

# 7

## Contagious Neighborhoods

by

C. Kenneth Meyer, Lance J. Noe, Allen Zagoren and Jeffrey A. Geerts

“Disgusting, vile and public disgrace” — these emotionally loaded words, were used by Betty Rahmann to describe the rundown condition of some of the homes located adjacent to the interstate highway in the Jackson Heights district of Edanville. Twenty-five years ago, the newly built four-lane, limited access highway ripped a jagged path through the city — although all of the neighborhood associations had vehemently expressed their opposition.

In the past, as shown in the pictures taken of the once historical housing district in Edanville, the one- and two-story houses, interspersed among low-slung, bungalow-style homes, were well-maintained and their porches were adorned with flower planters. A variety of Sugar Maple trees lined the once vibrant boulevard and neighborhood. The houses were sited close to the streets and the sidewalks were uncommonly wide for an older residential district. Nearly all of the homes had detached garages — generally one-car or slightly larger, opening to an alleyway. The lilac trees that framed the boundaries of each backyard and displayed their beautiful violet and purple blossoms and had become overgrown and unsightly.

Jackson Heights was a historic district, but over the years, according to the old-timers who still lived there, the neighborhood had changed quite dramatically. Fred Butler, who once proudly wore the badge of being a life-long resident, mentioned that everything seemed to go down hill when the interstate highway was built.

“It was as if the Department of Transportation took a knife and dragged its serrated edge across this old middle-class neighborhood,” Butler said. “People became uncertain about the future of their community, began to sell their homes, and head for higher ground and better territory.”

Butler noted that this reaction was normal, since most working-class families had their major financial investments tied up in their residential property and they were merely looking out for themselves. He also said that the lawns, yards, boulevards, and homes began to show signs of neglect and disrepair, and the Jackson Heights area’s decline was like watching a “neighborhood head toward certain and inevitable destruction.”

Butler went on to say, “For instance,” as he turned slightly, “look at those gutters and rainspouts clogged with leaves, and windows that were broken years ago, but not replaced. Do you see those abandoned automobiles left to rust in the front and backyards of those two houses?”

Fred Butler and Betty Rahmann stood motionless on the corner of an intersection and observed screens on windows and doors that looked like metal mesh flags flopping in the wind, and ground that had been unearthed for water and sewer line repairs, but not leveled and seeded.

Fred Butler’s face and neck became flushed as he turned sharply to his left and pointed to one home that showed signs of rot and decay, and to another home where the roofing had been either damaged by hail or severe storms, or where age had simply taken its toll. He said, “Can you imagine people living that way? I don’t understand what values they have, if any.”

Betty Rahmann listened intently to Fred Butler as he described what happened to his childhood residence. As he spoke her head moved up and down in agreement as if it was merely a “bobbing caricature” similar in movement to that often seen on the dashboards of some cars in town. As she and Bulter walked up and down the streets, she noticed with interest that some homeowners were trying to make their places attractive and their lawns and shrubs were well-groomed and trimmed. Paradoxically, these homes stood out among their adjacent properties that displayed broken fences, worn chimneys, overgrown lawns, and litter strewn yards.

Fred chuckled nervously as he pointed to one house that had a sofa located on the front porch, and said, “You can tell who has really made it here, can’t you? Their interior furniture gets placed outside.”

Rahmann, however, knew enough about urban blight to realize that broken-windows are usually followed by graffiti, garbage, declining property values and crime. Nevertheless, she was sensitive to the fact that some of the homeowners were more than likely “just-making-it financially,” and that they could not afford the upkeep and maintenance their property required. She also was experienced enough in the area of urban planning and development to understand that some of the homes were rental property and others were probably owned by absentee landowners. To further complicate matters, as the once quaint and attractive historical housing district began its downward spiral, utilities that fell into disrepair were often not fixed for financial or other reasons. Also complicating matters, the two- and three-bedroom homes initially designed for single-families, were now occupied by several families and often other unrelated adults.

