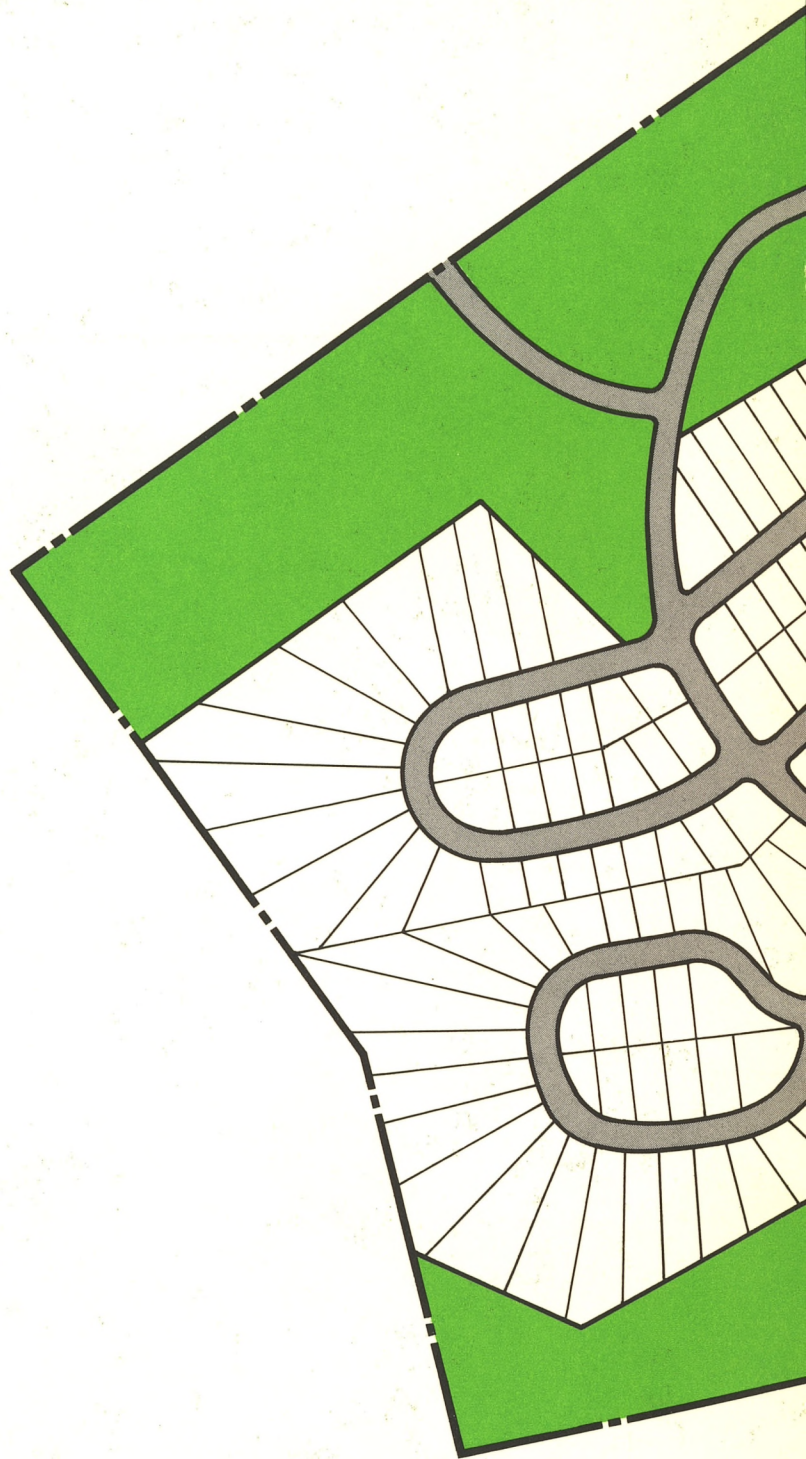
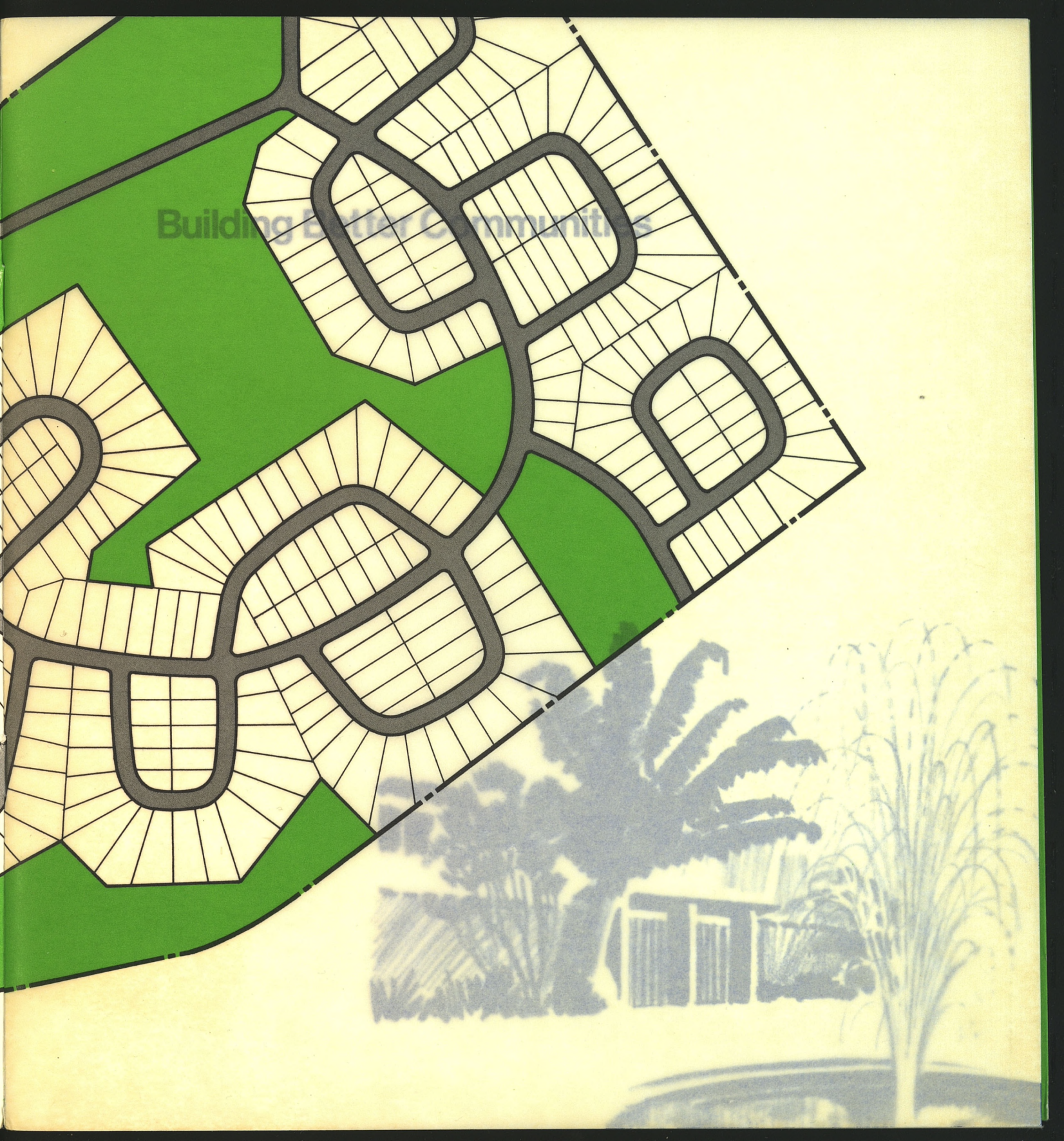


