

**COMMON INTEREST OWNERSHIP
COMMUNITIES IN THE
COMMONWEALTH OF PENNSYLVANIA**

**PURSUANT TO
HOUSE RESOLUTION 350 OF 2009**

DECEMBER 2011



General Assembly of the Commonwealth of Pennsylvania
JOINT STATE GOVERNMENT COMMISSION
108 Finance Building
Harrisburg, Pennsylvania 17120

The release of this staff study should in no way be interpreted as an endorsement by the officers and members of the Executive Committee of the Joint State Government Commission of the findings, recommendations or conclusions contained in this report.

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THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 350 Session of
2009

INTRODUCED BY SIPTROTH, SCAVELLO, BARRAR, BRADFORD, CALTAGIRONE,
CARROLL, COHEN, DONATUCCI, HENNESSEY, MURT, O'NEILL, PEIFER,
READSHAW, SANTONI, WATERS, WATSON AND YOUNGBLOOD,
JUNE 12, 2009

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 12, 2009

A RESOLUTION

1 Directing the Joint State Government Commission to conduct a
2 study on the impact of common interest ownership communities
3 on local governments and the Commonwealth, the challenges
4 facing the residents and governing bodies of these common
5 interest ownership communities and opportunities for the
6 Commonwealth to assist local governments and common interest
7 ownership communities to deliver adequate services to their
8 residents at an affordable cost.

9 WHEREAS, According to the Pennsylvania and Delaware Valley
10 Chapter of the Community Associations Institute, there are
11 approximately 15,000 common interest ownership communities,
12 which have a total of approximately three million property
13 owners in Pennsylvania, which represents an estimated 25% of the
14 population; and

15 WHEREAS, In many instances, common interest ownership
16 communities provide some of the same services that the
17 municipalities in which these communities are located provide to
18 individuals who do not live in common interest ownership
19 communities; and

20 WHEREAS, As a result, residents of common interest

1 communities often pay twice for the same services, once in the
2 form of assessments paid to their community association and
3 again in the form of municipal taxes; and

4 WHEREAS, Residents of common interest communities contribute
5 to State-funded programs that provide infrastructure
6 improvements with their State tax dollars, but residents'
7 community associations are often ineligible to apply for these
8 programs to address infrastructure needs; and

9 WHEREAS, The public benefits from various types of
10 infrastructure within the common interest communities,
11 including, but not limited to, storm water management
12 facilities, dams, on-lot septic systems and public roads; and

13 WHEREAS, Because many private wells and on-lot septic systems
14 within common interest communities were constructed before the
15 adoption of the Uniform Construction Code, the municipalities in
16 which they are located may not have inspected them. These wells
17 may be at the end of their operational lives or contaminating
18 the groundwater; and

19 WHEREAS, Rising foreclosure rates and the national economic
20 downturn have made it difficult for common interest ownership
21 communities to collect assessments from an increasing number of
22 residents, thereby making it more difficult to maintain the
23 commonly held property within these communities; therefore be it

24 RESOLVED, That the House of Representatives direct the Joint
25 State Government Commission to conduct a study of the impact of
26 common interest ownership communities as described under the
27 Real Estate Cooperative Act, the Uniform Condominium Act and the
28 Uniform Planned Community Act on local governments and the
29 Commonwealth, the challenges facing the residents and governing
30 bodies of common interest ownership communities and

1 opportunities for the Commonwealth to assist local governments
2 and common interest ownership communities to deliver adequate
3 services to their residents at an affordable cost; and be it
4 further

5 RESOLVED, That the Joint State Government Commission study,
6 at a minimum, all of the following:

7 (1) The number of common interest ownership communities
8 in each county.

9 (2) The number of common interest ownership communities
10 in each municipality.

11 (3) The approximate amount of State taxes paid each year
12 by residents of interest ownership communities.

13 (4) The approximate amount of local taxes paid each year
14 by residents of interest ownership communities to each
15 municipality.

16 (5) The amount and age of current infrastructure within
17 the common interest ownership communities.

18 (6) The impact of allowing common interest ownership
19 communities to access State funds for infrastructure
20 improvements.

21 (7) Whether there are opportunities for the Commonwealth
22 to assist local governments and common interest ownership
23 communities to deliver adequate services to their residents
24 at an affordable cost;

25 and be it further

26 RESOLVED, That the Joint State Government Commission report
27 its findings and recommendations to the House of Representatives
28 no later than one year after the adoption of this resolution.

