

Streets Ahead

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Streets Ahead

by

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'The inhabitants of cities and burghs, considered as single individuals, had no power to defend themselves; but by entering, into a league of mutual defence with their neighbours, they were, capable of making no contemptible resistance.'

Adam Smith, The Wealth of Nations, Book Three, Ch IV

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1. INTRODUCTION

For many, the choice to live in a city is a trade-off with quality of life. Cities have many advantages for those who live in them, but there are also drawbacks associated with city life, which have become worse as cities have grown. Many city-dwellers are concerned about crime, and would prefer a cleaner and more pleasant environment.

The importance attached to improving the quality of life in cities is reflected in the course of policy. Governments have developed "urban" policies and "inner city" policies. In recent years in Britain, we have seen the introduction of enterprise zones, of urban development corporations, and campaigns such as the "safer cities" programme, all of these policies aimed specifically at improving conditions in cities.

However, there are grounds for believing that better success can be achieved by individual and voluntary initiative, rather than by seeking political solutions. While Britain has led the way in reducing centralised control of industry, much less has been achieved in the way of giving homeowners genuine control of their local environment. In the United States, there is a growing trend for government to delegate responsibilities to groups of residents and homeowners, and away from political control. This experience provides an important model for Britain.

2. LOCALIZATION

Many of the issues that concern British town-dwellers today are problems of affluence. The wealth of the average person has increased substantially over recent years. Partly as a result of this new prosperity, greater burdens have been placed upon infrastructure. With more people owning their own cars, for example, traffic congestion has become more of a problem. Additionally, with a better economic position, people have begun to expect a better standard of life in other spheres. More people, for example, expect to live in a pleasant environment, untroubled by pollution and nuisance.

At the same time, problems persist that have troubled urban areas for years. Crime is an enduring concern, despite vigorous attempts by governments to curtail its rate of growth. Despite an extensive welfare state, some remain dependent and in poverty from cradle to grave. Meteoric rises in house prices in recent years have excluded low-income families from owning property.

These same concerns have become the subject of interest for government, and it is clear that the government is keen to listen to innovative solutions. Experiments with new forms of ownership in towns in the United States provide some worthwhile pointers for policy in this country.

Crime

The threat of crime worries many residents of towns. Recorded crime has risen sevenfold in the last thirty years, regardless of large increases in police manpower and large increases in the prison population.

Ninety-five per cent of all crime is property crime, so that the security of their house and possessions is important to many. Personal violence has been one of the fastest growing crimes recently, and some people go in fear of being mugged or attacked.

There are indications that individuals are becoming more willing to act for their own security, rather than delegating the responsibility to the state and police as they have done in the past. Neighbourhood watch schemes, adapted from the United States, have proved a success in Britain. Encouraging individual householders to be more vigilant in defence of the neighbourhoods has succeeded in deterring some property crime. Some insurance Companies now offer reduced premiums for households which are part of a neighbourhood watch scheme.

At the same time, there are indications that the public are becoming less confident about the ability of the police to protect them. A recent MORI poll shows that only 58% are satisfied with the police, compared to 75% in a similar poll in 1981. Nine out of ten say that their concern about crime has increased.¹

The public are now far more willing to contemplate helping in the defence of their own community, or to pay for the protection provided by private security firms. It was recently reported in Police Review that there are now over one thousand private security patrols in operation². These range from patrols organised by residents on the working class Park Estate in Grimethorpe, South Yorkshire, to patrols by uniformed guards with two-way radios in the affluent neighbourhoods of Sunningdale in Surrey. At Wentworth in Camberley, private security men are employed to watch over housing, and to provide a key-holding service.

Other private security patrols are now provided by local councils, patrolling parks, schools, depots, hospitals, and court buildings. In the London borough of Wandsworth, private guards are employed to patrol housing estates and council property. Camden council in London employs 18 plain-clothed guards to watch over housing estates, libraries and council buildings. They also directly employ 17 guards to transport cash in armoured vehicles. In the Scottish new town of Livingston, 42 men are employed in a mobile force to patrol housing and shopping precincts.

Private patrols of shopping centres are becoming more common. There are thought to be 75 of these now in existence. Some industrial users have also turned to private security guards. Sealink recently decided to replace British Transport Police with guards from a private security firm for patrolling its ferry ports. Troubled by crime and vandalism, the businesses of the North Lynn industrial estate in Norfolk asked for assistance from the council. With funding from the Manpower Services Commission, the council took on eight disabled people to watch over the estate through infra-red cameras. Following this, 'crime on the estate almost disappeared'.³

According to Police Review, 'most police cautiously welcome the establishment of non-police patrols'⁴. However, concern about the possibility of "cowboy" operators led the Association of Chief Police Officers to call for the regulation of the private security industry. The danger of regulation is that it would become a way for established operators to keep out innovative competitors. Licensing, particularly when the regulators are closely associated with the industry, tends to become a way of strictly limiting the number of firms, not for the safety of the Consumer, but to protect existing operators. It becomes a tool of monopoly rather than competition. Regulation would also endanger non-professional security patrols organised by residents, against which charges of disreputable conduct do not apply.

Given that most of the residents employing private firms are unfamiliar with the market, it is perhaps not surprising that their choices of firm are not always well-informed. But this may be a problem that can only be alleviated over time. As they become more practised at dealing with security firms, residents will probably become more discerning, and "cowboys" will be weeded out through competition.

Increases in police manpower have been outstripped by rising crime, as well as police duties being widened by the creation of new crimes. As a result, it seems inevitable that more private initiatives will emerge. It is best that these initiatives should not be obstructed, but should be encouraged to develop along productive lines. Appropriate changes in property ownership can assist residents in defending their own houses and

neighbourhoods. Directed in the right way, this will relieve some of the pressure on the police, and allow them to direct their resources more productively.