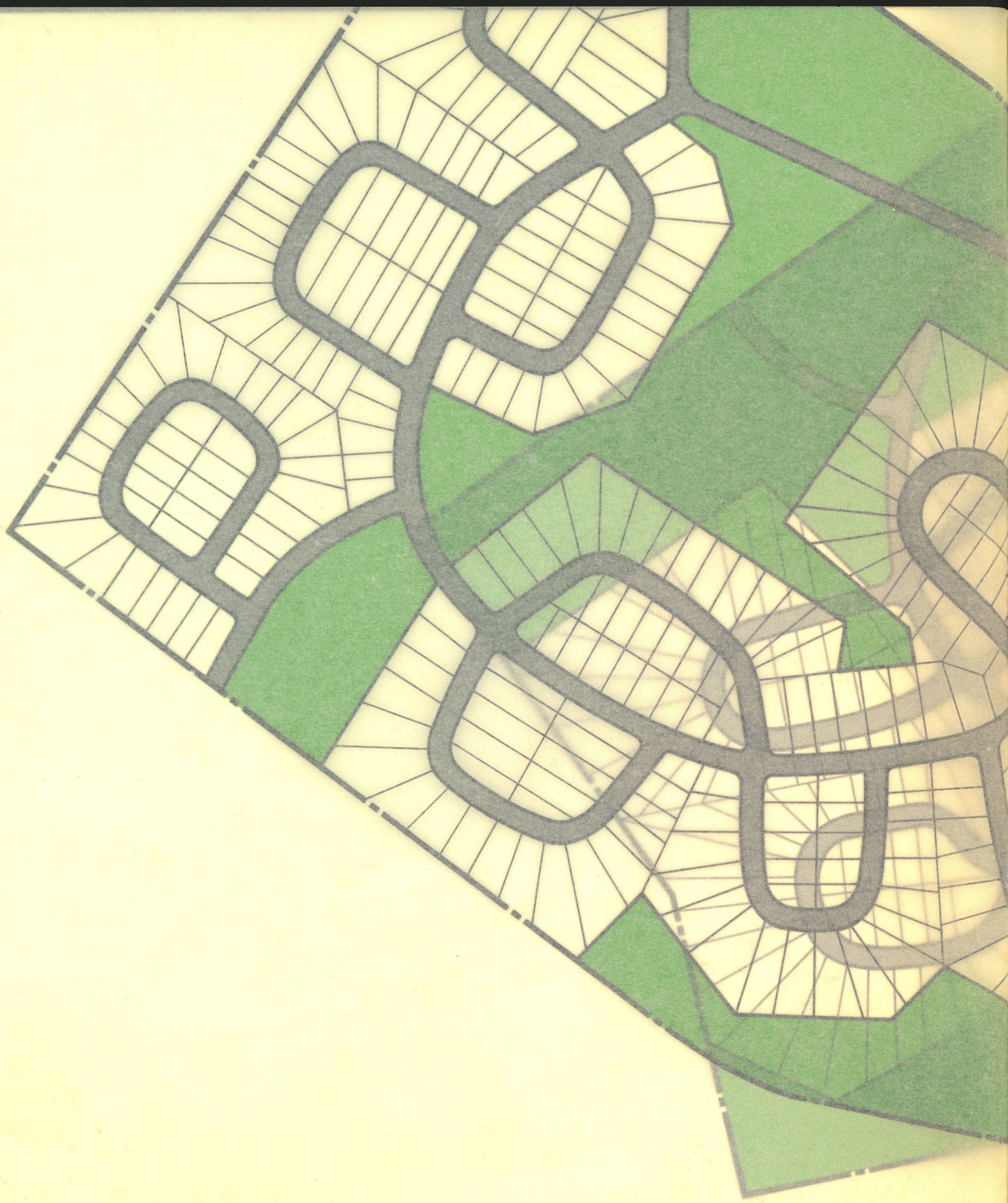
# Building Better Communities





Building Better Communities





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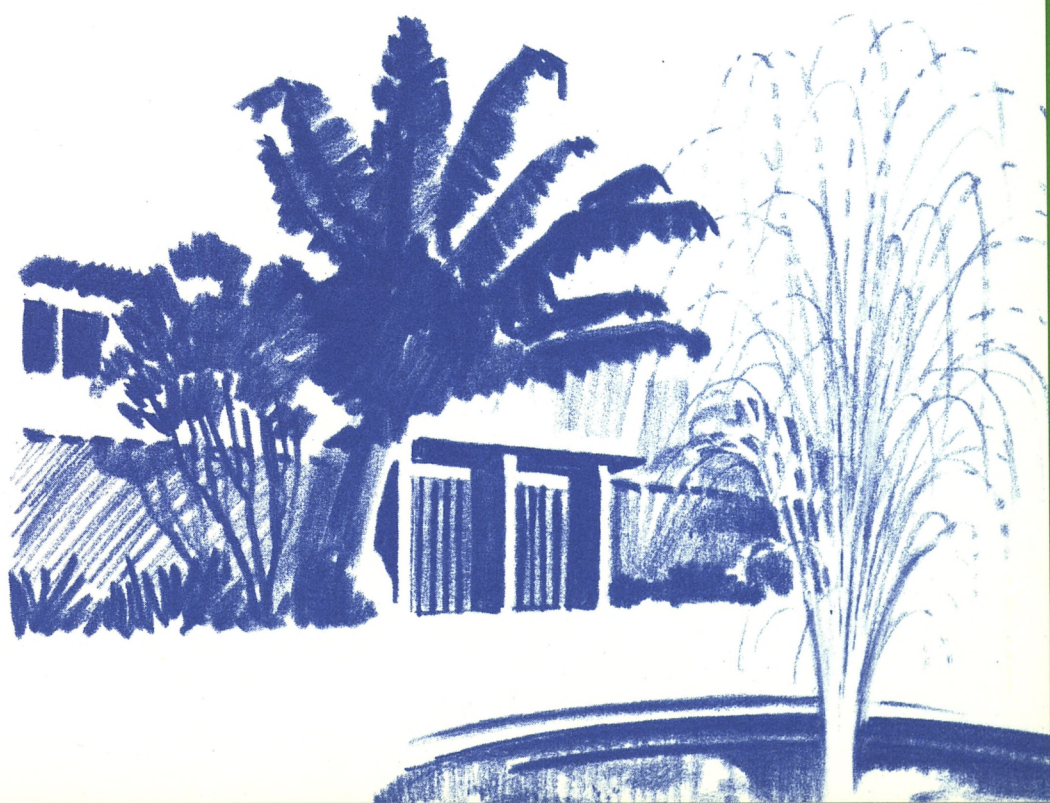


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*Since 1965 the US Agency for International Development has oriented its Housing Guaranty Program towards the development of permanent institutions and the creation of healthy, livable communities.*

*As originally conceived in the Foreign Assistance Act of 1961, the program was designed to encourage the utilization of advanced construction, marketing, financing and management techniques in demonstration housing programs in the developing countries. However, its scope was greatly expanded by a legislative amendment in 1965 which stated that the guaranty program should promote "the development of institutions engaged in Alliance for Progress programs in Latin America such as cooperatives, free labor unions, savings and loan institutions and community organizations" and another in 1970 which extended its reach to all parts of the developing world.*

*The tremendous, worldwide housing problem involves far more than a physical shortage of adequate dwelling units. It has many less tangible aspects -- economic, social and political. Indeed, it is an inextricable part of each nation's striving for increased development and each person's search for a better life. Thus, the mere construction of new houses -- even in massive quantities -- cannot meet the need. Total living environments and institutions to sustain them must be created.*

*AID is assisting the developing nations in the pursuit of these goals and considers that well conceived community organizations can contribute a great deal toward their achievement. Thus, AID generally requires that potential participants in its Housing Guaranty Program incorporate home owners associations (also known as homes associations) or similar, legally-based community organizations in their programs.*

*The purpose of this booklet then is to indicate to institutional lenders for housing, such as national mortgage banks and savings and loan organizations, how they can incorporate home owners associations into their housing programs. It is also designed to acquaint potential sponsors, developers and builders with this mechanism as a useful tool for the creation and maintenance of more attractive and permanent community environments.*

*Upon request, AID will provide additional information or answer any questions concerning home owners associations. Under certain circumstances, it will also be possible for AID to lend technical assistance to association organizers. Inquiries should be directed to the US AID Mission of the local US Embassy or to the Office of Housing, Stanley Baruch, Director, Peter Kimm, Deputy Director, Agency for International Development, Washington, D.C. 20523.*

## PREFACE





# 1

## WHAT IT'S ALL ABOUT

### Building Better Communities ...

Experience in developed and developing nations alike amply demonstrates that construction alone is an insufficient and short term answer to housing needs. Structures will quickly fall into disrepair and the community fabric disintegrate when adequate consideration is not given to the environmental aspects of community life.

The social, physical and economic well-being of a community is an integral part of any successful housing program. Both the community's permanence as a desirable place to live and its status as a sound investment are affected by the adequacy of its facilities -- both physical and social; the methods adopted for the upkeep of the project as a whole; its form of internal government; and the manner in which the ownership, operation and maintenance of its commonly owned land and facilities is structured. Studies have shown that in the most successful communities there is a high degree of active resident participation.

One vehicle through which such member participation may be achieved is the home owners association, a type of community organization which offers distinct advantages to residents, builders and investors alike.

### Through Home Owners Associations

Just what is a homes association? Briefly it is an incorporated nonprofit organization composed of resident owners in a described land area or community. Its primary objective is to control and regulate the use of property in the community, including any lands or facilities owned in common by all the residents. The owners' lots are subject to a charge for the expenses of operating the association by virtue of recorded land agreements and covenants.

The association may also provide services to the home owners and promote community activities, particularly those related to commonly owned land and facilities. Services which are too expensive for residents to purchase individually

may be economically provided by the association to all resident members on a nonprofit, cooperative basis. When residents are not furnished such services as trash and garbage collection, road maintenance, child day care, health and vocational programs by a local government, they may often obtain them through their association.

### Using New Techniques

The incorporation of a home owners association in plans for community development can greatly facilitate the application of a variety of new land planning concepts which may reduce the cost of housing and certainly improve the livability of the neighborhood. The association provides the institutional framework necessary to preserve the community as conceived and the vehicle needed to assure residents' maximum enjoyment of their environment.

Through the utilization of such new planning techniques, construction may be restricted to the best building sites, freeing more land for common open areas and eliminating the need for large, individually owned lots. The open areas may provide space for parks, playgrounds, community centers, swimming pools, nature preserves, off-street paths and walkways, buffer planting, and so forth. Houses may be clustered around these community facilities or around short, narrow access streets which service only the bordering homes.

The homes association can furnish the management and maintenance necessary to make this type of community environment economically feasible and socially workable.



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### And Resident Participation

Home owners associations also stimulate the involvement of residents in community affairs. Through their elected officers and committees, residents are responsible for operating their own community. Under the rules and regulations of the association, residents' committees also enforce the association's recorded covenants, overseeing alterations, modifications, land use and project maintenance within the community. They can, for example, prevent the opening of a store in a resident's living room or the keeping of chickens in patio areas. Residents become more concerned about the appearance and maintenance of their property and their effect upon neighbors. Thus, active member involvement through the association framework helps assure that all houses in the community are adequately maintained and that the neighborhood remains attractive and socially harmonious.

Many older associations have proven their ability to preserve and improve neighborhoods and to conserve and enhance property values, while other housing of comparable age and in similar locations has often deteriorated both in physical appearance and in value.



"In the US the home owners association is an incorporated, nonprofit organization operating under recorded land agreements through which each lot owner in a described land area is automatically a member, and each lot is automatically subject to a charge for a proportionate share of expenses for maintaining the association property or other activities of the organization."\*

It is the automatic and legal features of the home owners association which differentiate it most markedly from voluntary neighborhood groups, citizens associations, community clubs, etc., which often appear similar in organization and purpose. It is also these features which equip the home owners association to handle effectively all the responsibilities involved in operating and maintaining community properties and services.

(Non-automatic or voluntary home owners associations have also been tried, but experience has shown that these organizations, which lack the force of law and must rely on members' good will, are not capable of providing long term community services. Thus, this booklet will be limited to a discussion of automatic associations.)

### The Legal Base

The legal form of a home owners association will undoubtedly vary from country to country, depending upon local laws, regulations and customs. What may be possible in Venezuela may well not

\* Homes Associations Handbook, Technical Bulletin 50, Urban Land Institute, Washington, D.C., 1964, Introduction p. IX.

apply in Jamaica or the Ivory Coast. Nevertheless, it is possible to set down certain minimum requirements which are essential to the organization of a successful, effective association.

The obligatory or automatic nature of association membership is based on covenants which are registered with the appropriate public land registry office at the time the developer or builder records his subdivision plan for the project, long before any dwelling units are actually sold. The legal concept of covenants governing and restricting the use of land is common to most systems of real estate law. Once registered, covenants become part of registered land records, subjecting all subsequent owners of the property to the same obligations and restrictions.

### Declaration of Covenants

Typically the recorded statement or declaration of covenants will provide specifically for the organization of the homes association, its purposes, functions, etc.; the maintenance assessment; and, most importantly, the dedication and transfer of the common land and properties of the association. In most cases, protective covenants, which establish land use patterns, are also recorded. Such restrictions are usually necessary to preserve the integrity of the project and to prevent the overburdening of utilities and facilities designed to serve a limited residential population.

### Maintenance Assessment

The key to the success of homes associations in the US has been the covenant for maintenance assessments, which provides the legal basis for collecting each

property owner's share of expenses incurred in maintaining association-owned property. This obligation takes the form of a "charge" on the land. Nonpayment can result in a lien against residents' property, enforceable by the association. The law in each country will have to be analyzed to assure that a covenant or similar mechanism is acceptable and enforceable.

Thus, the covenants form the cornerstone upon which the association structure is built. The nature of the covenants and the manner in which they are used to establish the legal framework of home owners associations are described in more detail in Chapter 5.