As Betty Rahmann reflected on the economics, sociology, and hopelessness often associated with poverty, she wondered, “Was it a legitimate excuse for parking an old, run-down Winnebago RV in the backyard and having people live in it for weeks on-end? Would it have been reasonable to expect even poor people to mow their lawns and pick-up the abundant paper, plastic, glass, litter, and trash that seemed to be scattered throughout the district? Would it be asking too much if the owners of cars that long since had been parked and abandoned in front of their homes, to either get them repaired or at least, give them to some charitable organization that would tow them away? Why homeowners do not sweep the street in front of their property, even if the city had let them down by not meeting its obligation. And what kind of message did those boarded up houses send — especially to potential homebuyers and to the free wheeling neighborhood children.”

Her last visual recollection of Jackson Heights was the once thriving neighborhood store, Cross Town Market. Now closed, boarded-up, and spray painted with gang-related graffiti, Cross Town Market displayed an old store sign claiming, “...food stamps and other coupons are gladly accepted here.”

Betty Rahmann graciously thanked Fred Butler for the “walk-around” and quickly walked toward her city-owned vehicle. She cautiously entered the car, fastened her seat belt, and set her signal light as she turned onto the quiet neighborhood street. She had only driven a few blocks when she gasped at what she saw — a home painted black as coal with large crudely painted signs. One sign alerted passers-by of “Mad Dogs” and one signaled, “This home is protected by Smith and Weston.” The signs were wired to the patch work chain linked fence and hung at oblique angles to the fence line. Rahmann also noticed that the lawn needed to be mowed and of course, the fence needed to be fixed. To make matters worse, several cars had been “jacked-up” and placed on old rusting, metal tire rims, and several piles of crudely stacked lumber were located in the front lawn and covered with brightly colored orange and blue tarps.

As Rahmann drove out of the Jackson Heights neighborhood and headed toward the ramp leading to the interstate highway, she exclaimed, “...that home ownership might be part and parcel of the ‘ownership society,’ but this housing spectacle was disgraceful and constituted a real public nuisance.”

Upon returning to the city hall, she promptly went to the Inspection and Compliance Office (ICO), and began to draft an ordinance that the city planning task force might consider and if approved, pass on to the city council for legislative action. Her intent was to help preserve a historic district; abate the further deterioration of old, but valuable housing stock; assist in making the neighborhood once again attractive and “aesthetically pleasing;” and help homeowners retain or increase the value of their homes. At the same time, she realized, the ordinance would need to be tightly constructed, otherwise it could result in homeowners being intimidated and harassed by city compliance officers who might become overzealous in their enforcement activities to “beautify” the city and respond to citizen complaints about derelict housing.

She labored intensely over the content of the ordinance and found that being a good writer was difficult business. Her intense desire to correct the plethora of problems she had just witnessed resulted in the following draft ordinance:

**All structures both commercial and residential shall be free of significant structural defects. For the purpose of this ordinance “significant structural defects” mean:**

- 1. The roof must be of such a nature that it does not permit water to penetrate the structure,**
- 2. All exterior trim and exterior exposed surfaces must be sound and securely attached to the structure,**
- 3. Exterior walls must be without holes to the interior and of a consistent material (not patched to cover a hole),**
- 4. The foundation must be sound, capable of supporting the structure and not deteriorating to a point that failure seems inevitable but not necessarily eminent.**
- 5. Windows must be intact and have glass or clear plastic in all openings which are intended for same. The glass or plastic must be free of defect.**

#### **Vacant Property**

**In addition to the requirements for property maintenance listed above, all structures, both commercial and residential, vacant for more than 90 days must be repainted if scaling of 25 percent or more of the painted surface of the structure is evident.**

The afternoon had zoomed by as she read her creation. She smiled as she moved the cursor to the print icon and watched the laser printer do its job. She wondered as she read her drafted ordinance if the Jackson Heights Neighborhood Association would receive her “model ordinance” positively, and what the Edanville homeless advocate would have to say about her “craftsmanship.”

#### **Questions and Instructions:**

1. Please examine the model ordinance and indicate if you believe its intended purpose is with or without fault. Please explain.
2. Speculate on the administration of the new ordinance and the problems one could reasonably expect in enforcing ownership compliance on home repair and maintenance? Please give examples.
3. Please go online and determine if other cities might have implemented similar ordinances. Then assess the response these cities may have received from organized interests, such as neighborhood associations and those interests connected with providing affordable housing. What did you discover? Was it what you expected or not? Please elaborate. The National

Vacant Properties Campaign of the International City/County Management Association may be a useful resource. <http://www.vacantproperties.org>

4. Is it fair to impose “middle and upper-class” tastes and values on a neighborhood of working people with limited financial means? Please explain.

