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Homeowners Associations as Private Governments: What We Know, What We Don't Know, and Why It Matters

HOAs as Private Governments: A Special Mini-Symposium

Homeowners associations (HOAs) are private governments that are reshaping urban governance and service delivery in large parts of the United States. Despite the fact that millions of Americans are HOA members, the field of public affairs has paid scant attention to these new governance entities. The essays in this symposium call attention to HOAs' potential effects on urban services and civic life in the hope of sparking interest among scholars and public managers to include HOAs in our understanding, research, and teaching of contemporary urban governance.

Over the last three decades, sweeping reforms in American local governance have gone largely unnoticed in the field of public affairs. Homeowners associations (HOAs) now outnumber all local governments by more than three to one, but the implications of this change have yet to be considered. Homeowners associations have been called private governments because they do many things that governments do. HOAs hold elections, provide services, tax residents, and regulate behavior within their jurisdictions, but as legal entities, they are not governments (McCabe 2005). Some have damned HOAs as vehicles for exclusion, the physical expression of “the secession of the successful” (McKenzie 1994), while others have praised them as efficient substitutes for municipalities (Nelson 2005) or as a potential instrument for urban regeneration (Ellickson 1982). Polarized characterizations such as these highlight the questions of equity, efficiency, and politics that HOAs raise. HOAs exist within cities, counties, and special districts, but we know little about their origins, roles, operations, or effects. Newspapers may call our attention to HOAs in the event of scandal, mayhem, or absurdity, but the general business of

HOAs as well as the typical interactions among HOAs and the governments that underlie them largely are unexplored. The purpose of this essay is to spark interest in homeowners associations as governing

entities deserving concerted attention from academics and practitioners.

Like the 1992 challenge issued in this journal to undertake the serious study of American counties (Menzel et al. 1992), it is hoped that scholars and practitioners will take on the difficult task of moving homeowners associations from mysterious, uncharted territory into the familiar landscape of urban governance. To that end, the essay begins with an exposition of what is known about homeowners associations, their internal

operations, and their establishment as enclaves of service and “taxation.” These accounts draw largely from studies in law, economics, urban affairs, the community management industry, and the popular press. The second section calls attention to HOAs' potential effects on urban services and civic life, questions that urban managers are uniquely poised to address. It then moves on to consider institutional questions of governance structure and representation that have long held the attention of public affairs scholars. The final section lays out the prospects that a heightened understanding of homeowners associations may bring to the study and practice of public administration.

Homeowners Associations: What They Are and Where They Come From

Homeowners associations are automatic, mandatory membership organizations that began as instruments of real estate law to ensure that common areas, which range from amenities such as swimming pools to infrastructure like streets, are maintained permanently

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Table 1 Estimated Number of Association-Governed Communities

Year	Number of Communities	Number of Housing Units	Number of Residents (millions)
1970	10,000	701,000	2.1
1980	36,000	3,600,000	9.6
1990	130,000	11,600,000	29.6
2000	222,500	17,800,000	45.2
2002	240,000	19,200,000	48.0
2004	260,000	20,800,000	51.8
2006	286,000	23,100,000	57.0
2008	300,800	24,100,000	59.5

Source: Community Associations Institute, <http://caionline.org> (accessed August 27, 2010).

Note: Figures for association-governed communities include homeowners associations, condominium associations, and cooperatives. The Community Associations Institute estimates that 52 percent to 55 percent of these communities are homeowners associations.

(Hyatt 1985, 2000). In an HOA, each homeowner owns his or her house and its lot, but the association owns the common areas. As organizations, HOAs are created in local governments' real property records long before the homes are built. When a housing development's design includes common areas, the developer restricts the land's use and establishes a homeowners association to uphold the restrictions and maintain the commons in perpetuity. These tasks are accomplished through the Declaration of Covenants, Conditions and Restrictions (CC&Rs) filed in the local property records (Sterk 1997). The specific restrictions of CC&Rs vary, but they always bind current and future owners and require their compliance. These documents charge the association with managing the commons, providing the required services, and enforcing the CC&Rs. Buying property in an HOA makes one a member and subject to the association's rules (Hyatt 1985, 2000).