### Combining Different Types of Ownership

Within the association framework it is possible to include various types of housing and ownership. All possibilities should be considered by the builder before he records the subdivision plans and covenants in order that the best plan for community development may be adopted and properly established by the covenants.

Both cooperatives and condominiums are becoming increasingly popular forms of home ownership, especially in townhouse and other types of multi-family developments. It is possible for the developer of a community containing both a cooperative or a condominium and single family homes to organize a home owners association encompassing the entire community. Although the legal arrangements involved in such combinations are beyond the scope of this work, a few basic points may be made.

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## Cooperatives

In most housing cooperatives all of the property, including the dwelling units, green areas and facilities, is owned in common. The homes are usually financed under a single mortgage covering the entire project. Members of the cooperative own shares in the cooperative corporation and occupy their units by virtue of occupancy agreements: the members are in fact their own landlord. In contrast, the home owners association owns only common areas and facilities while each member/owner has title to his unit and financing is carried in the conventional manner. The similarity between the two types of organization lies in the high degree of participation by the residents in the management of their project.

In a community composed of a cooperative and single family homes, a master association would provide certain com-

munity-wide services and maintain properties enjoyed by all the residents. A smaller, neighborhood home owners association would serve the single family home residents, while the cooperative corporation would provide similar services to its members. The recorded land covenants would establish the legal relationships between the organizations and define the privileges and responsibilities of their members.

## Condominiums

With condominium ownership, for which special authorizing legislation is generally required, the residents individually own their units and have co-ownership rights in the land, common areas and facilities, such as hallways, stairs, elevators, etc. The condominium thus affords individual fee ownership of an apartment or town-

house whereas in the cooperative form there is joint or mutual ownership of the entire project. In a condominium, maintenance is normally financed through monthly assessments by an association of condominium owners, provided for in the enabling legislation. While the condominium association maintains the project, it does not necessarily hold title to the common areas as does the home owners association.

As in the case of cooperatives, the combination of a condominium and a home owners association, properly drawn up in the covenants, could prove mutually beneficial. Both the physical and social benefits of the condominium would be augmented by the existence of the larger, master organization, which, in turn, would profit from the presence of an organized neighborhood group.



# 3 BENEFITS TO THE BUILDER

## Long Term Community Control

Developers of housing projects find home owners associations a useful tool in housing development as well as a valuable and lasting asset to their own organizations.

The home owners association provides an effective vehicle for assuring that responsibility for community control and management are carried on long after the sponsor has fulfilled his obligation. It may even assume responsibility for some community maintenance while development work is still in process. This is a significant advantage for builders, especially in developing countries where it is required that open land be preserved for park or recreational purposes, but where municipal government authority and resources are inadequate to maintain such amenities.

## Economy of Design

Home owners associations enable designers to plan for an eventual expansion of community services which usually accompanies growth in family income and the national economy. The association can be a means of generating part or all of the resources required to complete a community plan when it becomes appropriate and is desired by the residents. For example, it may not be necessary to provide such improvements as curbs, paved sidewalks, underground storm drains and optimum parking facilities in the initial stages of community development. Their elimination can reduce the builder's development costs and thereby lower house purchase prices. However, long range community plans might call for eventual installation of some or all of these features by the homes association.

## New Planning Norms and Marketability

Because home owners associations provide a useful and practical way of dealing with maintenance and upkeep of common areas, they enable architects and designers to utilize advanced planning and site development techniques, such as the provision for commonly owned facilities, green areas and the like. The practice of providing smaller lots in exchange for larger and more varied open spaces and recreational facilities -- jointly owned by the residents and maintained by the association -- not only produces attractive communities, but can bring economies in overall project costs.

A community with parks and privacy, safety in street design, and neighborhood facilities and services such as a meeting hall, child care center, play areas, and, perhaps, a police station and convenient commercial area, will also be attractive to prospective home buyers. Thus, the inclusion of such features increases sales potential by enhancing the physical appearance and amenities of the community. The incorporation of a home owners association assures the preservation of the attractiveness, marketability and value on a continuing basis. This saleability represents another distinct advantage to the sponsor.

In the long run, the sponsor/builder also benefits from an enhanced reputation based on the continued livability and visual appeal of communities in which he has incorporated advanced planning and design and organized a home owners association. Potential home buyers of the builder's original or subsequent developments will be attracted by the proven longevity and resale value of his projects.



## The Investor Benefits

Projects designed around home owners associations bring distinct advantages to investors and local mortgagees. Basically, such communities generate and sustain both a high social and economic value over a long period of time, thus protecting the investment of both financial and human resources.

# 4 REWARDS FOR THE RESIDENTS

## Resident Participation

Home owners associations invite and encourage resident members to participate in community affairs. Through their association, members can make their community a better place in which to live by working together toward common goals or uniting to solve common problems. The association also serves as a tool through which commonly owned facilities and services can be acquired or undertaken with costs shared among the residents.

Through the association, community services and facilities prohibitively expensive for individuals become practical because families share the cost. Professional property managers and maintenance personnel may be contracted by the association to manage, maintain and enhance the community economically and expertly. In addition, the home owners association can encourage a higher standard of individual house maintenance. New or expanded services may be undertaken on a self-help basis by the residents in a manner which would be difficult if not impossible in an unorganized community. The result is savings, protection of the residents' investment and improved standard of living for each member.

## The Human Factor

In addition to these economic and social advantages, personal benefits are derived from membership in a home owners association. By working together to operate and maintain their community, resident families may gain a greater sense of personal and neighborhood pride in their environment. They may experience a feeling of belonging and involvement

often lacking in impersonal metropolitan or suburban surroundings.

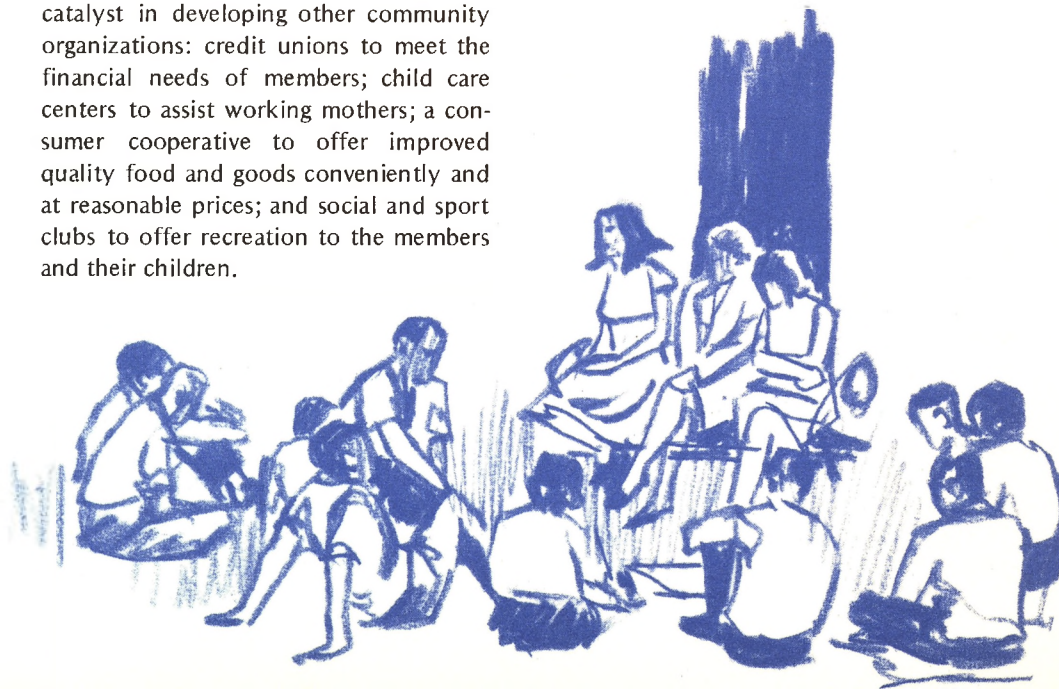
For many families association membership will represent their first real opportunity to express views and exercise a vote in decisions which guide their community. Through the election of leaders, participation in association committees, and attendance at membership meetings, members have the right and the responsibility to direct the activities and services of their community and to maintain the quality of their environment. Association membership thus provides an important education in democratic living. It teaches methods of orderly record keeping; the economics of community life and government; the use of democratic political processes; and the advantages of cooperation with others to achieve mutual goals. Members have the opportunity to develop as better citizens of both their immediate community and the community at large.

The association can also serve as a catalyst in developing other community organizations: credit unions to meet the financial needs of members; child care centers to assist working mothers; a consumer cooperative to offer improved quality food and goods conveniently and at reasonable prices; and social and sport clubs to offer recreation to the members and their children.

## The Association and the City

A home owners association in a new housing development can also provide a means through which members may take action to improve their city. Citizens speaking as a group through their association command greater attention than they would as individuals. Thus, the association can be effectively used in gaining improved municipal transportation, garbage collection and disposal, police and fire protection, clinics, hospitals and schools for members as well as for residents of the larger community.

Moreover, in developing countries where leadership skills are in demand, the home owners association can be instrumental in generating a sense of non-partisan leadership and civic concern which encourages more general citizen participation in community affairs.



If a home owners association is to be successful in fulfilling community development plans and meeting its members' needs, it must have an established legal basis and means of enforcement.

The legal structure of the homes association will necessarily vary from country to country, depending upon national laws, local regulations and customs. The discussion which follows is based largely on the laws and association experience of the United States of America. Following a careful investigation in each country where associations are planned, it should be possible to adapt these legal concepts to fit local needs.

The basic chronological steps in forming a home owners association are: (1) simultaneously recording the subdivision plan and covenants with the local land registry office; (2) incorporating the association; (3) preparing association by-laws; (4) drawing up deeds which make reference to the covenants.

### Recording the Covenants

The covenants (discussed generally in Chapter 2) constitute a vital element of the association's legal framework, for they determine the character, functions, income and enforcement capabilities of the association. Once recorded, they will establish the rights and obligations of the builder, the homes association and the home owners. Their content will naturally vary according to the community plan and residents' needs, but certain covenants are common to most home owners associations.

The developer will normally draw up and register the covenants in such a way that they will cover each and every lot to be sold and conveyed at a future date.

**The Covenants**—The single most important covenant provides for dedication (or agreement to transfer ownership) of the common areas and community facilities to the association. The dedication will also grant easements of enjoyment and use of such properties to all home purchasers in the community. This covenant also gives the association the right to borrow money for the improvement of the common property; suspend the easements of any member for delinquency in making assessment payments or violation of association regulations; and, in the case of financial failure, take appropriate action to insure the continued community use of the common properties.

In order to avoid future disputes or misunderstandings with association members, it is also wise to include a date by which time the transfer of title will occur, usually the expected date of construction completion.

The ownership of any commercial facilities in the community should also be stated clearly. In some instances the association may be designated to own, operate or lease such facilities and thereby gain an additional source of income.