Later this study will examine how residents groups can form the basis for local security. In the United States it is common for residents to organise their own security patrols, often using sophisticated security technology. Also, they commonly act on behalf of residents in dealing with professional security firms. The association can provide an expertise in bargaining much greater than that of an individual resident.

A similar case in this country is the Cinnamon Brow Community Association in Padgate. In 1985 they took on forty unemployed people to work as security guards in patrolling the local area. As job creation, it was funded by the Manpower Services Commission. The patrols proved successful in reducing local crime. They continued under the control of the association for eighteen months, before being taken over by the Warrington Corporation. This kind of local initiative is common in the United States, and it may provide a useful model, for more general application in this country.

Crime and the Urban Environment

Crime can be influenced — made easier or more difficult — by the features of the urban environment. Cities in the past functioned in a form of spontaneous order. Jane Jacobs explained the working of a successful city:

'The first thing to understand is that the public peace — the sidewalk and street peace — of cities is not kept primarily by the police, necessary as police are. It is kept by an intricate, almost unconscious, network of voluntary controls and standards among the people themselves, and enforced by the people themselves.'⁵

Jacobs identified three essential conditions to ensure urban safety. Firstly, there must be a clear demarcation of private and public space so that strangers are confined to known areas. Secondly, buildings must overlook the street to give constant surveillance, and thirdly, there must be regular use of pavements.

The analyst Oscar Newman applied the same concepts to make an empirical study of successful and unsuccessful design features. He found a number of common faults which encourage crime: buildings which make residents anonymous, inside corridors which are not visible to the street, and many entrances which serve as easy escape routes for criminals.⁶

The most recent study of this kind is Alice Coleman's Utopia On Trial. Coleman used statistical tests to identify which design features encourage crime, vandalism and litter. She found that the strongest correlations were with features which minimised surveillance and which confused divisions between public and private space. Housing developments with many storeys, with inside corridors, with blocks raised on stilts or on garages, with numerous entrances, and grounds with confused space were found by Coleman to be prone to crime, vandalism, rubbish and graffiti. By contrast, blocks without any of these features were remarkably free of such problems.⁷

The lesson from these studies is that urban planning policy should aim to encourage the natural order of cities. Policy should encourage building features which maximise street surveillance and should encourage land use where space ownership is clear. The relevance of this is apparent in the next three chapters. Street closure has been adopted in some American towns as a way of marking out ownership, and local associations have become involved in organising residents into defending their own property.

Urban Growth

The expansion of towns and cities, particularly in the south east, is constrained by planning controls. London is ringed by a green belt which aims to prevent the metropolis from sprawling into the surrounding countryside. One of the results of the increased prosperity experienced in the last ten years, however, is that the demand for land has risen sharply for business and residential use. More people are able to buy their own houses, and more people are able to buy bigger houses. With planning controls limiting the provision of new housing, demand for existing ones has spiralled. Additionally, planning controls have now become a serious obstacle to mobility. By preventing the construction of new housing, controls are preventing the entry into prosperous areas of workers from other parts of the country.

Circumstances have added to the number of critics of our planning system. Common criticisms are these:

- * Planning imposes a rigid code of uniformity that does not properly reflect local demands and needs. Local authorities make very detailed plans for the desired land uses in an area. Planning applications by residents and developers are then assessed according to how well they coincide with these plans. Sometimes businesses will be excluded, even though there are good reasons for accepting them on grounds other than environmental compatibility. In some areas, for example, residents might be happy to put up with an unsightly factory if it provided jobs. It would be preferable to have a system in which residents can express these choices, rather than having outcomes imposed by the town hall.

- * Obtaining planning permission is slow. In the first place, it can take months or even years to draw up a plan. If permission is denied, developers can appeal to the Secretary of State. About 20,000 such appeals are made each year. It can take many more months before the final verdict is delivered. In 1987, less than 40% of planning applications were dealt with in under eight weeks, and less than 60% of minor applications (like house extensions) were processed in that time. This waiting represents a considerable cost for companies and housing developers. It excludes some plans which turn out to be desirable, and it makes others uneconomic solely because of the waiting involved. It also leads companies to waste resources in finding ways around planning.

Set to expand to greater levels of prosperity over the coming years, we face many more difficult questions of priority over growth and the environment. The government has done something to ease onerous planning restrictions with enterprise zones and simplified planning zones, but many of the same pressures remain. The conflict of interest between urban growth and the environment is a seemingly intractable one.

The alternative considered in this report is a system of restrictive covenants. These are specified limitations on the uses of land, written into the property deeds. Restrictive covenants have been common in Britain for some time, although their function has been limited. The precedent was set by the case of *Tulk v. Moxhay* in 1848, in which the owner of Leicester Square Gardens in London covenanted with the buyer to ensure that the area should remain as gardens. Restrictive covenants in Britain have mainly been used for such purposes as preventing more than one house from being built on a plot, and preventing land in residential areas from being used for business developments.

In some cases, these restrictions comprise a fairly relaxed regime for commercial builders, in others they present stricter limits than planning does at the moment. The important difference is that they are far more likely to reflect the wishes of residents in the area. In the United States, where whole towns have been built with deed restrictions, they are drawn up by developers to appeal to potential residents. People who wish to pay for a business-free environment can do so, as can those who prefer to live in the proximity of the factories and shops where they go to work.

The system is also quicker because it does not require any cumbersome administrative machinery. Once the deeds have been drawn up, there are clear rules to which all the residents have agreed. There is no need for any tedious appeals procedure. All that is necessary for the system to work is that the restrictive covenants be enforced, as they usually are by the local residents association.