Data concerning the number and location of HOAs are inexact because most of the information about them resides in local property records, where their founding is recorded. They are not included as discrete entities in the U.S. Census, tracked by state governments, or comprehensively mapped by local governments. The Community Association Institute, a trade association established in 1973, provides estimates of HOAs' proliferation, as shown in table 1.

There are roughly 30 times more HOAs in the United States today than there were in 1970. Millions of people live within their jurisdictions. HOAs are present throughout the country, but they are especially prevalent in fast-growing regions in the South and West. HOAs are located within and outside incorporated areas and in urban, suburban, and rural settings. The associations range in size from a few houses to communities that rival small to mid-sized cities. Places such as Celebration, Florida; Reston, Virginia; and Columbia, Maryland, are not cities—they are homeowners associations (Shearmur 2002).

Internal Operations

HOAs are organized as nonprofit corporations, governed by elected boards of directors that serve as unpaid volunteers (McKenzie

2003). The boards of larger communities often hire a manager or management firm to handle the HOAs' operations, creating a structure similar to a council-manager city (McKenzie 1994). Similar forms and functions do not translate into similar responsibilities, however. The boards must enforce the CC&Rs, provide services, and maintain the common areas, as well as raise, spend, and borrow money for those purposes. HOA boards are tasked as managers, policy makers, regulators, and enforcers, duties that, in governments, assiduously have been kept separate (Hyatt and Stubbelfield 1993). Most states' laws do not differentiate HOAs' governance from that of other nonprofit corporations (Pena 2002). As private enterprises, HOAs' managers and elected decision makers are free of many procedures and practices that apply to government officials, and within HOA jurisdictions, individuals are not necessarily guaranteed the rights that governments are compelled to protect.

As policy makers, HOA boards can pass additional restrictions that they then enforce (Kress 1995). "The board of directors passes the rules, prosecutes the alleged violators, and adjudges 'guilt,'" as one California justice observed (Arabian 1995, 22). Boards can impose fines and other sanctions on rule breakers, but HOAs lack governments' coercive power and rely on the courts to compel compliance. The courts are also the avenue available to HOA members aggrieved by the board's actions, but the board, unlike the individual member, can raise HOA assessments to cover litigation costs (Hyatt and Stubbelfield 1993). Some HOAs are plagued by conflict and litigation between the association and its members, a situation that McKenzie (2006) says is partly attributable to their governance by untrained volunteers.

As private entities, HOAs' internal procedures and powers more closely resemble corporations than governments. HOAs may not be subject to state "sunshine" laws, which require public notice, open meetings and open records when officials gather to make policy decisions and need not follow public budgeting, procurement or hiring practices.

As private entities, HOAs' internal procedures and powers more closely resemble corporations than governments. HOAs may not be subject to state "sunshine" laws, which require public notice, open meetings, and open records when officials gather to make policy decisions (Pena 2002), and they need not follow public budgeting, procurement, or hiring practices. Unlike local property taxes, which state laws typically require to be computed on an *ad valorem* basis, HOA assessments can be set *pro rata*, with each unit paying an equal share, if that is the basis specified in the CC&Rs (Hyatt and Stubbelfield 1993). HOAs' private status also allows the CC&R to be more restrictive than even the most stringent local land-use laws.

Most CC&Rs impose aesthetic and behavioral standards on residents. Paint colors, building materials, and landscaping all can be prescribed, while signs, open garage doors, and street parking can be prohibited (Hyatt 1985, 2000). CC&Rs can limit residency by age, establish a maximum number of residents per house, ban pets, and determine whether the property may be rented (Hyatt and Stubbelfield 1993). Restrictions such as these are fairly common, but HOA rules may be so precise as to specify where you may wear flip-flop sandals or whether you may use your back door as the entrance to your house (Franzese 2002).