**Public Dedication**—The covenants will also provide for the public dedication of any streets, utilities, school sites, shopping facilities, etc., which are to be owned and operated by the local municipality.

**Maintenance Assessment**—A most important covenant pertains to the association's right to make and enforce assessments for the continuing operation of the association and maintenance of common areas and facilities. This covenant should establish the basis for setting the amount of members' assessments, for example by

square footage of land owned. The amount of assessment should not be specifically restricted by the covenant, however, as higher maintenance cost, inflation and other unforeseeable circumstances may well necessitate its increase.

As a means of enforcement, it is suggested that the covenants stipulate that nonpayment of the assessment becomes a personal obligation and a charge or lien on the land. This enforcement provision will also serve to reassure the lender that the common properties, which affect the value of the individual residences, will be well maintained on a continuing basis.

**Voting Rights**—In addition to providing for the automatic membership in the association by each lot owner, the covenants provide for member voting rights, usually one vote for each lot owned. Most developers also choose to utilize a formula which will assure their unimpeded control over project development.

### Protective Covenants

The recording of protective covenants is essential if the physical appearance and residential nature of the community are to be preserved.

**Land Use and Building Type**—These covenants will prescribe the type of residences which may be built in the community; determine whether or not renting of units is permissible and under what conditions; and limit commercial use of any structures except in areas specifically designated for such.

**Modifications and Additions**—Protective covenants should seek to stabilize and protect, not destroy. Standard covenants dealing with additions and alterations to property should be designed to permit a

balanced expansion of the original dwellings to fit reasonable criteria that take account of increases in family size and the natural desire of owners to improve their homes.

**The Life of the Covenants**—According to the most common practice, the covenants run initially for the length of the mortgage amortization period and for subsequent periods of ten years, unless changed or cancelled by the association members. Communities change over the years and what may be a desirable restriction or limitation on land use today, might well be unsuitable for the same community 30 or 40 years hence.

### Completing the Legal Structure

**Articles of Incorporation**—After recording the subdivision and plans with the proper legal authority and before selling the first piece of community property, the homes association is incorporated and by-laws written.

Incorporating the association as a non-profit corporation should, in most jurisdictions, exempt it from tax liability, limit the legal liability of its members, and make it possible for the association to take title to the common property and contract for common services in its own name. This procedure will no doubt vary considerably in different countries, but in one way or another, it is essential to make the association a legal entity.

**The By-Laws**—The by-laws of the association establish its detailed organizational structure, on the basis of and in conformity with the recorded covenants. They will normally include provisions for the rights of membership in the association, rights to the enjoyment of the

common property, duties of the board of directors and election procedures. They will also specify what officers the association is to have and outline the committee structure and the manner in which membership meetings will be conducted.

**Deeds of Conveyance**—The deeds of conveyance constitute the final component of the association's legal framework and tie the home owner into the association. Once transfer of the first deed to a home purchaser takes place, the covenants enter into force. The deeds should make reference to the recorded covenants and restrictions affecting the property. Although not legally necessary, it is also recommended that the maintenance assessment portion of the covenants be restated in each deed to make certain that every association member understands his financial responsibility.

### Selling the Homes - and the Association

Regardless of how comprehensive and appropriate its legal framework is, the association cannot operate effectively without the understanding, support and participation of its members. Therefore, it is essential that the developer sell not just houses, but the association concept as well.

The sales staff should be thoroughly familiar with the association and explain it to each prospective home buyer. Attractive sales brochures might also be utilized to supplement the verbal explanations. In addition, it is highly recommended that a documents brochure, containing all the legal documents discussed in this chapter, and a members handbook containing informative material on the houses, the community and

the municipality, be provided to every home purchaser, or even to every prospective purchaser.

A thorough, effective sales program can have a great deal to do with the success of the community and the homes association. It can also eliminate disgruntled or misinformed customers and increase the builder's reputation as a reliable, consumer oriented organization.









# 6 OPERATING THE ASSOCIATION

The determining factors in establishing the structure and operating procedures of a particular homes association are the needs and customs of its prospective members, the extent and kind of services it is to provide and the size and type of community being developed. Every association is different and must, if it is to be successful, be treated individually.

For example, a small community for which the local municipality provides most of the services will have an association which is fairly simple and informal in structure. The directors can work directly with the members in organizing recreational activities, etc.

On the other hand, a large association with responsibility for providing many municipal-type services will be much more complex and formal in organization. Several committees and perhaps even contracted experts will be needed to assist the directors in carrying out their duties. Under these circumstances, the membership will be less directly involved in most of the association's inner workings.

The pattern presented here, then, can only serve as a general guide.

## Setting it in Motion

As stressed in the previous chapter, it is the developer's or builder's responsibility to organize and launch the homes association. During the organization's formative period, he must lead the association in the directions he feels are healthiest and best in keeping with long-range community plans while simultaneously training community residents to assume their responsibilities when the appropriate time arrives.

The developer's designation of the association's first board of directors is extremely

important, for it is these men who will largely determine the traditions, style and competency of the association. They should collectively possess the various talents — legal, financial, administrative, etc.—necessary for handling all aspects of the young association's work. It is important, too, that they be able to establish a good rapport with the members.

## Transferring Responsibilities

The terms of the initial directors should be staggered so that the first community members elected to the board may have the opportunity to serve under the guidance of experienced administrators. Using the example of a nine member board, three men would serve for one year, three for two years, and three for the normal three years. This pattern would also enable the developer to maintain control over the community's affairs until development and construction work is completed and would facilitate a smooth transfer of responsibility to the membership.

During the early period, too, members should be encouraged to participate in training courses conducted by the developer, or others with experience in the field, in such areas as community finance and democratic procedures. Leadership skills and other special talents of the members should be noted and developed to ensure the future availability of qualified association directors and committee members.

## The Board and its Officers

The board of directors derives its authority from the membership which elects it, as set forth in the association covenants and by-laws. It is charged with adminis-

tering the association, establishing community policies, preparing the budget and carrying out the expressed majority will of the members. It is chaired by the director who receives the most votes during the election. Other officers, the vice-chairman, treasurer and secretary, are elected by the directors.

The chairman is the chief administrative officer of the association. Typically, he conducts the membership meetings, negotiates and signs contracts, enlists community volunteers and appoints committee members. It is he and his effectiveness in office which will largely determine the activity and success of the association.

The other officers serve in the capacities generally associated with their positions.

## The Membership

Full membership meetings are usually held only once a year, unless the chairman calls a special meeting. These meetings are, however, very important to a democratically run association.

At the annual meeting, the members hear and assess reports from the board and all committees and vote on the board's budget proposal. At this meeting too, residents may discuss mutual goals and direct the board to implement decisions of the majority.

Many large associations have found it advisable to have residents elect block representatives to provide a liaison between the members and the board and committees between annual meetings. Through them, residents may be informed of the activities of their officers, who, in turn, may learn of residents' opinions and desires.



In very large communities of 1,000 units or more, this block structure may be formalized by setting up several small associations to serve block or neighborhood needs and hold more frequent meetings. A federation of these organizations or a parent association would provide community-wide services. Such arrangements must, however, be described in the recorded covenants.

In most successful associations, members' involvement goes far beyond their attendance at regular meetings, however. Their active participation on a continuous basis as committee members and volunteer workers is vital to the association.

### Standing Committees

Even though the committee structure varies greatly from one association to another, most organizations have at least four standing committees to assist the board of directors in carrying out their

tasks—finance, maintenance, recreation and architectural review. A member of the board is usually represented on each committee, often in the capacity of chairman.

The finance, or auditing, committee studies the financial status of the association and presents the board with budget recommendations. It also assists the board in collecting data for the independent auditor contracted each year by the board to audit the association's books.

The maintenance committee assists the board in assuring that common grounds and facilities are properly cared for. In larger communities where professional management services are contracted, the committee would help the board oversee their activities.

The recreation committee plays a large role in encouraging the active participation of the membership. By organizing

recreational activities for all age groups in the community and encouraging voluntary leadership of the various activities, this group can make the membership constantly aware of their association and its efforts in their behalf. In larger communities, professional help may be hired to handle some of the committee's work on a full or part-time basis.

The architectural review committee is charged with carrying out the protective covenants and preserving the harmonious appearance of the community. Any exterior house alterations or additions proposed by residents must be presented to this committee for approval. In cases where the developer has specifically designed the homes for expansion as family income and needs dictate, the plans for such expansion are held by the architectural review committee.

Other standing or ad hoc committees, such as a publicity, child care or security

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committee, may be established as required by the particular needs and interests of each association's membership.

### Communications

Whether or not a formal publicity committee exists, it is important that good communications exist within the community. If the association is to function democratically, members must be kept abreast of board and committee functions and they must have an effective means of making their views known.

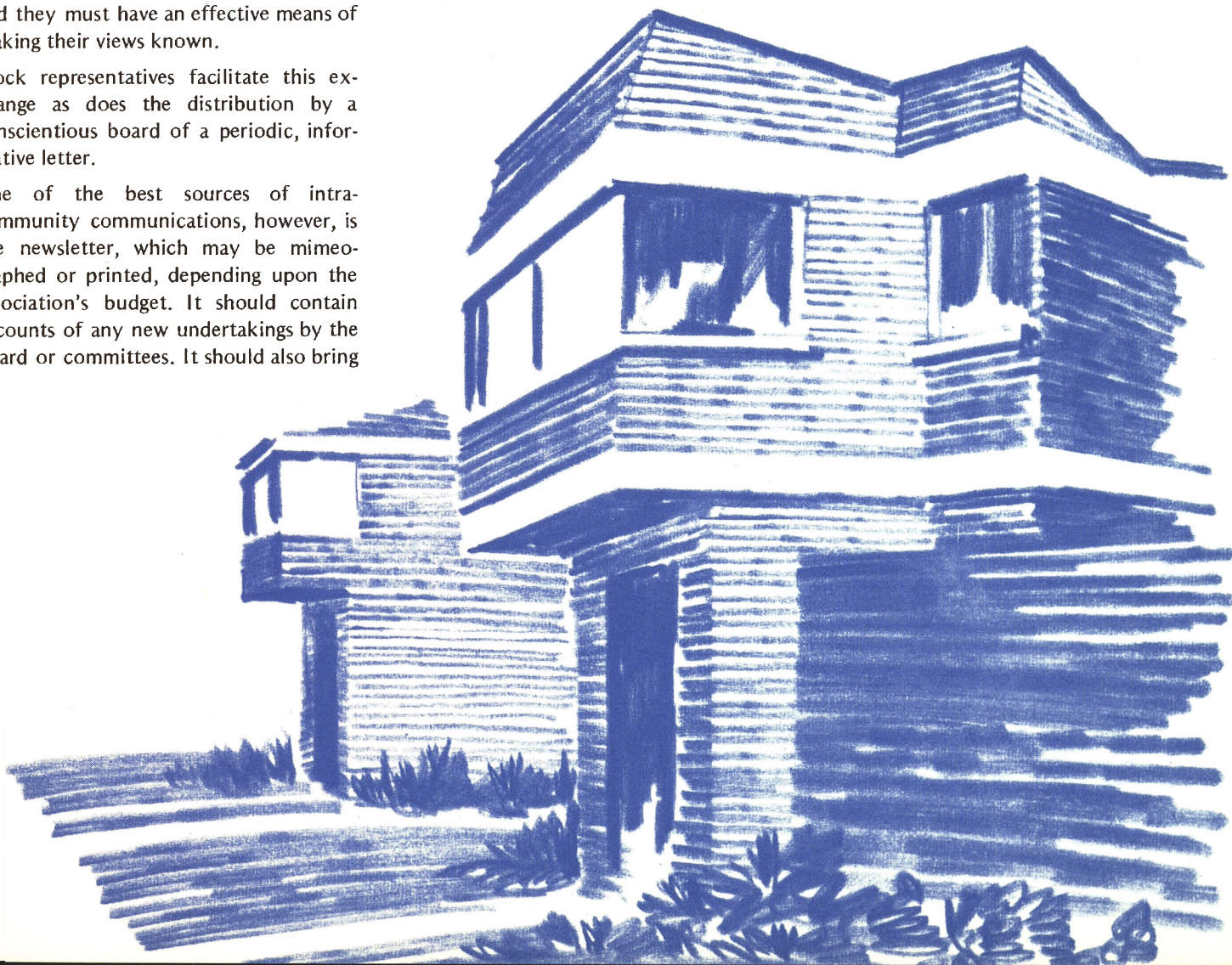
Block representatives facilitate this exchange as does the distribution by a conscientious board of a periodic, informative letter.