EXECUTIVE SUMMARY

On July 2, 2009, the Pennsylvania House of Representatives passed House Resolution 350, Printer's No. 2100, which directed the Joint State Government Commission to study the impacts of Common Interest Ownership Communities (CIOCs) on the Commonwealth and its local governments, collect information on the communities, their residents and infrastructure, tax burden and access to state funding sources.¹ CIOCs are defined in Title 68 of the Pennsylvania Consolidated Statutes, entitled Real and Personal Property, as Condominiums, Cooperatives and Planned Communities. These communities are considered private and are typically governed by a Homeowners Association (HOAs) of residents. HOAs control CIOCs in the same way a municipal government controls traditional residential developments. In exchange for the payment of membership fees and assessments, the HOA ensures that residents are provided certain services and that common property and amenities are maintained and improved. In simple terms, the property owners are taxed by the HOA for the services it provides.

There are currently no requirements for municipalities to provide certain public services, such as sanitary sewer, drinking water and roadway maintenance to CIOCs that may be provided to traditional residential developments. Other municipal services, notably emergency services, are provided to residents regardless of where they live. That residents of CIOCs are fully taxed by their municipalities in addition to paying HOA fees leads many to feel they are subject to "double taxation" without receiving an equitable return of services. Conversely, municipal officials say residents are informed of HOA fees, assessments and restrictions prior to their purchase, and residents willingly choose to reside within CIOCs for the amenities they offer.

House Resolution 350 directed this study to report on the number of CIOCs in each county and municipality. Though a survey, the Commission staff contacted dozens of municipal, county, and state agencies and found there is no official count made of CIOCs by any government agency in the Commonwealth. While we believe most of the survey respondents provided accurate data, there is no way to know with any degree of certainty as no entity is currently required to maintain data on CIOCs, and they are not required to register with any entity. Further, the resolution directed the study to report on the amount of annual local and state taxes paid by CIOC residents. These data are similarly unavailable. No government agency, either municipal or state, keeps an account of how many Pennsylvania residents live in CIOCs and how much they pay in taxes. The resolution directed that the study report on the "amount and age of current infrastructure" in CIOCs. With no local or state count of the CIOCs, no means of locating CIOCs, and no agency or association that collects comprehensive data on CIOCs, it is not possible to identify the amount and age of infrastructure in CIOCs.

¹ A complete list of JSGC's seven specific tasks, as directed in the "Resolved Clauses," appears in the full text of House Resolution 350 on page 1 of this report.

Despite the lack of usable data and Commission staff's necessary reliance on anecdotal information, this report offers a more comprehensive review of CIOCs than has been previously available. Despite the friction between HOAs and municipalities on the subject of taxation, there are avenues for cooperation between government entities and private communities. Further, the Commonwealth may need to make resources available to private communities when deteriorating infrastructure poses potential hazards to residents outside of CIOC's. The report's conclusions offer many practical solutions to current problems, and present many policies that could ease future difficulties with the continued growth of CIOCs as a housing option in the Commonwealth.

Recommendations

Recommendations include the following policy and statutory changes:

1. Encourage CIOCs and local governments to look for areas of consolidation and cooperation of services to find cost savings for both entities.
2. Encourage local municipalities to provide assistance to HOAs that request help on projects that could impact people outside of the CIOC, including dam repair, upkeep of publicly accessible green space and recreation amenities required by local ordinance, sanitary sewer or drinking water projects and stormwater infrastructure.
3. Require municipalities to accept dedication of all roads that are built to PennDOT specifications, as adopted by the municipalities or under PennDOT Publication 72M, "Standards for Roadway Construction."
4. Encourage the use of maintenance-free stormwater retention features to lessen the burdens on CIOCs. Developers should work cooperatively with municipalities on maintenance and design, including swales, permeable cover, riparian buffers and water gardens as identified in industry Best Management Practices.
5. Encourage municipal planners to require cooperative development of sewer and water projects to tie into or improve existing public infrastructure as defined by the Pennsylvania Municipalities Planning Code (MPC) and included in comprehensive plans.
6. Prohibit stormwater retention infrastructure from being assigned to an individual lot within the CIOC and require HOA ownership and maintenance.
7. County planning officers in the Commonwealth are required by Section 207 of the MPC to submit an annual report. The MPC should be amended to require County Planning Commissions to track certain information on CIOCs, including their

names, physical locations, land area, lot size and number of units, presence of a mixed use development, infrastructure including sanitary sewer, water and stormwater systems, dedication of roadways including roads built to specifications, common infrastructure and recreation facilities, and articles of incorporation or other non-profit organization registration information filed with the Department of State.