CC&Rs' restrictions illustrate that property rights are different in HOAs than in governments, and the same is true of individual

rights to political behavior. Constitutions protect individual rights from government infringement. Individual rights to vote or engage in freedom of speech and assembly in private communities are not protected as they are in governments. HOA elections are not required to adhere to the “one-person, one vote” standard applied to cities and counties, but tend to be based on property ownership, with one housing unit granted one vote (Siegel 1998). HOAs can disenfranchise renters while granting voting rights to absentee owners and noncitizens. When HOAs own the streets, open space, and other gathering places, areas that could be public forums in governments become private property where discourse and dissent can be prohibited (Siegel 1998). HOAs can prohibit campaign signs, political canvassing, evangelical solicitation, protest demonstrations, and newspaper distribution (Kennedy 1995; Siegel 1998).

Enclaves of Services and “Taxation”

The goods and services that HOAs provide vary greatly across associations. Small HOAs may do little beyond keeping up appearances, cutting grass, or landscaping commonly owned open spaces. Others provide amenities such as swimming pools, golf courses, hiking trails, clubhouses, tennis courts, or gyms, as well as such seemingly public goods as streets, water, sewer, drainage, or lighting (Dilger 1992). Gated communities in particular often include private streets, water, sewer, lighting, trash collection, recreation, and security (McCabe and Tao 2006). Large HOA communities sometimes have their own newspapers and radio and television stations (Blechman 2008). An HOA’s infrastructure may be private or public, for the community’s use alone or dedicated for public use.

The public/private distinction matters because private and public infrastructure differs in appearance, operations, and liability. Private facilities are not required to meet the design or materials standards of public infrastructure, and the choice to keep the facilities private lowers the developer’s costs. Private streets, for example, can be windier, narrower, and lack the curbs and gutters of their publicly owned counterparts (Grant and Curran 2007). Local governments are neither legally liable for private infrastructure and services nor responsible for maintaining them (Ben-Joseph 2004). Public fiscal responsibility ends where the private road begins, so HOA members must pay for any infrastructure repairs from the edge of the public streets into their communities. Public regulatory responsibility also ends at the borders of private streets, so local police can respond to reports of crime in an HOA but cannot enforce violations of its traffic or parking rules (Dowden 1980).

To raise revenue for goods and services, HOAs lack taxing authority but not the power to charge assessments, which makes their inability to tax more a legal distinction than a real constraint. HOAs’ enforcement powers for failure to pay assessments equal those of local governments and allow them to place liens or foreclose on property, a power that the courts have upheld repeatedly. HOAs also can charge fees or dues to use facilities (e.g., playing the golf course or belonging to the community club) and may charge special assessments for things that the association board deems necessary (e.g., identical hurricane shutters in Florida communities). The board also can impose fines and other sanctions (e.g., banning members from using facilities) on members who break the rules (Hyatt 1985).

The invention of HOAs has enabled local governments to shift infrastructure costs from the general public to developers and new residents, and some city and county land development review processes require developers to provide infrastructure (Altshuler, Gomez-Ibanez, and Howitt 1993). Phoenix, Arizona, for example, mandates that developers supply infrastructure within their projects and pay impact fees to offset the cost of their developments’ effects on infrastructure beyond the project’s boundaries (McCabe 2006). Regulatory mechanisms such as these are designed to offset the costs of growth, if not make growth pay for itself. Local governments in many fast-growing areas compel developers to establish HOAs as an assurance that the infrastructure will be maintained over the long term (Siegel 2006; Winokur 1998). For example, in response to federal and state environmental laws, some local governments in Georgia adopted ordinances making HOAs responsible for maintaining stormwater systems (Atlanta Regional Commission et al. 2001). Government mandates for HOA creation and service provision argue against the common notion that HOAs are simply voluntary organizations that result from the operation of the free market alone.

The Communities Within: Questions for Practitioners

Public managers face an especially complex environment when governments include private communities. Each HOA, with its own laws, boundaries, services, and finances, is contained within one or more local governments. For the host governments, service delivery is privatized in whole or in part, and the political landscape is changed by the addition of organized, geographically concentrated groups with similar preferences. Theory suggests that urban managers and politicians in areas with large HOA populations face unique challenges but offers differing views of what those challenges entail.