One of the best sources of intra-community communications, however, is the newsletter, which may be mimeographed or printed, depending upon the association's budget. It should contain accounts of any new undertakings by the board or committees. It should also bring

controversial issues to the membership's attention so that they may be discussed adequately before decisions are made at the annual meeting. Announcements in the newsletter of recreational activities and meeting times and agendas should also help develop an active membership, the foundation of a successful association.

### Making it Work

It is up to the members to carry on all of these activities once their association is firmly established. However, the amount of enthusiasm, know-how and understanding they bring to the association, whether in a leadership or membership capacity, is largely determined by the actions and guidance of the developer and the initial board of directors.



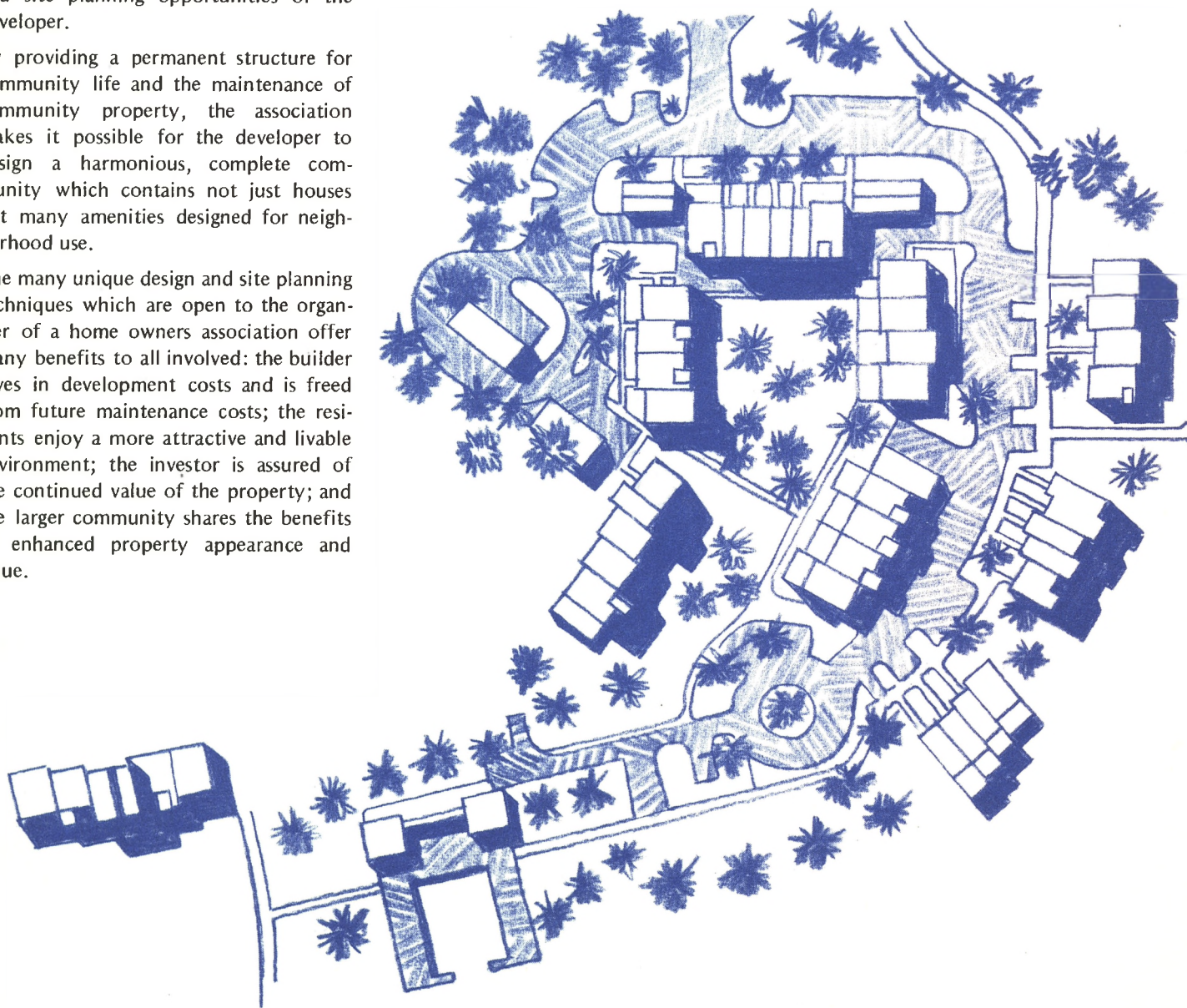
# 7

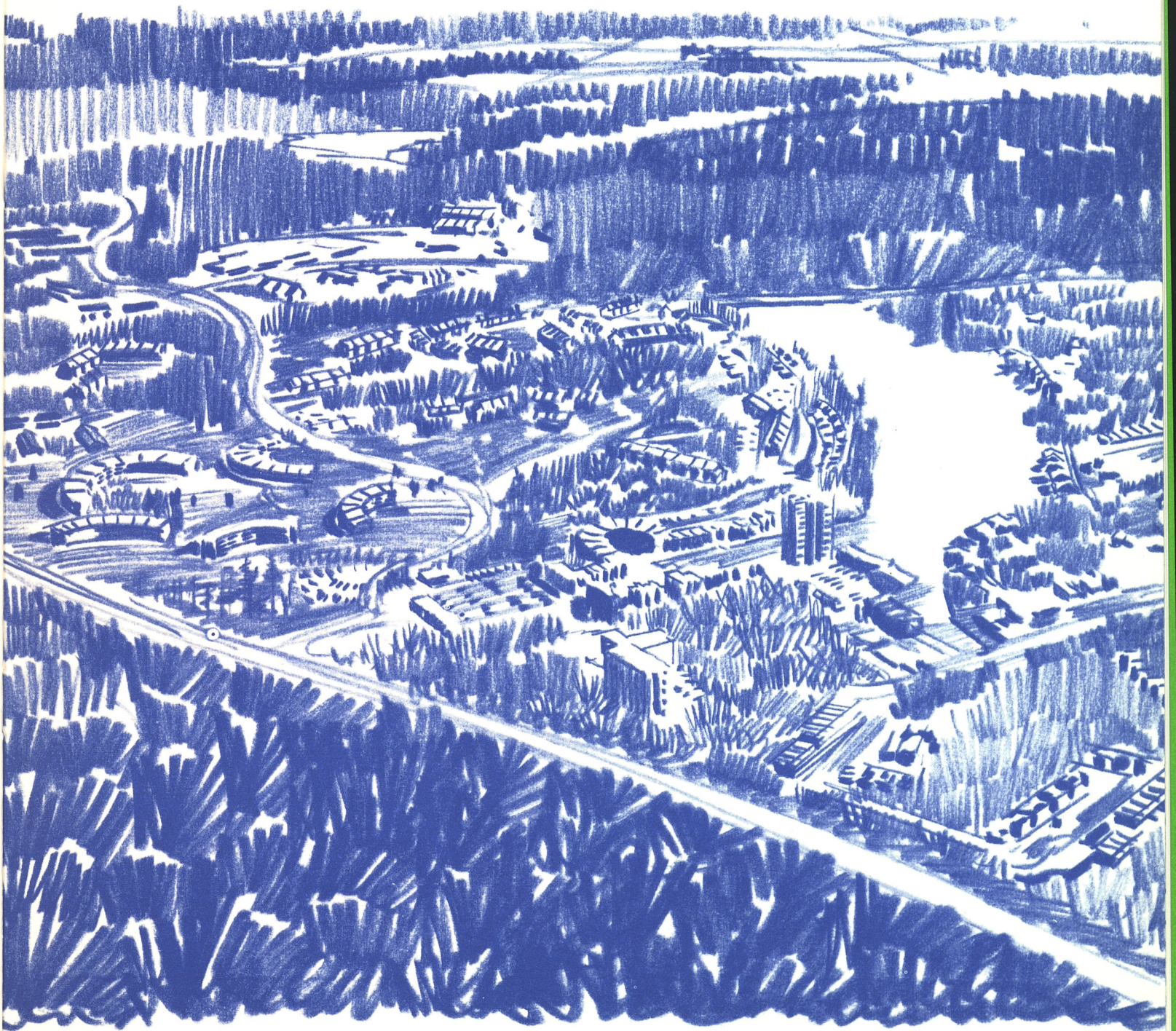
## NEW PLANNING TECHNIQUES: HOW THEY FIT IN

The incorporation of a home owners association in plans for community development greatly expands the design and site planning opportunities of the developer.

By providing a permanent structure for community life and the maintenance of community property, the association makes it possible for the developer to design a harmonious, complete community which contains not just houses but many amenities designed for neighborhood use.

The many unique design and site planning techniques which are open to the organizer of a home owners association offer many benefits to all involved: the builder saves in development costs and is freed from future maintenance costs; the residents enjoy a more attractive and livable environment; the investor is assured of the continued value of the property; and the larger community shares the benefits of enhanced property appearance and value.







### The Economies

One key to most of these planning methods is the combination of concentrated development and open spaces. Construction is restricted to portions of a site which best lend themselves to development, while areas which are more difficult to develop or which contain especially attractive features, such as ponds, ravines or wooded areas, are conserved for the enjoyment and recreational use of all residents of the development. This practice can save the builder both development time and cost.