**Part 2. STOP!** Please do not read until you have completed the instructions for the first part of the case study.

Several weeks had passed and Betty Rahmann was showing some signs of victory, especially since the city planning task force thought her model ordinance was a good idea and the city manager had arranged for a public hearing on the matter at Adams Elementary School. The meeting began without a hitch, but Rahmann noticed that many people were in attendance and as they milled about in the hallways of the grade school, there was more conversation than was normally associated with these open planning meetings. She also felt slightly alarmed when a hushed atmosphere developed as she moved among some of the neighborhood political activists.

Rahmann had witnessed firsthand the blight and the deteriorated conditions in Jackson Heights, and she wanted something done immediately. She felt waiting several years would result in further neighborhood decay, and this “infection” would surely spread to other neighborhoods that bordered Jackson Heights.

As one who had studied sociology while in college, she was familiar with the extensive literature of violence that showed that it spreads much like virulent biological plagues. In addition, she wondered if “contagion theory” made any sense when applied to the deterioration of neighborhoods and how this decay or “disease” might also spread to adjacent sectors of the city. What was particularly troublesome with her newly found insight, was if violence did indeed spread like a disease and if neighborhoods could infect one another, then no matter how hard individuals might try to remedy their plight, analogous to personal efforts to control the Bubonic Plague, the only way the disease can be “cured” is by immunizing a great majority of the population from its devastating effects. This was certainly the conclusion drawn by some prominent social scientists who studied criminal activity and violence. To the best of her recollection, these researchers argued that “...evangelizing activities will have no aggregate-level effect,” because each time a criminal is made honest, the marginal benefit of criminal activity proportionately increases, thereby, leading to another person becoming a “bad person” or criminal.

As Betty Rahmann continued to reflect on the problem that was about to be showcased in the public hearing, she felt she had at least stumbled upon a salient position that might justify the city’s moving forward with the proposed ordinance. Yet, being neither naive nor overly optimistic, she understood that complex, multifaceted arguments are rarely ever fully understood by an audience — especially one that might view “sociological and epidemiological” factors as “talking above the heads” of citizens that would be directly impacted. Nevertheless, if the social theory was correct, then no matter how much a few persons in Jackson Heights cared about correcting the problem, the effort to provide “neighborhood sanitation” must come from larger societal sources. The whole neighborhood needed to be “immunized and protected” from the disease of “urban blight,” and that required action by the city council — not a homeless advocate, a religious zealot, or even a neighborhood association. This was Rahmann’s position, and she was not about to change. She wondered however, if she was asked for her opinion, if it would be silly or wise to explicate it in front of a group of citizens who were already upset with the possibility of the city acting to protect them with such a “prophylactic” ordinance.

The time of the scheduled meeting came and the chair of the city planning task force called the public meeting to order. He thanked those in attendance for their interest in the future of Edanville, and informed the audience that all points of view would be heard concerning the proposed planning ordinance. He then introduced the members of the taskforce and asked that those who wanted to give voice to the ordinance come to the front of the auditorium and speak loudly and clearly into the microphone provided at the podium. He noted that the taskforce had toured several residential areas that would likely be most affected should the taskforce recommend a new ordinance and the city council pass it into law. Then, he took a sip of water from a glass located next to the yellow pad that he was prepared to write on, and called for the first witness.

### Questions and Instructions:

5. What are the key issues from a conflict management perspective that are presented in this case study? Please explain.
6. How would you have handled the situation without having to revert to the use of yet another city ordinance? Please explain.
7. What do you believe to be the most important question that could be asked about this case? After that question has been identified, please answer it as completely as possible.

**Part 3. STOP!** Please do not read until you have completed the instructions for the first part of the case study.

### Sharpening Your Pencil and Conducting a Financial Analysis

The public hearing produced a variety of public sentiments ranging from the studied reaction to those that were to say the least “robust.” It became clear that her work was not yet finished on the Model City Ordinance for Edanville. After a number of residents from Jackson Heights had aired their concerns before the city council, the city manager turned to the planning staff and asked if there were other versions of the ordinance that might be constructed, accompanied by their cost estimates.