The move to a private community, especially a gated one, is an escape from the world and its troubles (Forrest and Kearns 2001). Some studies suggest that residents of gated communities have few concerns for the governments beyond their borders, a finding that bolsters arguments that HOAs represent a form of secession from the broader community (Blakely and Snyder 1997; Low 2001). On the other hand, when private communities’ interests are at stake, empirical evidence indicates that HOA members become engaged in local decisions. In two national surveys, a majority of HOA board members reported good relations with their local government but also found “a sizeable undercurrent of dissatisfaction” (ACIR 1989; Dilger 1992, 125). Dilger (1992) also found that 70 percent of the HOA boards were active observers of their local governments, while 78 percent reported that HOA members had contacted local officials about association concerns. Whether HOA members have gone from active observers to participants in local issues in the 20 years since these data were gathered is not known, and there are no data recording public managers’ perspectives on the effects of HOAs on civic life or local policies.

Theories of collective action suggest that HOAs would deliver a disproportionately strong political punch if they became involved in local government policy decisions. HOAs have at least three organizational advantages over more traditional neighborhoods when it comes to influencing local policies and politics: a recognized membership, established leadership in the form of elected boards, and membership lists that facilitate efforts to keep residents

informed of local government issues (Groves 2006). In Olson's terms, HOAs have overcome the initial collective action problems that stand in the way of citizens' efforts to influence elected decision makers. If HOA members behave like members of clubs or similar social groups, they are more likely to participate in local politics than other residents (Cassel 1999). HOAs' populations often are portrayed as racially and economically homogenous, with similar preferences for services, lifestyles, and "taxes" (Blakely and Snyder 1997; Cashin 2001). These populations are collected into geographically defined governing and service-providing entities. The organizational advantages, geographic concentration, and increased likelihood of residents' political participation could give HOAs significant political advantages over conventional neighborhoods.

Besides the preferences that band HOA members together, local policy choices may unite them. HOA members sometimes pay for tax-funded services (e.g., street maintenance or snow removal) that they receive only from their HOA (Dowden 1980). The Community Association Institute calls this "unjust double taxation" (see <http://www.caionline.org>). Few governments have responded to this charge, but New Jersey mandates that municipalities reimburse HOAs for some of the services the associations provide their members, and Montgomery County, Maryland, gives HOAs tax rebates (Nelson 2005).

There are scattered accounts of HOAs influencing local policy and politics by demanding or prompting major institutional changes in local government, but there are no systematically collected data. Documented cases of HOAs' political engagement highlight vivid instances of their potential political power. For example, in the late 1960s and early 1970s, residents of Sun City, an Arizona HOA, defeated a series of school bond referendums. In 1974, Sun City was removed from the local school district's property tax base, a move that both the HOA and the school district supported, and later bond issues passed (Blechman 2008). In California, San Fernando Valley HOAs were a driving force behind efforts to secede from the City of Los Angeles and incorporate as a separate city, a step that ignited significant reforms in the authority and structure of Los Angeles city government (Sonenshine 2004). Finally, The Villages, an HOA retirement community that is now the population center of Florida's rural Sumter County, supported and passed an initiative to change from district to at-large county elections in 2004. Residents of The Villages now dominate the county commission (Blechman 2008). Beyond these random dramatic tales, there is little information about HOAs' effects on local policy, making it impossible to tell whether these accounts are common or rare.

In addition to their political and policy effects, HOAs have transformed the public management of service delivery in ways that we know little about. With HOAs, the local land-use regulatory process brings developers and local officials together to negotiate service and infrastructure provision, among other matters. This is a major change in urban service delivery, one of the most visible functions of local government (Stein 1990). Scholars have examined traditional

and alternative service delivery modes for decades, but the implementation of HOAs' negotiated agreements remains unexplored. Local government managers moved away from the customary direct provision and production of public services (Bish and Ostrom 1973) to alternative modes such as contracting out, coproduction, or the use of volunteers. All of these alternative approaches included a variety of local government actions such as planning or funding projects and monitoring their outcomes—part of the set of activities that providing and producing urban services entail (Stein 1990; Warner and Hebdon 2001). Government actions and results may differ when regulation is used to ensure service provision.