Developers have found recently that "green cities" are more popular with office buyers. It is now more common for development ~ companies to consult with ecologists to help design a pleasant e urban environment. In the area of the Surrey docks, the London Docklands Development Corporation surrounded offices with canals and wildlife areas, and the land values subsequently rose sharply. The housebuilding company Charles Church were awarded the Green Leaf Housing Award for incorporating environmental sensitivity into their developments. As the conservationist David Bellamy commented at a recent conference: 'People now say that if they can look out on a green space their building will be worth a lot more money; and when the River Thames is a salmon river again and company directors can go salmon fishing they will be worth a lot more money still.'⁸

The same ideas might be reinforced with restrictive covenants, to make sure that certain city areas should remain green. In many of the American Planned Unit Developments described later, the designation of green areas is common. This approach is one way of reconciling urban growth with environmental sensitivity.

The Changing Functions of Local Government

Over the last ten years, the functions of local government have changed very considerably. The pattern of change indicates that councils will become more like businesses, providing a limited range of services to local residents. Local authorities now have much less involvement in housing or in education, and many services are now performed by private contractors rather than by in-house labour. The community charge will also bring changes in the same direction. It will give residents a vote on the

efficiency of their council, and so will encourage councillors to be more mindful of costs. This is likely to lead councils to contract out more services, and to sell assets to the private sector. As a charge, levied without regard to income, it reinforces the trend for councils to become commercial rather than political bodies.

A part of this trend is to transfer the control of services downward to more locally accountable groups. This is being done, for example, in the 1988 Housing Act. This Act will encourage tenants to opt out of local authority control into housing associations. At the moment, housing associations, which provide low-rent housing, are heavily dependent upon central government for their finances. With the abolition of rent control for new lettings, and other liberalisation of rent controls, they are expected to become independent.

It would be consistent with the trends in local government for groups such as housing associations to take on more responsibility for local services. Similar associations in the United States are commonly responsible for maintaining local infrastructure and for employing refuse contractors. In comparison to the performance of local government, either as a direct provider, or as a go-between in engaging the services of contractors, local associations are likely to have two superiorities.

Firstly, they are less likely to be swayed by political considerations. The association will employ contractors on the basis of least cost and best performance, whereas a local authority will also be influenced by political costs and benefits. At present, for example, the Department of the Environment is investigating twenty alleged cases of anti-competitive practices in the tendering procedures for local service contracts. According to complaints, some local councils have set up deliberate obstacles to competitive tendering. A local association would be unlikely to behave in the same way⁹.

Secondly, because the association is more directly representative of local homeowners, it has more incentive to secure the best deal. Town hall employees are not negotiating with their own money, so they will be less concerned about value for money.

This devolution of functions will also prove attractive because of the efficiency incentives of the community charge. If local services, security, and street maintenance are provided by residents for themselves, then the local authority is relieved of the need to finance them. In the United States, residents have designed their initiatives to appeal to cost-minded councillors, and are usually rewarded with a small tax rebate in return.

Local associations can also provide some forms of social services, and they could be used to form part of a more market-based delivery system. There has been some change of emphasis in the last few years. The aim of policy in some areas, such as community care, has been to encourage local provision, rather than to provide through centralised or institutional bodies. The institute has outlined how an "internal market" consisting of voluntary and local agencies might operate.¹⁰

Some of the local groups identified in this report perform social services that are normally the responsibility of local government. They provide childcare, health advice, budgeting advice, and counselling for the unemployed. Claimants find this local

provision to be more welcoming than that provided by the state. The administrators of these programmes are more tuned to local circumstances. And the local authority is relieved of an obligation at no cost.

Associations in Britain

There are already in Britain organisations which provide some of these functions, and which could have an enhanced role in future. There are housing associations, which provide rented accommodation at reasonable rents. There are over two thousand of these, controlling half a million dwellings, which is about a quarter of the independent rented sector. Under the terms of the Housing Act, these are to be given an enlarged role, and are to be encouraged towards independence from state funding.

There are residents' associations, normally formed within blocks of flats. They vary in size and function, but they are primarily concerned with negotiating on behalf of tenants, with the landlord and with the local authority. They are normally run on a voluntary basis, with expenses paid by subscriptions from the members.

There are community associations. These have a wide range of functions. They organise leisure activities, charitable work and sometimes educational activities. Some provide local forms of social services, such as job-counselling. As described above, some have been involved in organising local security patrols.

Such associations as these have a long history in Britain, and they are likely to be given an enlarged role in the next few years, with the trend of government policy being to encourage voluntary initiative rather than dependency. Although none of the voluntary associations fulfil such an extensive role as those in the United States, there is no reason why they would not be capable of doing so. In addition, new forms of association could be fostered, with their functions laid in down in property covenants, as is common in American associations.

3. HOMEOWNERS ASSOCIATIONS

The first type of residents group is the Homeowners Association. These are formed by groups of residents, combining to provide local services normally controlled by local government. Most commonly, they provide street maintenance and lighting, snow removal and waste disposal, as well as various forms of crime prevention. Some also provide fire protection, emergency medical services, and sewerage disposal. In New Jersey and in Pittsburgh, they arrange for residents to be connected to a private water supply system.

There are now over 90,000 homeowners associations in the United States, rising from 500 in 1964. According to a study prepared for Congress in 1985, 'The rapid growth of homeowners' associations has come about from the ability of associations to arrange for efficient and responsive services and facilities desired by property owners. In contrast to remote, bureaucratic public sector institutions, homeowners' associations make special efforts to "shop around" for the service delivery arrangements most favourable to property owners.'¹¹

Figures from the Community Associations Institute show that 95% of homeowners associations are responsible for at least routine street repair. About two-thirds of them offer local recreation facilities such as swimming pools and tennis courts. Over half of the associations organise private contracts with refuse collectors. And, in terms of crime prevention, 25% of them provide manned security, and 15% provide electronic surveillance.¹²

Homeowners Associations are formed by unanimous, or near unanimous covenant between the residents in an area. Many of the associations are formed as part of new housing developments, and cover several neighbourhoods. Membership will typically number 150 households. Members pay a yearly membership fee for the services provided, which can range from \$50 to \$2,500. Members are bound by the covenant to observe deed restrictions on their property. Typically, deed restrictions will specify that the property should be used only as a residence. This operates as a kind of private alternative to zoning laws or planning controls, by excluding undesirable and anti-social uses of property and by requiring that property should not be allowed to fall into dilapidation.