Streets in such communities are designed to separate through and local traffic. One or more large arterial streets surrounding the community or dividing it into neighborhoods direct high-speed, heavy, through traffic away from residential areas. Service streets, often in the form of cul-de-sacs or loops, branch from the main artery or are linked indirectly by collector streets, and are used only by residents whose homes border them and occasional emergency or delivery vehicles. Vehicular and pedestrian safety is thus improved because people who are not residents do not use service streets adjacent to houses to reach destinations in other parts of the community.

Since service streets are narrower and may be built to accommodate only limited, light vehicles, they are less costly. Total street development costs are also comparatively low because land area devoted to streets is 10% to 15% less than in conventional "grid" communities.



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## The Common Areas

Conserved common open spaces may be planned to serve many purposes, in addition to providing play and recreation areas. Steep rocky terrain may be too expensive to build upon, but, left undeveloped, it may enhance the open, natural appearance of the neighborhood. In flat terrains, common green open spaces or meadows can often serve as absorption areas for rain water, eliminating the necessity of constructing costly storm sewers. They may also serve as the site for sewage lagoons or wells for community water supply systems.

## Clustering

Common open spaces used as parks or playgrounds are most often the focal point of the community. Homes are usually clustered in dense groupings around the open space and serviced by non-through, service streets. Pedestrian pathways may lace through the open area, in contrast to traditional "side-walks" which run adjacent to the streets.

This unique planning system may achieve higher overall dwelling densities without the loss of quality community environment. Thus it is a valuable planning device in areas where land costs are high. Individually owned lots may be smaller than required by conventional regulations because they are bordered by park land and it is not necessary to provide play space on each lot. Then too, multi-story housing, garden apartments and townhouses may be located in the midst of a single family housing community if there is adequate recreation space to service all resident groups.



### Variety in House Style and Price

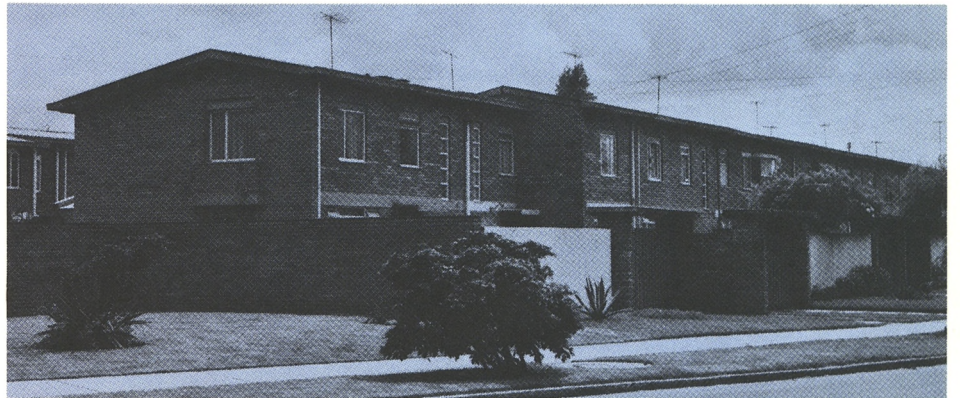
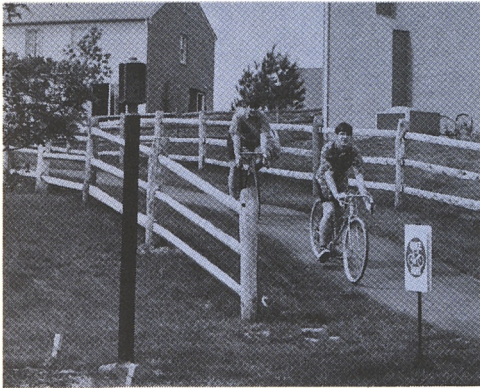
A broad range of housing types in the same neighborhood means that young and old, large and small families with a variety of incomes can all live together in the same community and share its facilities. This represents an important improvement in livability over the urbanization pattern practiced for many years in the presently developed countries of Europe and North America. It can also increase the potential market for the community and thereby result in a more rapid sales program.

### Home Owners Associations Make it Possible

The home owners association makes the application of these concepts practical by providing the structure for community life and government. The homes association establishes policies and operating budgets for all community-owned land and property and is responsible for its maintenance. It can also impose regulations governing land uses and home modifications in order to preserve the cohesiveness and attractiveness of the community as a whole. In addition, it can often provide the social framework of the community, bringing residents together in the pursuit of mutual aims. Through the continuing activity of the home owners association, the orderly development and long term maintenance of the community can be realized.

In numerous instances, builders of new communities find that the conventional pattern of urban development is firmly established and that existing recreation and community facilities are adequate. Inclusion of commonly owned land, facilities and a controlled service street system may not be possible. Nevertheless, the home owners association remains a valuable asset to any community, regardless of the site planning techniques utilized in its development.

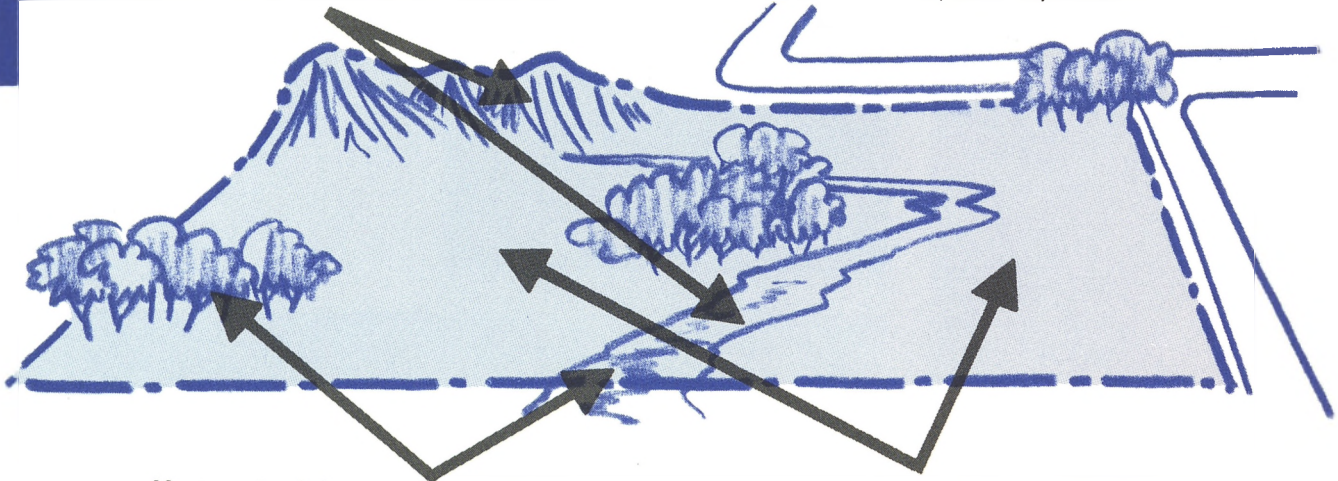




# 1

Most raw land contains some very difficult natural features which must be eliminated for building. This may be expensive.

Streets and other utilities must be continued as a public requirement.



Most raw land also contains some very attractive features which should be conserved. This may be difficult.

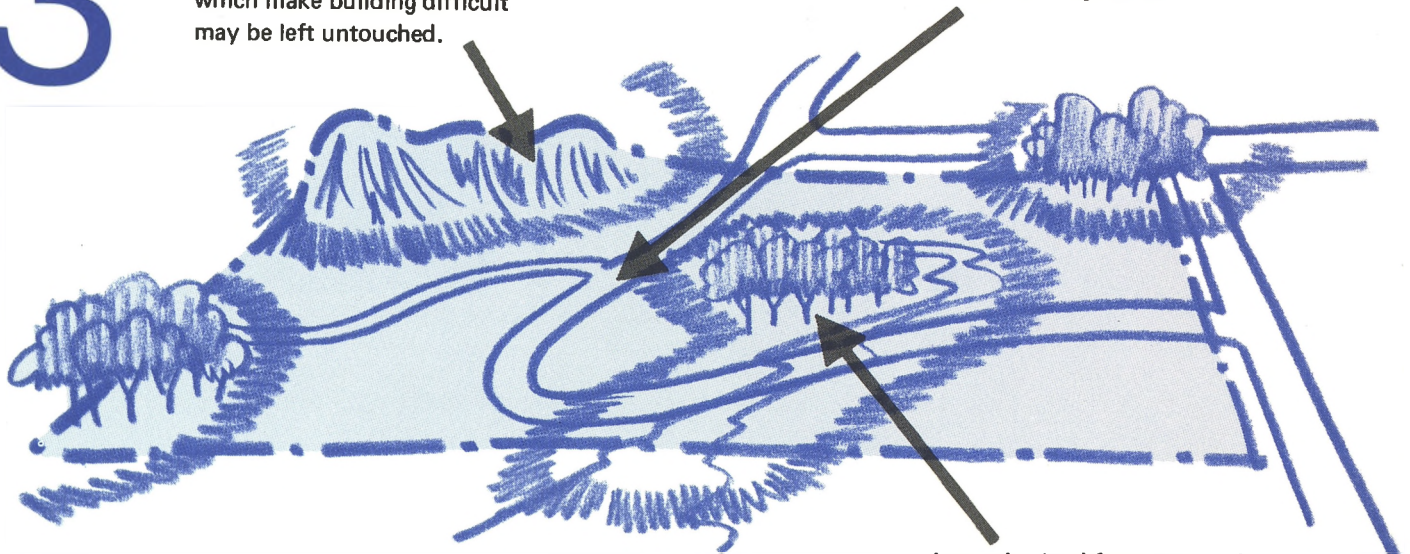
Many desirable and easy building areas remain.

# 3

## BUT THERE IS ANOTHER WAY!!

Natural features of the land which make building difficult may be left untouched.

Roads and utilities may be designed to follow their most convenient alignment.