When land-use regulations are used as a means for providing urban services, local governments may—or may not—shape private service provision to fulfill a general public purpose or to monitor the results over time, but abandoning the entire set of government activities needed for providing and producing urban services can impose significant costs. Returning to the stormwater example, some local governments require HOA communities to provide and maintain stormwater systems. Without monitoring to ensure that these systems are properly maintained, flooding can result within the HOA boundaries and beyond. Private communities also can include protected habitat for native plants and wildlife, the dedication of land

for public use, or the creation of public access to beaches or other natural areas, among other things. These obligations are included in the CC&Rs drafted by the community developer. Like the other rules in CC&Rs, these requirements "run with the land" and bind all current and future owners. There is no mention, however, of a continued role for local government in overseeing these efforts.

Unlike other privatization approaches such as contracting out, private infrastructure provision has changed the way that urban spaces look, feel, and operate. We often assume that basic infrastructure such as streets, water, sewer, drainage, and lighting is widely available to everyone at more or less the

same price throughout a city or region. We also may presume that monopolies (either governments or public utilities) provide these services and that they interconnect, with streets lining up with other streets to form an efficient grid, for example (Graham and Marvin 2001). When infrastructure is provided through the regulatory process, these assumptions may be little more than fond imaginings. Formerly public services could be provided in an unconnected patchwork of service levels and prices, or they could be integrated into a network of multiple providers. Public managers may shed government responsibility for private community infrastructure, or they may assume the lead in the governance of networks of service providers. These are empirical questions that deserve answers.

The changes wrought by the growth of private communities have gone without comment in the field of public affairs. Much attention has been paid to the ways in which local governments traditionally provide services. Are the lessons learned from orthodox approaches relevant in governments that house private communities? We know very little about the opportunities and innovations of urban

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managers in areas where most residents are also members of an HOA. Academics need to learn from today's officials in order to prepare the next generation.

Areas for Public Administration Research

Homeowners associations raise fundamental questions about governance and public/private differences that remain central to public administration theory and practice. Wilson's (1887) charge to "run government like a business" inspired generations of public managers to adopt business-oriented management practices and market-driven service delivery systems. Practitioners struggled to make public services more businesslike, and scholars contended with the question of whether the private and public sectors are basically the same or merely "similar in all unimportant respects." Until the advent of HOAs, some government responsibilities remained uniquely public. Public sector responsibilities such as democratic accountability (Lynn 2001) or citizen engagement (Denhardt and Denhardt 2000) lacked market counterparts until entrepreneurs and private firms developed HOAs. This phenomenon raises a new question for public administration: when businesses create governments, what kind of constitutions do they run?

Constitutions express "the paths and practices for us to live together" (Catlaw and Jordan 2009, 293), reduce the uncertainty of possible future decisions (North 1990), and specify ways of overcoming obstacles to cooperation (Maser 1998) by delineating the structure and processes of governance. Among homeowners associations, the CC&Rs prepared by land developers and the bylaws of the HOA board serve as their constitutions. These documents set out an association's structure, duties, and procedures. The underlying values that these documents emphasize, the uncertainties they guard against, and the pathways they lay out to guide residents' living together are generally unknown, but their exploration promises to be mutually beneficial to the theory and practice of public administration and HOA management.

Most research into HOAs and their constitutions and services has considered theoretically grounded arguments of how associations can be expected to operate, with examples used to substantiate claims (Langbein and Spotswood-Bright 2004). HOAs' constitutions often are presumed to be efficient because they are as much a part of a purchased dwelling as its windows, doors, or foundation—an integral piece of the housing bundle selected by its residents. When developers are selling both homes and governance, some economists argue that the market results in constitutional provisions that match residents' preferences. Thus, HOA constitutions that survive market tests maximize their value to future residents (Boudreaux and Holcombe 2002; Tabarrok 2002). Private governments' freedom from state control over their internal operations allows for experiments in governance structure, modes of representation, and other policies, making HOAs potential laboratories of governance. Nelson (2005) contends that HOAs' constitutions vary to reflect the individual environment, rather like Ostrom's (1990) self-governing commons, where governance rules are modified based on deep local knowledge of the community, its members, and the natural resources on which they depend. These propositions are intriguing but pose both empirical questions that can be addressed through systematic investigation and normative considerations that can be confronted through critical analysis.