1. Infrastructure maintenance and service provision

In Some new residential building developments, local authorities require that the developer should include the provision of infrastructure. This commonly includes sewer systems, water lines, and roads, and sometimes parks and playgrounds. In some instances, the local authority will require that the infrastructure become the property of the municipality, but sometimes it will become the property of the homeowners association.

Often, the association will organise the provision of services by contractors more usually provided or arranged by local government. These services will normally include refuse collection, street lighting, snow clearance, and leisure services. It may also include emergency services such as firefighting and ambulances.

The Homeowners Association can become skilled in negotiating the best terms for the residents that it represents. It saves individual members the trouble of dealing with service contractors directly. In comparison to the performance of local government, either as a direct provider, or as a go-between in engaging the services of contractors, Homeowners Associations are likely to have two superiorities. Firstly, the Association is less likely to be swayed by political considerations. The Association will employ contractors on the basis of least cost and best performance, whereas a local authority will also be influenced by political costs and benefits. Secondly, because the Association is more directly representative of local homeowners, it has more incentive to secure the best deal. Town hall employees are not negotiating with their own money, so they will be less concerned about value for money.

2. Crime Prevention

Efforts at crime prevention range from local street patrols by residents to the use of sophisticated electronic security devices. It is estimated that there are 30,000 neighbourhoods in the United States where some form of crime prevention is underway. Estimates of the impact they have in reducing crime rates vary from 20 to 60 per cent. In the suburbs of Washington DC, for example, reductions of 35–50 per cent have been recorded.

Local patrols organised by neighbourhoods, described in the next section, have often proved difficult to sustain. For Homeowners Associations' this problem is encountered far less. Homeowners Associations tend to be larger and have universal membership, so that their manpower is greater. This means also that each resident needs only to make a small individual contribution to security. It is also common for Homeowners Associations to levy additional fees on residents who want to opt out of security duties.

Reduced crime rates are reflected by increased property values. A study from 1978 found that every 10 per cent reduction in crime led to a rise in the price of an average suburban house by \$3300.

3. Protecting the Urban Environment

One of the conditions of membership of Homeowners Association is that property must be maintained in good condition. Property must not be allowed to fall into disrepair, and gardens must not become untidy or overgrown. In some Associations, repair must be completed within fifteen days of being requested. If necessary, the Association has the power to enter the property, to make repairs, and to charge the resident for them. Ultimately, the Association can place a lien on the property, preventing it from being sold.

Houses in Homeowners Associations have been found to remain in good condition for longer, and more consistently, than in ordinary areas. The Urban Land Institute described this as being 'strikingly in contrast to the deterioration of other housing of comparable age and location.' This also contributes towards the higher-than-average value of properties in Homeowners Associations.

ST LOUIS, MISSOURI

This city has a long history of privately owned residential streets. At the end of the last century and early in the twentieth century, hundreds of such subdivisions were established. Each was represented by an association, founded on a covenant. Besides owning the streets, these associations often owned the sewers and water mains. Often, the association area was marked off by gates, which kept out uninvited visitors.

Many of the earliest divisions were made by Julius Pitzman, an architect and property developer. The neighbourhood of private streets, with inclusive infrastructure, was a way of attracting housebuyers. St Louis had poor public provision, so that the guarantee of reliable street lighting, sewers and water supply was particularly attractive to potential residents. Developers of these private streets took care to lay sewers and water mains away from pavements, to minimise the disruption caused by repairs.

The residents associations formed by property covenants were a way of excluding "free riders" from the benefits of living in private neighbourhoods. They were vested with powers to place a lien on the property of any residents who failed to contribute towards the costs of the upkeep of the neighbourhood, or who failed to abide by local rules. One such rule common to private streets in St Louis in the 1890s prohibited the burning of bituminous coal, as a way of preventing smoke emission. In this way, the inhabitants of private streets were able to avoid the air pollution which troubled public streets, where the local authority tried in vain to impose governmental regulations.

Private streets in St Louis went into decline with the expansion of local government and the municipalization of infrastructure.

As urban decay spread in the rest of the city and the tax base diminished, local government fell for the temptation of taxing the private areas more heavily. Yet the laws which allowed for these associations remained on the books, until revived in recent years.

In the 1950s St. Louis began to decline. Crime rates were rising and property values falling. The process became self-perpetuating as middle class inhabitants moved out, to be replaced by a poorer and more footloose population. The northern part of the city in particular became populated by poorer families and shifting inhabitants, by low levels of owner-occupation and by the dilapidation of property. This character of population contributed to the decline. Multiple occupancy became common, with shared entrances. This led to a higher density of population. Both these factors are associated with higher crime rates. Also, the fall in the average wealth of the local population meant that there was less to tax to pay for policing. New buyers were further discouraged by the reluctance of banks to offer mortgages in the area.

The situation was not encouraging. As one journalist explained, '... most urban planning experts would have predicted that by 1981 the vandals, drunks, and prostitutes would have taken over'¹³. But the residents of several areas have now succeeded in reversing decline, by resurrecting the associations that had enabled residents fifty years before to maintain their neighbourhoods as defensible space.

In 1974 residents of Waterman Place, central west St Louis, petitioned the city authorities to vest them with the deeds for the streets. In return, they agreed to assume responsibility for maintaining streets, street lighting, sewers, rubbish collection, and any security beyond normal policing. Tired of 'prostitutes strolling past their homes and of watching 6,000 cars a day race down their street', the residents decided that taking control of their neighbourhood was the best way to save it. The authorities agreed to the request, and the new owners of Waterman Place then spent \$40,000 on building a gate to make their street private.