Betty Rahmann knew that these types of assignments could easily turn into time-consuming exercises and that the estimates would be truly “guesstimates” as they were called in the planning agency. She had searched the Web and had contacted the International Association of City Managers (ICMA) in an attempt to find other ordinances, or perhaps, a model ordinance, that might be referenced and utilized to fulfill her assigned task.

In coming to grips with the task, she quickly discovered that “words have meaning” — especially when language takes on the added feature of controlling or limiting behavior. Although she had already become sensitized to the nuances of language and effective communication, the words now seemed to “loom greater than life” as she entered each of them into her document. She also realized concretely and analytically that words would affect the cost estimates she was preparing to make. In the final analysis, the proposed ordinances would have to be implemented, enforced, and evaluated. These functions would require staffing, and major budgetary allocations or costs.

Betty Rahmann obtained the following property maintenance proposals for the council to consider. Proposal “B” represented an intermediate standard and Proposal “C” a maximum one. The

ordinance considered at the open meeting (Proposal A, see **Part 2**) only met a minimal standard of dealing with the deteriorating property. The two new ordinances are presented in Exhibit 1.

In crafting her memorandum, Rahmann noted that “...should the council decide to pursue a property maintenance code,” that they should contemplate the costs associated with the added staff required in order to be able to respond to additional requests for service that would most likely arise, and this would impact the Neighborhood Inspections Division (NID). Further, she wanted the council to know that the planning staff was making their estimates based on the following assumptions: first, it is assumed that nearly all residential housing in Jackson Heights consisted of residential housing and that enforcement under the three different proposals would be brought against owner-occupied, mostly fixed-income, or lower-income residents; and second, that “...no enforcement mechanism had been discussed that would assist owners in bringing their properties into compliance with the code.”

In estimating the costs associated with the three proposals, Rahmann sought advice from the city’s legal department and from the Office of Financial Management (OFM). Variously, they told her that it would be most difficult to estimate the costs associated with each proposed ordinance since they were vastly different in both the scope and magnitude of the compliance required to meet code requirements, and any attempt to “cost-out” the proposed ordinances should consider the ancillary costs often associated with compelling compliance or enforcement. This would be a particularly important component of the financial equation, especially if inspection resulted in the city issuing fines or granting variances — decisions of the city that might be contested and end in lengthy, costly litigation.

As one attorney stated to Rahmann, “Remember Murphy’s Law — if it can go wrong, it will go wrong.”

## **Exhibit 1. Property Maintenance Ordinances: Proposals B and C**

### **Proposal “B”**

1. Roof and exterior surface building maintenance. Every building shall be maintained to be weather and water tight, and free from excessively peeling paint or other conditions suggestive of deterioration or inadequate maintenance. Exterior surfaces shall not have any holes or broken glass; loose, cracked, or damaged shingles or siding; or other defects in the exterior finish, which admit rain, cold air, dampness, rodents, insects or vermin.
2. Basement and cellar maintenance. Basements, cellars, and crawl spaces shall be free of standing water and hazards. The foundation shall be capable of supporting the structure and not deteriorating to the point that failure seems inevitable but not necessarily eminent.
3. Interior and exterior maintenance. All wood, including floorboards, sub-floors, joists, bridging, roof rafters and sheathing, and all other wood or other materials in any interior or exterior floor, wall, roof, or other part of the structure, shall be maintained to be free of cracks affecting structural integrity, termite damage, infestation, or rot. All roof surfaces must be completely covered with approved roofing industry standard finish materials for either residential or commercial grade applications, depending on the property usage and zoning, that provide for a water-tight surface. Any and all damaged or deteriorating materials shall be replaced. If infestation exists in any basement, cellar or crawl space, such infestation shall be remedied in accordance with industry standards.
4. Exterior brick and masonry. All brick/masonry work/materials on an exterior wall or other part of the structure, shall be maintained to be free of cracks or other deterioration affecting structural integrity. Any and all damaged or deteriorating materials shall be replaced or remedied in accordance with industry standards.
5. Exterior concrete/asphalt maintenance. All concrete/asphalt material on the property shall be maintained to be free of cracks or other deterioration affecting structural integrity. It is not permitted to have parking lots and/or driveways in a state of disrepair, as may be evidenced by cracks, holes, potholes, grass or weeds growing through the surface, etc. Any and all damaged or deteriorating materials shall be replaced or remedied in accordance with industry standards. If it is determined that the areas in a state of disrepair constitute 51 percent or more of the entire concrete/asphalt area, the City may compel the replacement of the entire concrete/asphalt area.