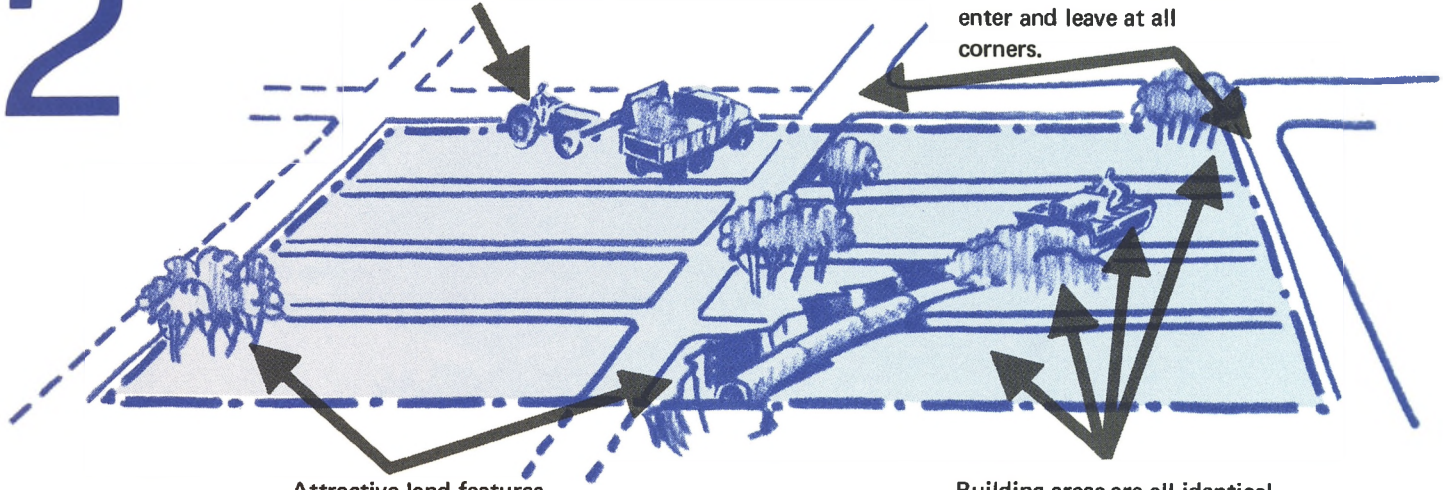


Attractive land features may be improved to increase the value of the community

# 2

The old-fashioned practice of developers is to cut away the steep land.

Streets are straight and open at both ends so the public can enter and leave at all corners.



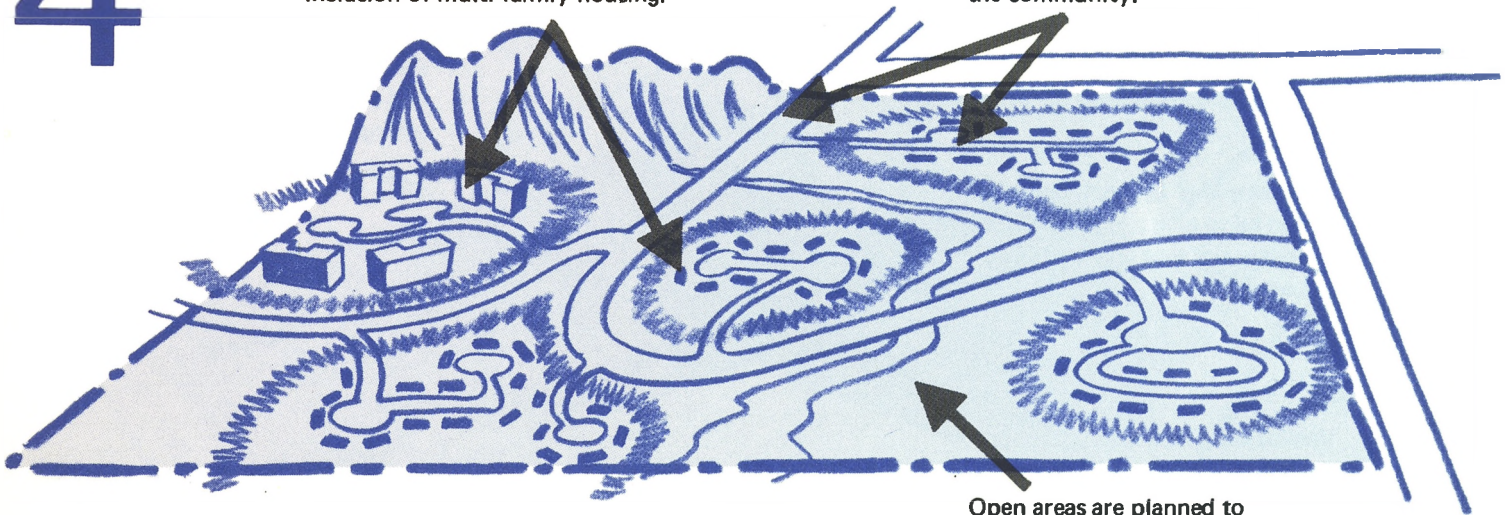
Attractive land features must be cut away or covered up so that all the open land can be used for building.

Building areas are all identical and residents must use roads to reach their homes. It may be a long way to a park or play field.

# 4

IF the developer is allowed to use the best "buildable" land more intensely with smaller lots, attached houses, or inclusion of multi-family housing.

Road width and connections are allowed to serve only the necessary number of residents in the community.

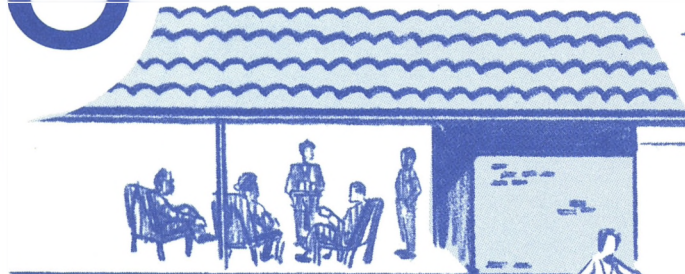


Open areas are planned to serve double duty as the location for sidewalks, absorption basins, storm drainage, and privacy buffers.

# 5

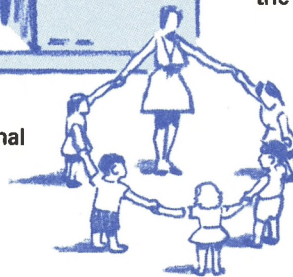
There are many different kinds of common areas and services which may be administered and maintained by the home owners association

Play grounds for active sports may be provided.



A community building is a site for meetings of the home owners association or club and social events.

A child day care center, health care program and vocational training can all be installed in a community building.



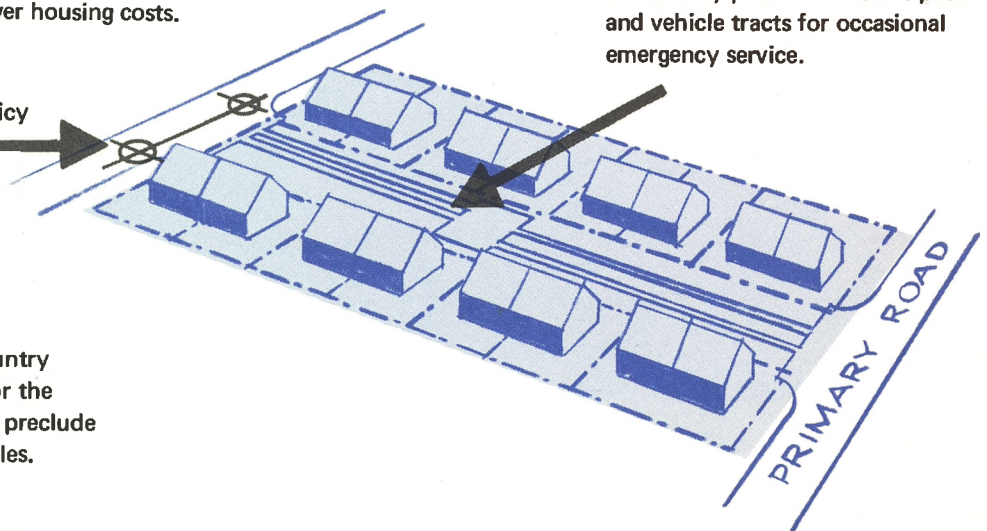
Gardens and paths for strolling by elderly residents are welcome.

# 7

One goal of the Housing Investment Guaranty Program is to encourage the acceptance of lower, practical development standards in those countries which may have adopted the urbanization regulations from the developed countries. Developers may seek approval to install only a portion of planned facilities and pass the savings on to purchasers as a means to lower housing costs.

However, the developer may install only pedestrian access paths and vehicle tracts for occasional emergency service.

An example of a growth policy would be to plan adequate rights-of-way for secondary roads.



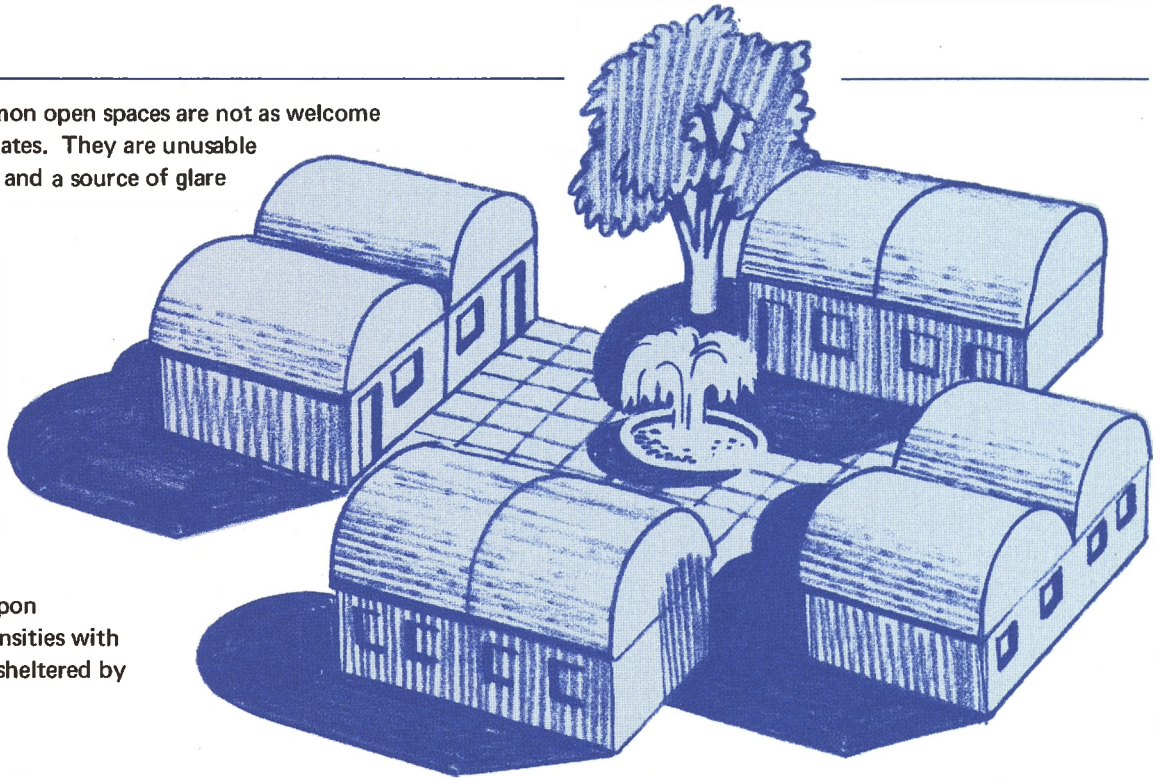
Vehicle ownership in the country may be very low at present or the income of home buyers may preclude their ownership of automobiles.