Since Waterman Place established the precedent, one thousand more St Louis streets have followed suit, and become privately owned. Being able to close off their streets, residents are able to keep out unwanted visitors and to identify intruders more easily. Gates vary from chains slung between posts to fortified walls and iron fences. Street makes the ownership more distinct, so that it is easier to see the people who should not be there. Because the neighbourhood also becomes more distinct, neighbours are more able, and more inclined, to play a part in defending the security of the street. The situation in Waterman Place is described:

'It is their street, and that ownership gives the neighbourhood a high degree of cohesiveness. Unusual noises coming from a neighbour's home, a stranger wandering up and down the street, or even something as harmless as an unfamiliar car parked on the street will draw neighbours out of their houses and elicit phone calls.'¹⁴

Street closure can also make the neighbourhood more cohesive, by turning the street into a safe place to mix. This, in turn reinforces the safety of the neighbourhood, by making residents more familiar to each other, and by adding to the presence of known people on the street. In his study of the area, Oscar Newman found that:

'With traffic flow limited to an occasional slowly moving car, the street has become an extension of the front yards of the abutting houses: an area that can be shared by all residents, a zone where children can play and adults can meet and socialize.'¹⁵

Private streets in St. Louis have been found to have a significant impact on reducing crime. Newman made comparisons between crimes in three groups of adjacent public and private streets:

(1) Ames Place (private) and West Portland Place (public). These streets are situated in University City, on the west side of St. Louis. Ames Place consists of 178 single family houses and 44 apartment units, on ten city blocks, built in the 1920s. Portland Place contains 189 single-family dwellings in six blocks. Both streets are inhabited by middle income families, and are very similar in population characteristics, building styles, and site characteristics. Over a five-year period from 1968–74, Newman found that West

Portland Place sustained an aggregate burglary rate (per 1,000 residents) that was 108% higher than that of the neighbouring private street.

(2) Westminster Place (private) with Washington Place (public) and Waterman Avenue (public). Westminster Place was formed into a private street by the residents in 1959; it consists of 52 medium sized homes built in the 1920s and is inhabited by middle income earners. Washington Place is identical in most respects to Westminster Place, but contains multiple occupancies, as well as some low-income earners. Waterman Avenue, to the immediate south of Westminster Avenue, holds both multiple and single Occupancies. House are slightly bigger than in the other two streets' but the architecture is identical. Over a seven-year period from 1966–73, aggregate crime rates (per 1,000 residents) were 26% higher in Waterman Avenue than in Westminster Place, and 52% higher in Washington Place.

(3) Cabanne Place (private) with Cates Avenue (public) and Clemens Avenue (public). Cabanne Place has been a private street since it was built in 1890. It consists of 39 modest-sized Subdivided single family homes, with residents of middle income. Cates Avenue is very similar but with slightly smaller lots, with some multi-occupancy, and with some lower-income residents. Clemens Avenue is identical apart from slightly closer houses. Over a seven year period from 1966 to 1973, the aggregate crime rate (per 1,000 residents) was 142% higher in Cates Avenue than in Cabanne Place, and 64% higher in Clemens Avenue.

Newman also surveyed the perceptions of safety held by residents of these streets. He found that they felt their neighbourhoods to be very safe, with a strength that was disproportionate to actual crime rates. In other words, people felt safer even than they actually were. This finding seems to reflect the cohesiveness fostered by private streets. They create a unity that fosters security.

If private streets genuinely improve the security of neighbourhoods, then this should also be reflected by increased property values. Newman used several measures to test this. He looked first at the differences in sale price, for a standardised size of room. Comparing the public street of Washington Boulevard with the adjacent private street Westminster Place, he found that houses in the private street, on average, attracted a premium of 35.4%. He also found significant results by comparing house prices for different sides of Washington Place. The south side of the street, the side nearest to Westminster Place, attracted a premium of 61.9% over the north side of the street. This result appears to show that private streets can generate improvements beyond the boundaries of their jurisdiction.

The second measure that Newman employed to test the effect on property values was to look at actual sale price per room, and to compare this with the original asking price. For this comparison he studied Ames Place and West Portland Place, both very similar streets, but one being private and the other being public property. He found that the private street sold at a higher price than those on the public street did. The per room price for houses on Ames Place ranged from \$2402 (standardised to 1967 prices) to \$3405, whereas on West Portland Place they ranged from \$2531 to \$2641.

He also found it significant that the difference between asking price and final sale price was quite a lot greater for Ames Place than for West Portland Place. On average, the sale price for houses on the private street was 10.7% lower than that sought by the owners. For the public street the difference was 5.6% (although the actual sale price was higher on the private street). This shows that the residents of private streets consider their streets to be even better than they really are. The residents of private streets seem to hold a high opinion of their neighbourhoods.

The third measure that Newman looked at was the valuation made by the City Tax Assessors Office. The valuations listed below are for Westminster Place compared to Washington Boulevard, and for Cabanne Place compared to Cates Avenue and Clemens Avenue.

PROPERTY ASSESSMENT COMPARISONS, ST LOUIS 1971

	Ave. Assessment	% difference
Westminster Place*	\$8307.69	–
Washington Boulevard	\$7782.80	–6.3
Cabanne Place*	\$7003.70	–
Cates Avenue	\$5334.00	–23.8
Clemens Avenue	\$5844.83	–16.6

*private street
Source: Newman (1981)

These figures show that properties on private streets in St Louis are worth more, on average, than those on public streets with very similar characteristics.