8. Require municipalities that provide trash, recycling, bulk item collection and yard waste services to offer those services to all residents within municipalities, whether in an HOA or not, but allow CIOCs to opt out and provide their own services.
9. Municipal, county and state emergency management coordinators should include CIOCs in all municipal disaster planning, preparation and clean-up.
10. Require the information supplied by HOAs at the resale of a home, within a condominium or planned community, be provided by a unit owner or declarant, when applicable.
11. Support the passage and implementation of House Bill 1941, Printer's No. 2663 of 2011, sponsored by Representative Mario Scavello, which creates the Dam Project Assistance Act. The Dam Project's bond fund would open \$225 million for the removal, restoration and repair of state-owned dams and \$275 million for private dams. The owners of private dams would need to apply as co-applicants with local governments. Priorities would be given to high-hazard dams, with immediate safety issues and those necessary for drinking water systems. This bill would help address one specific area of CIOC infrastructure that would affect those outside the CIOC in the event of a failure.

Conclusions

The issues surrounding CIOCs are difficult to simplify. CIOCs are the creation of at least three different local forces, each with agendas pulling in a different direction. Builders are primarily interested in developing residential properties that are most advantageous to their business models. Municipal officials are primarily concerned with maintaining their responsibilities to their residents and communities. Consumers seek the best home value for their investments, both tangible and intangible. The three agendas converge where market forces find an equilibrium, where quality of life, the real estate market and consumer preferences meet.

In the end, people choose to purchase houses from among those that are available, hoping to have purchased the right home in the right community at the right price. Theoretically, consumers make rational choices based upon complete information. Practically, consumers make choices based on available, often imperfect information, given the parameters and constraints they face. Overtime, those conditions are likely to change. Long term changes in the values of

real estate, in the health of communities, and in the values of their neighbors are unforeseeable. It is perhaps unrealistic to expect that the neighborhood one buys into today will remain unchanged in the decades to come.

In general, every prospective homeowner is faced with a choice of where to purchase. Article I, Section 1 of the Pennsylvania Constitution² states it is the right of the individual to choose where to obtain a house, whether to own property wholly, in part, or not at all. One could say that builders leave prospective buyers with a limited choice, or that builders are constructing homes to meet a demand. Buyers should choose an HOA the same way they should evaluate heating costs and utilities, age of infrastructure, amenities in a locale, quality of schools, crime statistics, access to transportation, municipal, county and city taxes on a non-HOA property, daily commute to work, and style and construction of home they are purchasing. If residents choose a CIOC way of life, they should be prepared for the responsibilities that come with it, including maintenance of community infrastructure and payment of local taxes. In rural areas, where no zoning or land use restrictions exist, residents need to be prepared to service on-lot septic systems, drill and maintain a well, provide their own trash disposal and if they move next to an existing farm or business, be exposed to smells and traffic.

Aiding prospective buyers in that choice is the benefit of reviewing certain information prior to sale, in both real property and planned communities, including the further benefit of a home inspection.³ When a unit within a planned community is listed for sale, the Uniform Planned Community Act requires the unit owner and the HOA to supply the prospective purchaser with 17 different disclosures, ranging from a statement of monthly fees, current operating budget, amount of reserves for capital expenditures and voting procedures for unit owners.⁴ Similar disclosures are required for the sale of cooperatives and condominiums in the Real Estate Cooperative Act and the Uniform Condominium Act.⁵ Sellers of residential real property, separate from a CIOC, are subject to the same standards under a seller's property disclosure statement, which requires the same variety of information regarding the home's soundness.⁶ These disclosures provide ample information to the prospective buyer, in any setting, allowing them to make an educated choice.

HOAs are an attempt to maintain the status quo, to meet current laws, regulations, and ordinances and to meet the needs and desires of their membership. Local officials perhaps function as an HOA for the municipality as a whole, and have responsibilities to all of their residents. The best outcomes result when the two organizations cooperate with one another to meet the needs of private communities along with the general population. This report attempts to thread the issues standing between the two, and suggests a number of recommendations that, it is hoped, will lead to agreeable outcomes.