### **Proposal “C”**

1. No structure or land shall be maintained in a condition which violates the health, fire, building or zoning regulations or any other laws or regulations relating to the use of land and the use and occupancy of the structure.
2. Foundation. The foundation of a structure shall be structurally sound, shall be maintained plumb and free from open cracks and breaks so as to prevent the entry of rats and other animals. The foundation elements shall support the structure at all points and any repair or replacement necessitated by this section shall be accomplished with materials that are compatible with the remaining foundation.
3. The exterior of all surfaces including screened-off areas, doors, and windows shall be free of holes, breaks, loose or damaged construction materials, and any other conditions which might admit rain, moisture, insects or animals to the interior portions of the walls or occupied spaces

- of the structure. Cracks in mortar between bricks or stone shall be sealed. All exterior wall surfaces shall be maintained and kept in repair using materials compatible with the remaining undamaged wall surfaces and recognized as acceptable pursuant to city building code. Painted surfaces will require repainting or satisfactory covering of siding when scaling of existing paint exceeds 25 percent of one or more wall surfaces or the wood is becoming porous and needs a seal.
4. Every exterior opening shall be fitted with a window, door, basement hatchway cover or crawl space cover, as appropriate, which shall be tight and maintained in sound condition and good repair to prevent the entrance of animals, rain and surface drainage water into the structure. Every doorway which gives access from a habitable room or area to the exterior of the structure shall be fitted with a door, equipped with hardware capable of ensuring security and privacy to the occupants of such habitable room or structure.
  5. Every window shall be in good condition and fit tightly within its frame. All windows shall be fully supplied with glass windowpanes without open cracks or holes or a substitute approved by the Housing Maintenance Code Enforcement Officer or their designated agent. If screens, frames for screens or storm windows are provided, the entire assembly shall be maintained in good effective working condition and repair. When present, awnings are to be kept in good repair. Every other opening located within four feet of the ground level shall be protected against the possible entry of insects and rodents.
  6. Every exterior door shall be maintained in good condition and when closed shall fit well within its frame. Every door hinge, door latch and door lock shall be maintained in effective working condition. Every door available as an exit shall be capable of being easily opened from the inside. Every door that is painted shall require repainting when scaling of existing paint exceeds 25 percent of the door surface.
  7. The roof, eaves and soffit shall be structurally sound, tight and shall not admit rain. Any roof surface that will allow water to enter the structure will be repaired at the point or points of leak by materials that are compatible with the existing roof material. If the roof has deteriorated and has lost its water repellent characteristics, the effected area will be replaced with materials compatible with the unaffected portions of the roof. Any guttering or down spouts that have been broken, rusted, or damaged shall be repaired or replaced with materials that are compatible with the undamaged guttering and down spouts.
  8. Porches, landings, fire escapes, decks, railings, and exterior stairs shall be maintained in a manner to be safe to use and capable of supporting the loads and design to which they are subjected. They shall be maintained in sound condition and good repair. Treads and risers that evidence excessive wear or are broken, warped or loose shall be replaced. Any repair or replacement work required pursuant to this section shall be accomplished with materials that are compatible to the undamaged portions of the structure.
  9. All fencing, including gates, shall be maintained in good condition free of damage, breaks, or missing structural members. Areas that are leaning, buckling, sagging, or deteriorating shall be repaired or replaced with material compatible with the undamaged portion of the fence. Fencing that has been previously painted shall require repainting when scaling of existing paint exceeds 25 percent of the fence surface.
  10. Hard surfaces, walkways and driveways shall not be allowed to deteriorate to the extent they constitute a safety hazard.



Rahmann also learned from her associates that the “estimates should not include costs connected with rehabilitating properties that had become “derelict,” — especially if owned by fixed-income, lower-income, elderly residents, etc., — if a program was inaugurated in the future to assist these citizens in meeting minimum code requirements.