# 6

But large common open spaces are not as welcome in hot dry climates. They are unusable during the day and a source of glare and dust.

Entries and windows of houses and open areas may be carefully designed for privacy and breezes.

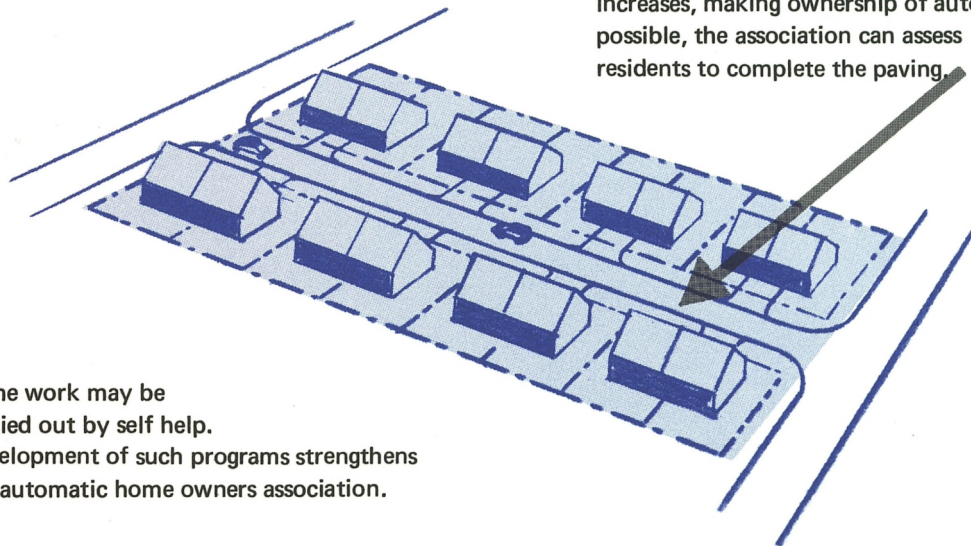
Planners may concentrate upon building houses at higher densities with small common open spaces sheltered by walls with paving, planting and shade.



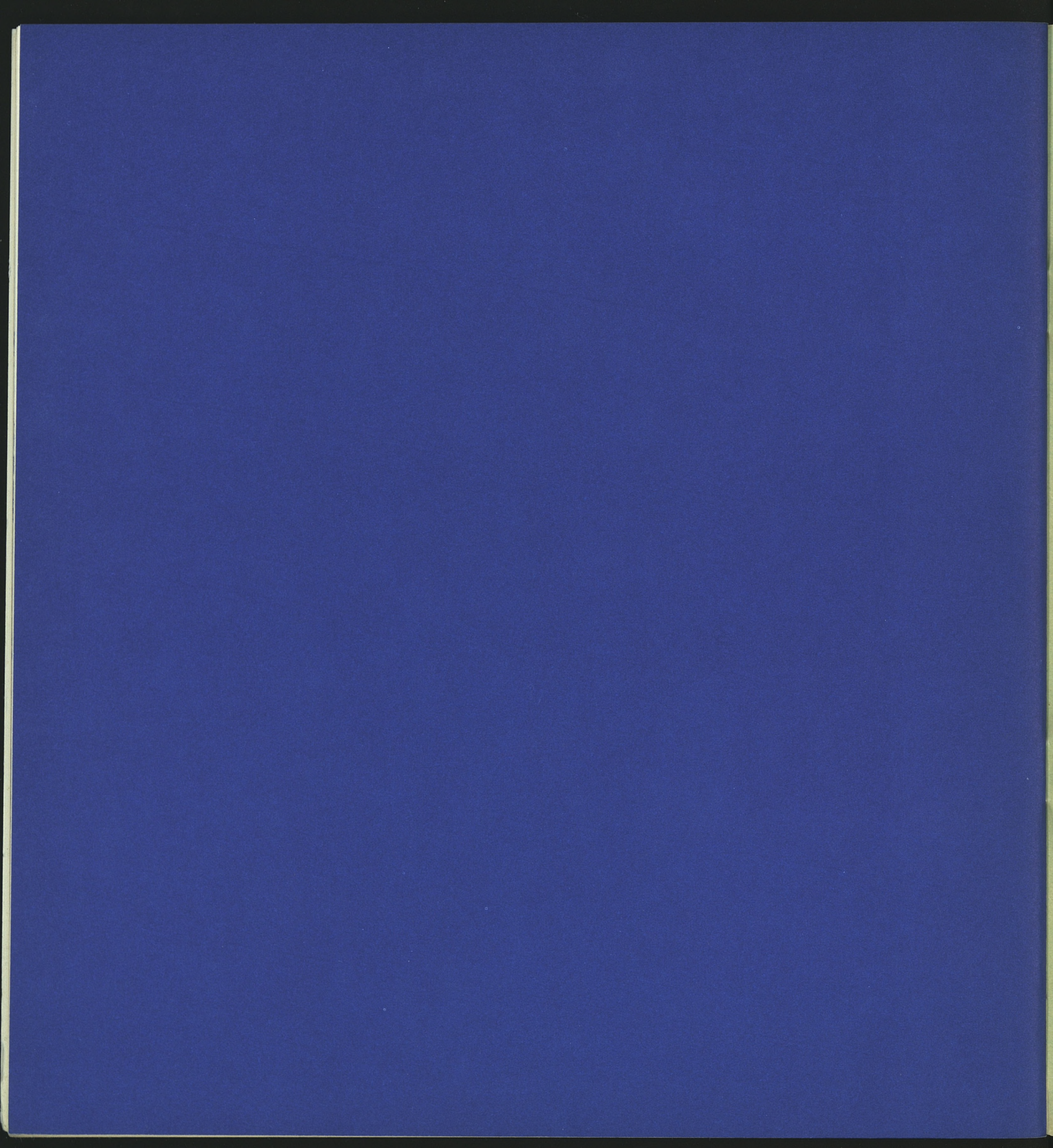
# 8

An automatic home owners association is uniquely equipped to make this policy possible.

In the future when the national economy and the income of residents increases, making ownership of automobiles possible, the association can assess residents to complete the paving.



Some work may be carried out by self help. Development of such programs strengthens the automatic home owners association.





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## AN ASSET TO ALL

In most areas of the world, rapid urbanization has brought tremendous populations together in little-planned metropolitan centers and surrounding suburban areas. This process has uprooted people from their traditional family owned homes and familiar communities at the same time that it has increased their expectations of a better standard of living. The development of well planned, permanent communities with home owners associations can do much to alleviate the resultant economic and social problems.

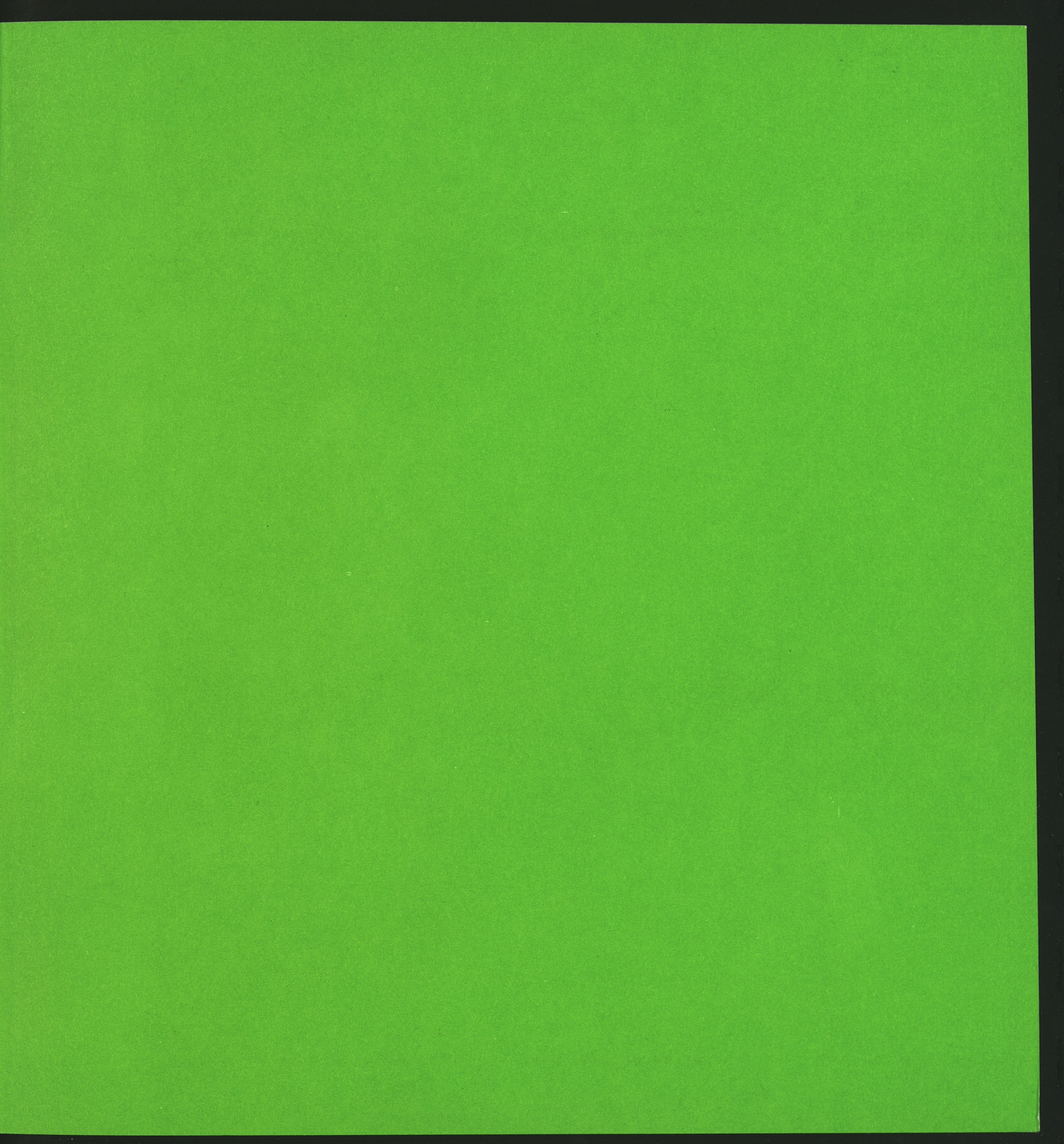
The home owners association concept can and must be adapted to each locality where it is to be applied, but, in every instance, the stability it provides and the community interaction it encourages are highly desirable. It affords residents a viable means of channeling their energies and resources towards the improvement of their own environment and, inevitably, that of the larger community.

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Agency for International Development  
Housing Guaranty Program  
Office of Housing

This Publication Prepared  
by the Publications  
Department, FCH Services, Inc.