It is noteworthy that private streets attract this premium despite more properties on the public streets being converted to multi-occupancy. The overall valuation of a house that has been converted to accommodate two families would normally be higher than if it were reserved for single occupancy. Two apartments, for example would normally command a higher combined selling price than the same property maintained as one house. In the case of the private streets, single-occupancy is usually specified in the deed restrictions. And yet the benefits which they provide, in terms of reduced crime, better services and a more environmentally pleasant vicinity, appear from the data to outweigh this consideration.

When a street, or several blocks, are taken over by their residents, they can become a lynch-pin for stabilising a whole sector of the city. To the north of the private street Waterman Place is Delmar, an area that is crime-ridden, decaying, and with a transient population. The area to the south of Waterman Place looked likely to follow the same trend, but is now protected by the buffer zone of the private streets. To the south, developers have now been restoring properties, and family residents are willing to move in and occupy them.

In some other cities street closure has been used by local councils as a way of slowing down urban decay. The tactic has been used, for example, in Columbus, Ohio, and in Hartford, Connecticut. Studies of the Hartford scheme have been rather disappointing, in that they show no substantial fall in crime. The reason that this has not been as successful as the St Louis example is that street closure is only one part of the remedy. While the streets remain the property of the local council, there is no legal equivalent of deed restrictions to maintain the Condition of property. Neighbourhoods will still suffer from falling property values, from properties being dilapidated or abandoned, and from changes in government zoning laws.

The designation of homeowners associations in the deeds of private streets is an important constituent in their success. While voluntarily formed "lot associations of homeowners can fulfil most of the same functions, they tend to lack continuity. Because homeowners associations are required in law to perform certain functions, they do not depend solely upon the enthusiasm of community spirited volunteers, and so their beneficial effects tend to be more permanent as well.

HOUSTON, TEXAS

Houston is one of the few cities in the world where building was not traditionally regulated by any form of governmental planning controls. Instead, there is a long history of deed restrictions, which restrict the uses of property. The City Council does have a planning department, but this works as an advisory centre for residents who want to draw up their own covenants.

Restrictive covenants have evolved in Houston to be more effective than zoning laws in guaranteeing the quality of a neighbourhood. As Siegan noted in his study, 'Provisions governing architectural requirements, cost of construction, aesthetics, and maintenance of the exterior found in covenants are rarely found in zoning or other city ordinances ...'¹⁶. The regime has also proved to be a popular one: residents have voted down proposals for zoning laws.

Homeowners Associations are also common to Houston – it has over four hundred of them. The city council of Houston has raised over \$4.5 million a year by selling streets to homeowners associations¹⁷. The spread of such sales has been accelerated by the policy of the council to give tax rebates to residents who agree to arrange their own rubbish collection.

At Clear Lake City in Houston, 30,000 residents belong to the Clear Lake Community Association. The association was formed in 1963 when Exxon built the city. In 1977 residents petitioned the City Council to obtain a tax rebate for providing their own refuse collection. The council agreed to this in 1980, and now provides a rebate of \$6 a month per household.

The association at Clear Lake is funded by a rate levied on property, and operates services in return. It directly employs three full-time firemen, and contracts for ambulance services, for refuse collection, and for the management of leisure facilities such as swimming pools and parks.

4. NEIGHBOURHOOD DEVELOPMENT ORGANISATIONS

Neighbourhood Development Organisations (NDO's) are formed by residents to provide services, primarily for disadvantaged households in the area. Typically, they provide low-income housing, social services, and job training. These programmes are managed by full-time professionals, employed by the NDO.

NDO's are not funded by homeowner fees. In the past they have often relied upon funding from the state or from private charitable foundations. More recently, NDO's have been encouraged to find alternatives to state funding. A major source of funding for many NDO's is now property development. Some NDO's invest mainly in residential property, while others are more concerned with providing jobs, and concentrate their investments in commercial or industrial property. Some NDO's accrue \$200,000 to \$400,000 from real estate alone, which enable them to finance their services. Otherwise, these services would not exist, or would be a burden on taxpayers.

By providing services to the disadvantaged, NDO's are a local alternative to state-run social services. According to a study prepared for the US Congress, this form of provision is more accessible to disadvantaged applicants:

'NDO's have proven particularly successful in providing labour-intensive services in a non-bureaucratic and less-intimidating manner than government agencies to their clienteles.'¹⁸

1. Low-income Housing

Various property services are provided. Loans are provided to low-income buyers, and dilapidated properties are redeveloped. Often, NDO's will rent some residences at commercial rates, in order to subsidise low-income housing programmes. This cross-subsidy avoids the need for state subsidy. It also achieves a mix of housing groups within the area, and so helps to integrate different social groups. Some NDOs, such as the Mexican-American Unity Council of San Antonio, have formed a separate commercial enterprise to manage its housing programmes.

2. Social Services

Services operated by NDOs for disadvantaged residents include counselling, food and health advice, adoption referrals, mental health services, day care, alcohol and drug rehabilitation. Some of these programmes are based upon state support. Others are funded out of other activities such as property development, or by charges levied on users.

Recipients of these services find them easier to deal with than state programmes. They are less likely to be bound by bureaucratic procedures; they are more responsive to local

needs. Claimants are able to deal with local administrators directly, rather than with a distant government office.

3. Employment Training

More NDOs are now providing training in work skills. Based as they are, at a local level, they are able to gear their programmes to local job availabilities and employment patterns. Some programmes have sought business funding, and at the same time have consulted business about the content of training programmes.

UNION—SARAH ECONOMIC DEVELOPMENT CORPORATION

This is a case where the roles of Homeowners Association and NDO have been combined. The Corporation was founded in 1969, and sought funds from state and local sources to give encouragement to local business. The funds were invested in a wide range of local enterprises. This avenue proved unsuccessful, and the Corporation was forced to move out of business in 1975.

As an alternative, the corporation moved into property development. It began by buying up properties to rent, and later began to redevelop properties in disrepair. The Corporation has an interest in five hundred properties, and earns \$400,000 a year. This income is used to fund other activities to benefit low-income residents.