Last, and to her surprise, she was informed that as the maintenance and inspection programs became more successful and the volume of debris, “junk,” “cleanups,” and “abandoned and junked” vehicles increased, so would the costs of administering the program.

One planning colleague made a comparison that was analogous to the professionalizing of community law enforcement officers and the increase in the rate of crime. That is, as the police became more capable and technically proficient, the level of reported crime tended to increase. Although at first glance this relationship might seem counterintuitive, the reality is that when citizens develop more trust and confidence in law enforcement — particularly in the expectation that something would be done with their reports — then the actual reporting of crime tended to increase, therefore driving up the rate or level of crime. Likewise, the administrative costs connected with the implementation of the three proposed ordinances would tend to increase and these costs would be hard to “estimate” or establish.

Rahmann wondered what might be reasonably put down in her memorandum pertaining to the personnel, operating and administrative costs. She knew that there would be space, staffing, vehicle costs, and costs associated with having sufficient technology (office and inspection equipment) to do the job. Of course, she reasoned, these are merely estimates at this stage of the analysis, so she cautiously and systematically outlined the cost structure related to each proposal.

Now that Rahmann pulled together the more detailed and demanding ordinances and had done the cost estimations, she realized that words do count when they pertain to municipal codes. She was astonished that the costs for administering the three proposed ordinances would vary by nearly \$1.7 million dollars — a large sum by any measurements, and especially so when the city budget of Edansville was tight.

**Plan A — Minimal Ordinance**

Total projected costs: \$290,000

Salary plus benefits for two (2) inspectors @ \$77,000	\$154,000
Two (2) clerical positions @ \$50,000	\$100,000
Two (2) vehicles @ \$15,000	\$30,000
Office equipment, including computers for three (3) employees, two two (2) digital cameras and printers	\$6,000

**Plan B — Intermediate Ordinance**

Total projected costs: \$676,000

One additional supervisor @ \$94,000	\$94,000
Salary plus benefits for Five (5) inspectors @77,000	\$385,000
Two (2) clerical positions @ \$50,000	\$100,000
Five (5) vehicles @ \$15,000	\$75,000
Office equipment, including computers for five (5) Employees, and five (5) digital cameras and printers	\$22,000

Note: Additional space would be required to house the NID since the present facility would be oversubscribed.

**Plan C — Maximum Ordinance**

Total projected costs: \$1,994,000

Three (3) supervisors @ \$94,000	\$282,000
Salary plus benefits for sixteen (16) inspectors @ \$77,000	\$1,232,000
Four (4) clerical positions @ \$50,000	\$200,000
Twelve (12) vehicles @ \$15,000	\$180,000
Office equipment, including computers for sixteen (16) employees and thirteen (13) digital cameras and printers	\$100,000

Note: Additional space requirements needed to house 23 staff would be substantially amplified for NID, since the present facility would be vastly oversubscribed.

**Questions and Instructions:**

8. What are the major differences in the three property maintenance codes presented in the case study? Please explain.
9. Which of the plans (A, B or C) do you believe Betty Rahmann, given her professional disposition as revealed in **Part 1** of the study, would be most likely to support? Elaborate.
10. Are there any added factors that you would have placed in the cost estimates for each proposed ordinances? If yes, what are they? Please be specific.
11. Why do you think the language of control and enforcement made such a difference in the final cost estimates that Betty Rahmann prepared? Please elaborate.

DO NOT COPY

**Case 7: Contagious Neighborhoods**

**Name:**

**Case Log and Administrative Journal Entry**

*This case analysis and learning assessment is printed on perforated pages and may be removed from the book for evaluation purposes.*

**Case Analysis:**

Major case concepts and theories identified:

What is the relevance of the concepts, theories, ideas and techniques presented in the case to that of public management?

Facts — what do we know *for sure* about the case? Please list.

Who is involved in the case (people, departments, agencies, units, etc.)? Were the problems of an “intra/interagency” nature? Be specific.

Are there any rules, laws, regulations or standard operating procedures identified in the case study that might limit decision-making? If so, what are they?

Are there any clues presented in the case as to the major actor’s interests, needs, motivations and personalities? If so, please list them.