The structure of government and mode of representation are long-standing research topics in public administration and urban politics. The normative prescriptions of the Progressive municipal reform movement included such institutional changes as nonpartisan, at-large elections and the council-manager form of government as part of the formula for depoliticizing managerial decisions and increasing efficiency (Ostrom, Bish, and Ostrom 1988; Stillman 1974). The council-manager form of government has been associated with greater professionalism and managerial efficiency brought about by shielding appointees from politicians' private demands and creating standards for ethical professional behavior (Clingermayer and Feiock 2001; Lineberry and Fowler 1967; Nalbandian 1989). Despite these benefits, voter turnout in local elections usually is lower in cities with reformed electoral processes and structures than in unreformed cities (Caren 2007). To increase responsiveness, many reformed cities modified their institutions over time, either formally, through such innovations as an elected mayor, or informally by adding internal liaisons between political and administrative leaders (Carr and Karuppusamy 2009; Frederickson, Johnson, and Wood 2004). The history of municipal reform government suggests that the search for a perfect fit among structure, representation, administration, and politics is an ongoing but elusive quest.

Superficially, HOAs' board-manager structure is identical to the cities' council-manager form of government, an unsurprising coincidence, as Progressive reformers modeled their prescription for cities on corporate governance (Knott and Miller 1987). There is no evidence, however, that all HOAs maintain a board-manager structure. On the contrary, an Internet search of the term "HOA management" leads to websites of businesses that provide management tools to self-managed HOAs and to firms offering full-service association management. HOAs that turn to self-management do without the service and expense of a professional manager, but how do they actually provide services to residents? Others may contract with a management firm instead of hiring an individual manager, a variation in form that would provide additional distance between the board's expression and the management's execution of political decisions, but with what effects?

For scholars interested in governance structure, HOAs are a laboratory of structural nuance. HOAs' experiments in governance structure offer new community management genres of self-managed communities, in which politics and management are fused, and company management, in which political influence over management's actions is diminished. These models add to our understanding of the structural and pragmatic relationship between local politics and administration, a long-standing focus of public administration research. Descriptive as well as normative studies often portray politics and administration within a dimensional space of shared and separate concerns rather than as sharply distinct realms (Svara 1985, 1999). Private government approaches set new end-points on the continuum of separation and integration of politics and administration. Lessons learned from the successes, difficulties, and failures of private governance efforts may have useful applications in local government management, especially for the small cities and towns often neglected in academic research.

Questions of representation and responsiveness are central to Americans' core beliefs about democracy and government, and our history

is peppered with efforts to resolve these questions by expanding suffrage or changing electoral institutions (Morone 1990). Vehicles for direct democratic expression such as referendums, initiatives, and recall are popular mechanisms to thwart the will of unresponsive legislatures that often exist alongside state and local representative democratic institutions. Despite decades of philosophical consideration and empirical investigation, an optimal metric for representation has yet to be found (Muzzio and Tompkins 1989), and questions remain over whether even direct popular votes on policy issues represent the will of the people (Bowler and Donovan 1998).

Local elections pose a particularly perplexing problem: an individual vote is more likely to affect a local election than a national one, but turnout for local elections often is dismally low. Local governments' electoral schemes vary more than those at the state and national levels. The number of elected council members differs greatly from city to city, both in absolute terms and in terms of the number of people each council person represents (Muzzio and Tompkins 1989). Among local governments, electoral institutions (e.g., district or at-large elections, term limits, and council size) have been shown to influence minority representation as well as voter participation (Engstrom and McDonald 1981; Hajnal and Lewis 2003; Welch 1990). In many local governments, state or local laws often require voter approval before actions such as borrowing money or changing the charter may begin (Gillette 2004). Despite local governments' reliance on voter approval for important fiscal or constitutional questions and the potential impact of a single vote, participation in local elections remains low. Is it possible that private governments have cracked the participation puzzle?