² Article I, Section 1 of the Pennsylvania Constitution states, "All men are born equally free and independent, and have certain inherent and indefensible rights, among which are those of enjoying and defending life and liberty, possessing and protecting property and reputation, and of pursuing their own happiness."

³ 68 Pa.C.S. §§ 7501 - 7513.

⁴ 68 Pa.C.S. § 5407.

⁵ 68 Pa.C.S. §§ 3407 (condominiums) & 4409 (cooperatives).

⁶ Real Estate Seller Disclosure Law, 68 Pa.C.S. §§ 7301 - 7315.

BACKGROUND

In an effort to thoroughly understand CIOCs in Pennsylvania, Commission staff spoke with a diverse list of stakeholders and experts representing a wide range of issues and positions, with respect to both communities and government involvement. These discussions provided a representative sample of what each stakeholder or group believed was occurring with respect to CIOCs and determined where existing data could be found that were relevant to HR 350. Each group's discussion provided a unique viewpoint as to what was occurring regionally and statewide.

National figures from the Community Associations Institute (CAI) estimate that 80 percent of new housing starts since 2000 are built as CIOCs and governed by HOAs.⁷ Unfortunately, very few groups or individuals were able to provide specific, concrete details concerning Pennsylvania, making empirical evidence the exception and incomplete or anecdotal evidence the rule. In most cases, the data simply do not exist in any form or in a useable form that is readily accessible. These shortcomings will be explored in detail in the data section on page 39, but are important to understand when reviewing the list of contacts below. In general, issues surrounding CIOCs are inherently local in nature, although the state may provide policy direction.

Commission staff's exhaustive search for data and research conducted on CIOCs included contacting the following organizations, representing both stakeholders and experts:

- Community Associations Institute, Pennsylvania and Delaware Valley Chapter
- Pennsylvania Local Government Commission
- Heritage Conservancy, Doylestown, PA
- Pennsylvania State Association of Township Supervisors
- County Commissioners Association of Pennsylvania
- Pennsylvania Chiefs of Police Association
- Pocono Mountain Regional Police Department, Criminal Investigations Unit

⁷ Community Associations Institute, "Governed by Neighbors: The Nature of Community Associations," http://www.caionline.org/about/press/Media%20Statements/statement_governance2.doc., pg.4.

- Pennsylvania Office of Attorney General, Bureau of Narcotics Investigation and Drug Control
- Pennsylvania State Police
- Pennsylvania School Boards Association
- Pennsylvania Builders Association
- Representatives from Sandy Township, Clearfield County, Pennsylvania, including Supervisors, the Chief of Police & Township Manager
- Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services
- Pennsylvania Infrastructure Investment Authority
- Pennsylvania Department of State
- County Planning Commissions representing 66 counties
- County Assessment Offices representing 67 counties
- Pennsylvania Realtors Association
- Pennsylvania Emergency Management Agency
- Pennsylvania Department of Environmental Protection, Division of Waterways, Wetlands, and Stormwater Management

Prevalence of CIOCs

From the Pocono region to the Philadelphia suburbs to some of the most rural areas of the Commonwealth, CIOCs have sprung up to provide individuals and families with different and affordable opportunities for community living. CIOCs are often sought by potential homebuyers because of the attractiveness and amenities they offer. In certain areas, municipalities welcome these communities because they typically do not rely on municipal services to the extent that traditional developments do.

A CIOC is a residential housing development that couples privately held property with property held in common with other members of the development. There are three types of CIOCs: condominiums, cooperatives, and planned communities, and each is governed by a set of

laws and regulations. Condominiums are usually apartment-style homes, and the owner has full authority over the space within his unit and holds an interest in common areas of the property. In cooperatives, the owner buys into a cooperative or association that owns the building but entitles him to exclusive control over his unit. Planned communities are developments where a person owning an interest in a portion of the real estate is obligated to pay for maintenance, repair, improvements, management, administration and regulation of any portion other than what he owns privately. According to Pennsylvania's real property law, planned communities can consist of developments combining certain aspects of cooperatives and condominiums. Other planned communities require the owner to buy a unit, and then obtain a separate deed to verify ownership of the land surrounding the lot. Each individual community is governed by its own declaration and articles, a set of bylaws, and various regulations and decisions.⁸

CIOCs are attractive to first time home buyers, fixed-income retirees, and low to moderate income families because outside maintenance is usually provided by the homeowners association. Special landscaping and architectural uniformity often appeal to potential home buyers, which furthermore aids in the success of these communities.