To drive out crime in one area, the Corporation established a Homeowners Association. By engaged resident participation, the association has cut crime rates in the area significantly.

BLUE HILL HOMES CORPORATION, KANSAS

The Corporation was formed in 1974 to provide services for low income residents. Initially, it was funded from government sources, but has now become more self-sufficient through property development. It owns and manages 60 rental units, and has redeveloped and old many more. The Corporation has also established a number of block associations to help in reducing crime.

5. PLANNED UNIT DEVELOPMENTS

Over thirty million Americans live in private cities known as Planned Unit Developments (PUDs). These are normally a more ambitious project than either Homeowners' Associations or Neighbourhood Development Organisations. Typically, they are designed and built to be largely self-contained, and to be protected from the intrusions of the outside world.

There are similar counterparts from the rest of the world. Victoria Park in Manchester was originally built as a private community, governed by the rules of a restrictive covenant. Visitors to the area were asked to pay a toll, which contributed to the upkeep of the streets and pavements. Jamshedpur in India was wholly built by the Tata steel corporation as a private town.

In the United States, Planned Unit Developments became popular after the 1961 Housing Act was passed, which allowed the Federal Housing Administration to insure condominium mortgages. Condominiums involve residents of one block of flats sharing the cost of shared facilities such as car parks, lifts, and lobbies. PUDs employ the same principle, but apply it to larger areas of residential housing. Residents of a PUD agree to a covenant which incorporates deed restrictions on their property, arranges for the provision of local services paid by fee or levy, and which establishes a community association in which all residents can participate. As *The Economist* noted, 'within their enclaves these associations perform all the functions of a small government.'¹⁹

1. Local Services and Infrastructure

In the same way as Homeowners Associations, PUDs normally provide, or contract for, local services such as refuse collection, street maintenance and fire protection.

PUDs differ in their specialisations. Some, such as Sun City near Phoenix, are designed only to cater for old people. Leisure World is a retirement community in Montgomery County, near Washington DC. The 5,500 residents are securely protected so that they are spared the vulnerability that often faces people when they are old. The community is guarded by 28 private security guards, who patrol the fenced grounds. It is self-contained, with its own golf courses and swimming pools.

Other private communities, such as Tamarac in Florida, are designed for adults without children. When a couple living in Tamarac became parents, they were taken to court by the community association and forced to move out. Centura Park in Florida and Lake Valley Ranch in Texas, are specifically for families with children. They offer day care facilities and baby-sitting. Some have been designed specifically for horseriders –equestrian communities have been built in Arizona, Illinois, Utah and California.

2. Deed Restrictions

Because PUDs are built to suit such particular demands, developers are careful to create the right environment. Many residents, for example, would not be happy to move into a PUD in which residences were located next to industries. Developers must be sensitive to such demands in order to attract buyers. At First Colony near Houston, fast food restaurants were long excluded because of fears that they would draw traffic. In other instances, housebuyers ask to be situated near to where they go to work or go to do their shopping. At Windward near Atlanta, for example, companies are encouraged in to residential areas. There is no set pattern, urban morphology is determined by what residents want. By allowing adaptation to local demands, this approach is much better than a rigid code of zoning laws, of the sort common in American cities.

Otherwise, land use in PUDs is controlled in PUDs by the use of deed restrictions. Sometimes, these require stringent standards of respect for neighbours. In Irvine, California, a planned city of 80,000 residents, mending your car in the street is not ~n allowed, and the colour of roof tiles on houses is stipulated.

PUDs often incorporate their own green areas – parkland and lakes. Deed restrictions can also be used to guard the natural environment. At Beaver Creek in Colorado, where air pollution is a problem, chimneys are fitted with a monitoring system. When pollution becomes severe, a red light above the fireplace tells residents to put out their fires.

3. Security

For many residents, security is a major consideration. The community association often provides security patrols, and guarded gates at the entrance points to the community. Sometimes, residents are provided with observation cameras, to keep watch on the approaches to their houses.

One of the most famous fortified PUDs is Quayside in Miami, a refuge for South American exiles. High-rise luxury towers are surrounded by an elaborate security system, with only one entrance gate. The towers are ringed by a thick concrete wall, electronic beams, closed-circuit television, as well as security guards. In some respects it resembles the News International plant at Wapping.

6. RECOMMENDATIONS

Residents groups, as a basis for the local provision of services, have many advantages over provision by the state. They are more innovative, they are more responsive to local circumstances, and they better reflect the demands of local residents. They can bring the following concrete benefits: they can reduce local crime, raise property values, stop dilapidation, arrange the provision of local services, encourage neighbourly behaviour and can maintain the quality of the local environment. These groups are part of a local privatization revolution that is sweeping the United States. They provide a model which, adapted to Britain, could do much to improve the quality of life for city dwellers.

The following measures should be taken to encourage their development in Britain:

1. The government should establish a unit to advise residents who are interested in establishing their own associations. Such a unit has been established in Houston, serving as an information clearing house for those enquiring about homeowners associations and restrictive covenants. An advisory unit would give government some influence over the development of associations. It would help to avoid the charge of "private armies." Such a unit would also help to ensure the success of such ventures. It would provide expert advice, and would be able to provide useful models for development, from other successful schemes.

Following the success of neighbourhood watch, the scheme should be extended to give residents a more active role. Many of the local security initiatives that have emerged over the last few years have been successful in deterring crime, and have been responsibly organised. There is no reason why, in co-operation with the police, residents should not mount their own neighbourhood patrols if they wish to. In other cases they might find it useful to use other methods, such as the use of surveillance cameras. Again, this can be organised within the auspices of residents groups, in consultation with the police. The police have already established liaison procedures for neighbourhood watch, and have built up some expertise in advising on security. This should be extended to advise residents on more active security initiatives.