HOA members elect their board of directors, but little else is known about the practice of representation in private governments. There are at least two reasons to wonder whether homeowners associations have found new ways to increase political participation and involve residents in community governance. First, HOAs generally are unrestrained by state laws that prescribe government electoral practices, giving them freedom to experiment with untried practices to bolster participation. Second, building social capital and finding ways for residents to build community ties are priorities for the community managers' professional association (Foundation for Community Association Research 2001). Whether these efforts lead to civically engaged residents that are satisfied with their elected officials is unstudied. Private governments may prove to be a fruitful testing ground for researchers interested in examining how various structures and electoral processes play out on a relatively small scale.

A democratic polyarchy presents multiple opportunities and venues for participation (Dahl 1991). In urban areas, multiple governments offering various services, tax prices, and potential for public participation have gone from the merely theoretical to a common practice (Kloosterman and Musterd 2001; Ostrom, Tiebout, and Warren 1961). The efficiency and effectiveness of consolidated versus fragmented patterns of urban service delivery have a long

history of research in public administration (Bish and Ostrom 1973; Feiock and Carr 2004; Parks and Oakerson 1989). Citizen satisfaction under these approaches is less well understood (Lyons, Lowery, and DeHoog 1992). Adding market-driven private governments to the mix of service providers complicates efforts to measure citizen satisfaction, if only because government's role becomes increasingly indirect and unclear. For "boomburb" governments (Lang and LeFurgy 2007), large, fast-growing suburban cities, HOAs are often the principal service providers, at least for those services in which the recipient could be considered a "customer" rather than a "captive" (Brown 2007).

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Conclusion

Twenty years ago, the Advisory Commission on Intergovernmental Relations (1989) called HOAs the nation's largest experiment with privatization. As a true experiment, the effort clearly has fallen short: theories went untested, data ungathered, and effects unassessed while the number of homeowners associations doubled. Contemporary scholars are left with a rich, untapped field of inquiry that is ripe for study, exists in forms amenable to quasi-experimental research designs, and raises governance issues that are central to the pragmatic concerns and academic interests of public administration. Comparison studies of

HOAs and traditional neighborhoods, of small cities and large associations, and of cities with and without homeowners associations can address questions of values such as efficiency, equity, and community, among other matters. For example, if HOAs are an example of Tiebout (1956) sorting, where residents "vote with their feet" and move to a private community in which the services and taxes best align with their tastes, increasing numbers of HOAs may be a victory for consumer choice and efficiency, as many claim (Ellickson 1982; Foldvary 1995; Gillette 1994; Nelson 1999, 2005). To date, none has considered the implications for governments that contain islands of privatized goods, services, governance, and payment, yet these are the environments that many public managers now face. As scholars and teachers, academics need to address the many issues that private governments raise and treat the claims of private efficiency not as an article of faith, but as an empirical question amenable to investigation.

Service provision has a solid place in our understanding of what local governments do. The reinventing government movement zeroes in on governments as service providers and citizens as customers, and Stein (1990) contends that providing urban services is perhaps the most important and visible government action that people experience. What are the respective roles of governments and residents when HOAs sever the service relationship? In the boomburbs (Lang and LeFurgy 2007), HOAs have assumed many service provision responsibilities citywide, and elsewhere, pockets of HOAs with private services exist amid traditional neighborhoods. Given the primacy of the perception of local governments as service providers, it seems likely that HOAs can influence residents' sense of themselves as citizens of their local governments as well as their propensity toward civic engagement, volunteerism, or voting. We know little about residents' attitudes and actions and even

less about how public managers and elected officials respond to the changed relationship. These are among the many questions demanding systematic investigation as we examine what urban governance and public management mean in the current context. There is much to learn about the governance we have, and much to consider about the kind of governance we want.

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Given the primacy of the perception of local governments as service providers, it seems likely that HOAs can influence residents' sense of themselves as citizens of their local governments [but we] know little about residents' attitudes and actions and even less about how public managers and elected officials respond to the changed relationship. These are among the many questions demanding systematic investigation as we examine what urban governance and public management mean in the current context.

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