The first planned community in the U.S. was built in Levittown, on Long Island, NY in 1947 by developer William J. Levitt. He followed those in the 1950s with similar communities in Pennsylvania (1952), New Jersey (1955) and Maryland (1957).⁹ The first condominium was built in 1960 in Salt Lake City, Utah but was initially designed as a housing cooperative. The first actual cooperative was not built until 1964 in New York City.¹⁰ In 1970, 2.1 million people occupied 10,000 communities around the United States. The decades that followed saw these communities experience significant growth in the number of CIOCs. As of 2010, 62 million Americans occupy over 309,000 CIOCs nationwide.¹¹ Today, one in five homeowners is subject to an association's rules, placing a spotlight on everything from association governance, municipal services, homeowner disputes and data collection.

Homeowners who choose to reside in a CIOC often have access to a number of recreational options owned by the HOA. Amenities often including parks, pools, tennis courts, golf courses, lakes, ponds, walking trails, sidewalks and community buildings of varying size and scope. CIOCs can also offer residents a reprieve on routine lawn work and outdoor maintenance. In many of these communities, plowing/shoveling snow, raking leaves, mowing grass, planting flowers and shrubs are all included in the HOAs maintenance fee. Young families enjoy these perks because they offer conveniences that appeals to those with busy schedules while offering safe, family outdoor activities. Older people enjoy the maintenance benefits because they may not be physically able to do all of these things themselves.

⁸ 68 Pa.C.S. §§ 3103, 4103 & 5103.

⁹ Eric Pace, "William J. Levitt, Pioneer of Suburbs, Dies," *NY Times*, January 29, 1994, <http://www.nytimes.com/1994/01/29/obituaries/william-j-levitt-86-pioneer-of-suburbs-dies.html>, (accessed October 24, 2011); Angela Ogunjimi, "History of Homeowners Associations," http://www.ehow.com/info_8036857_history-homeowners-associations.html, (accessed July 26, 2011).

¹⁰ American Bar Association, "Sharing Ownership," *ABA Guide to Home Ownership*, 1995, http://www.americanbar.org/content/dam/aba/migrated/publiced/practical/books/home_ownership/chapter_2.authcheckdam.pdf, (accessed July 9, 2009).

¹¹ *Supra* note 7.

Residents of these communities are also subject to extra rules and regulations designed to prevent one or two homeowners in the community from allowing their property to deteriorate and reduce the property values of neighboring homes. These extra rules can be beneficial for the overall appearance of the community, such as not allowing residents to let trash pile up on their property, general upkeep of their house or using non-traditional colors, like hot pink, that clash with the community's aesthetics. Other rules and regulations can be a little more controversial, such as not allowing residents to dry their laundry outside because it takes away from the overall appearance of the community. It should be noted that traditional developments sometimes have similar deed restrictions and stipulations.

Some CIOCs are built as gated communities and offer residents a greater perceived feeling of safety. These communities may have a full-time security force. People who live in these communities are willing to pay to have this added level of perceived safety that the community outside of the CIOC does not have.

CIOCs' popularity correlates with financial incentives for both municipalities and developers. When a developer wants to build on land it needs approval from various state and local government agencies.¹² A developer can maximize its investment if the lot sizes are smaller and home densities greater. Developers are subject to multiple permit and approval processes, Subdivision and Land Development Ordinances, but often negotiates variations that impact the future HOA. If a developer builds a road that does not meet PennDOT specifications, it may fit more homes in the same acreage. The municipality may sometimes benefit from this because if the developer can build more homes within a development, it may increase the tax base of the municipality. Also, if roads are not built to PennDOT and municipal specifications, the municipality will not take dedication of the roads and does not have the added expense of maintenance on the new roads. One downside to the developer building homes closer together is the increased need for a more involved stormwater mitigation infrastructure to prevent flooding.¹³ Again, some municipalities do not object to this because stormwater management systems are usually maintained by the HOA once the developer has finished the work.