In those areas where crime is an acute problem, particular encouragement should be given to the establishment of residents groups. In any strategy concerned with inner city crime, these groups should be a main element.

2. Where there is a problem with undefined space — public areas which make defence of property more difficult — these areas should be vested in the control of the association. The association should then be free to fence the area in, making it the clear property of the residents. Where, as was found in St Louis, the openness of the street was found to hinder security, the option of street closure should be available. Where requested by the residents association, the local authority should allow them to close off their street.

3. Residents groups should also be encouraged to work at improving street architecture. Such alterations as reinforced doors, maintained lights in lifts, and shop fronts levelled off with the street can make a significant difference in deterring crime. Along the same lines as neighbourhood watch, the police should act as advisors to residents groups to help in identifying where and how improvements can be made. Each local police station should be instructed to appoint a liaison officer to help co-ordinate such efforts among residents.

This idea is essentially a development of the Home Office "Safer Cities" programme, instituted in March 1988. This programme involves local agencies with the police and local authority in looking for crime preventive measures. The programme was based on five pilot projects in Bolton, North Tyneside, Croydon Swansea and Wellingborough. These projects implemented such measures as marking property, fitting new locks for elderly residents, and replacing old electricity meters; the schemes produced some reductions in crime. The Safer Cities programme aims to establish such projects more widely.

Making local associations the basis of crime prevention schemes would add durability. There is usually no shortage of enthusiastic volunteers to help out in one-off campaigns, but much of the usefulness of such efforts is lost if the project can lapse when enthusiasm wanes. Residents associations, particularly if their role is defined in a covenant, can offer a more permanent administration of crime prevention initiatives. Their existence does not depend upon a temporary campaign, and their purpose is not limited to crime prevention.

4. Residents associations should be empowered to install "sleeping policemen. – bumps in the road which discourage speeding drivers. For some city-dwellers, the use of the street outside as a rat-run is dangerous and is a nuisance. Speeding cars mean that parents cannot leave their children to play in the front garden or in the street, and they generally inhibit use of the street. Sleeping policemen would serve the same function as the gates common in America. They would make the street safer, less noisy and dirty, and would allow the neighbourhood to become more coherent.

5. The models of local associations described here should be encouraged for use in new residential developments. Developers should be encouraged to write into the deeds of properties the requirement for a residents group, to be responsible for acting on behalf of residents in managing shared facilities and arranging shared services.

Deed restrictions can provide a workable compromise between uncontrolled urban growth and prohibitions on development. It is certain that pressure to relax development restrictions will increase, and a workable compromise will be necessary. One option would be for central government to designate new areas of development — possibly on those parts of the green belt, such as gravel pits and disused railway sidings, which are more properly described as "brown." Development companies would then be invited to submit plans for residential development, incorporating strict deed restrictions to guarantee the exclusion of anti-social uses. The government would then select the best plans, taking into account compatibility with the surrounding green belt.

6. In the local services that they provide, residents groups represent a form of provision that is better than that of the state. This role should be encouraged and strengthened, and such groups should be part of any reform of social services. They could form one element in any internal market approach to reform of social services.

7. Six schemes should be established initially to pioneer the idea in Britain. These pilot schemes should be in cities where crime and urban decay are localized, and where there is a large measure of civic pride among a stable population elsewhere. The establishment of residents associations among the stable areas would then act as a bulwark against the influence of crime and dereliction. Suggestions for these pilot projects are:

Birmingham

Bradford

Bristol

Glasgow

Manchester

Clapham

Parts of all these places possess similar characteristics to St Louis. They all contain some stable and well-maintained areas, alongside areas with shifting populations and with problems of crime. Residents associations in the more stable areas would help to exert a stabilising influence on the whole city, in the same way as homeowners associations have in St Louis.

In the same way as with the establishment of freeports, the government should invite residents to apply to administer pilot schemes. Central government funds should be offered to residents to defray some of the start-up costs of the schemes.

The forms of local associations described in this report represent local self-government. They are a way for residents to take genuine control. They revive the strength of the neighbourhood, and turn it into a body through which residents can help themselves and their local environment.

NOTES

¹ **Sunday Times**, 9th April 1989.

² 'Private Policing – Nothing to Worry About?', **Police Review**, 13th January 1989.

³ *Ibid.*, p.65.

⁴ *Ibid.*, p.65.

⁵ Jane Jacobs, **The Death & Life of the Great American Cities**, Peregrine Books, 1984, p.41.

⁶ Oscar Newman, **Defensible Space**, Macmillan, New York, 1973.

⁷ Alice Coleman, **Utopia On Trial**, Hilary Shipman, London, 1985 and **Altered Estates**, Adam Smith Institute, 1988.

⁸ Reported in **The Independent**, 20th April 1989.

⁹ 'Concern Mounts Over Council Tenders', **Public Service Review**, no.15.

¹⁰ **Needs Reform**, Adam Smith Institute, 1988 and **Extending Care**, Adam Smith Institute, 1989.

¹¹ **Stimulating Community Enterprise: A Response to Fiscal Strains in the Public Sector**, US Government Printing Office, Washington, 1985, p.19.

¹² *Ibid.*, p.19.

¹³ 'Getting Street-Wise in St. Louis' by Theodore J Gage, **Reason**, August 1981, p.18.

¹⁴ Gage, *ibid.*, p.19.

¹⁵ Oscar Newman, **Community of Interest**, Anchor Press/Doubleday, New York, 1981, p.133.

¹⁶ Bernard H Siegan, 'Non-Zoning in Houston', **Journal of Law and Economics**, 1970, p.80.

¹⁷ Randy Fitzgerald, 'A Strategy for Privatization' **Cato Policy Report**, Vol XI, No.1, Jan/Feb 1989.

¹⁸ **Stimulating Community Enterprise**, op cit., p.24.

¹⁹ **The Economist**, 5th April 1989