Boston’s affordable housing strategy.

Meanwhile, housing experts across the country have their eye on community land trusts as proven means of preventing foreclosures. In a survey released March 2008, the National Community Land Trust Network found only two foreclosures among a national sample of 3,115 land trust homeowners. A report on land trusts (including the Dudley example) by the Lincoln Institute of Land Policy concluded, “The traditional subsidy temporarily creates affordable payments, while the [community land trust] model permanently creates affordable housing.”

A Vision Realized

Dudley’s plans for an urban village are coming to fruition. The Dudley Triangle looks nothing like it did in 1988. The Dudley Town Common, created from fragmented vacant lots, welcomes residents and visitors with colorful permanent artwork, farmer’s markets, performances, and inviting green space. The land trust has 205 affordable homes, including co-ops, rentals, and homeownership units—with plans for more in 2009. There’s a 350-person waiting list to rent apartments in Dudley Village, a new mixed-use development that will have a laundromat, beauty supply store, and Caribbean restaurant. A once-contaminated “brownfield” site is now a greenhouse.

Across the Dudley neighborhood, vacant land once used as a dumping ground now hosts playgrounds, parks, community gardens, and multicultural festivals. More than 450 affordable homes (including those in the land trust) have risen from the ashes of burned-out buildings, along with businesses, nonprofits and community centers. More than 700 homes have been rehabilitated. And the neighborhood is planning a major new community center for indoor and outdoor recreation, the arts, education, and events. Kids who grew up with DSNI have become community leaders, businesspeople, politicians, and teachers.



Children play in the fountain at the Dennis Street Park, built last year and opened at the end of August. The park is in the middle of several significant Community Land Trust housing developments. The first one, Winthrop Estates, was completed in 1993.

Photo by Robert Haas

“Long-term vision has been the most valuable skill I’ve cultivated over the years,” says Jason Webb.

Long-term vision has guided Dudley's revitalization for 24 years, and kept Dudley moving forward through economic ups and downs and changing government policies. Today, that vision is helping Dudley confront a widening recession and harsh government cutbacks.

Dudley's spirit is evident in the preamble to the Declaration of Community Rights written by Dudley residents in 1993. It reads, "We—the youth, adults, seniors of African, Latin American, Caribbean, Native American, Asian, and European ancestry—are the Dudley community ... We were Boston's dumping ground and forgotten neighborhood. Today, we are on the rise! We are reclaiming our dignity, rebuilding housing, and reknitting the fabric of our communities. Tomorrow, we realize our vision of a vibrant, culturally diverse neighborhood, where everyone is valued for their talents and contribution to the larger community."

Holly Sklar wrote this article as part of [Sustainable Happiness](#), the Winter 2009 issue of YES! Magazine. Holly Sklar is coauthor of *Streets of Hope: The Fall and Rise of an Urban Neighborhood*, about the Dudley Street Neighborhood Initiative (www.dsni.org), and director of Business for Shared Prosperity (www.businessforsharedprosperity.org).