Developing CIOCs

The construction of CIOCs and creation of HOAs helps builders to compete in highly competitive housing markets while simultaneously relieving municipalities of the often fiscally and politically burdensome responsibility to provide services to new developments. CIOCs, as private developments, are therefore not subject to the same mix of regulations as traditional developments. Hundreds of thousands of homes, notably in sunbelt states experiencing rapid development, have been constructed in CIOCs in recent decades. Estimates show that half of all

¹² Many state government environmental regulations are actually Federal regulations which are implemented and enforced by the states.

¹³ The size and complexity of a stormwater mitigation system is larger when there is more impervious cover, and less area for groundwater recharge. This increases runoff and often requires the use of more "unnatural" forms of stormwater runoff systems such as the creation of retention ponds.

new housing in the nation's 50 largest metropolitan areas is being built in CIOCs. In some areas CIOCs make up 60 percent of housing growth.¹⁴ In an effort to outpace construction costs, builders have come to rely on CIOCs as a viable way to maintain profitability. Further, they are using CIOCs in innovative ways to overcome what are considered by many to be increasingly burdensome zoning, permitting and other ordinances layered on at the municipal level.

Between 1940 and 1999, new housing unit construction averaged about 593,000 units per decade in Pennsylvania, and more than 1.4 million new units were built between 1980 and 2008.¹⁵ The biggest housing increase since the post-World War II boom of the 1950s came between 1970 and 1979 when 703,845 new units were constructed.¹⁶ The construction of hundreds of thousands of new homes each year cannot occur without environmental consequences. Rising concern over the effects of land development on watersheds in Pennsylvania led to the passage of the Storm Water Management Act of 1978.¹⁷ In essence, it had been determined that insufficient planning for stormwater runoff was having a deleterious effect on downstream watersheds. The Pennsylvania Department of Environmental Protection administers regulations that place responsibility for stormwater management on municipalities and landowners.

A significant part of the act states:

Section 13. Duty of persons engaged in the development of land.

Any landowner and any person engaged in the alteration or development of land which may affect storm water runoff characteristics shall implement such measures consistent with the provisions of the applicable watershed storm water plan as are reasonably necessary to prevent injury to health, safety or other property. Such measures shall include such actions as are required:

- (1) to assure that the maximum rate of storm water runoff is no greater after development than prior to development activities; or
- (2) to manage the quantity, velocity and direction of resulting storm water runoff in a manner which otherwise adequately protects health and property from possible injury.

The concern over runoff into watersheds continues. The U.S. Environmental Protection Agency promulgated new standards for farms, residents and municipalities to control runoff into watersheds in May 2010.¹⁸

¹⁴ Eran Ben-Joseph, "Double Standards, Single Goal: Private Communities and Design Innovation," *Journal of Urban Design*, Vol. 9, No. 2 131-151, June 2004, pg. 132, <http://web.mit.edu/ejb/www/JUDStandards.pdf>, (accessed May 21, 2010).

¹⁵ U.S. Census Fact Finder http://factfinder.census.gov/servlet/ADPTable?_bm=y&-geo_id=04000US42&-qr_name=ACS_2008_3YR_G00_DP3YR4&-ds_name=ACS_2008_3YR_G00_&-_lang=en&-redoLog=false&-_sse=on, (accessed May 12, 2010).

¹⁶ Ibid.

¹⁷ Act of Oct. 4, 1978, P.L. 864, No. 167.

¹⁸ Ad Crable, "'Pollution Diet' in federal Chesapeake Bay fix plan," *Lancaster Online*, May 12, 2010 <http://articles.lancasteronline.com/local/4/254860>, (accessed May 12, 2010).

The pressure to provide services to a growing residential housing market has been burdensome to many municipalities, which have sought to alleviate the expense and strain of meeting their obligations. To meet the requirements of Section 13, developers create homeowners associations (HOAs) when they build new residential construction. The HOAs assume responsibility for the maintenance of the stormwater basins located within their developments after the developer relinquishes control of the property to the HOA.

The prevalence of government regulations is often cited as a driving reason for much of the growth in CIOCs. Developers see themselves as accommodating market trends toward buyers' preferences for HOAs, while negotiating their way around regulatory obstacles. While some municipalities have adapted smart growth techniques, comprehensive plans and strict zoning, which allows for mixed-use and higher density building options, some rural counties have failed to update their land-use policies. Many communities have seen surges in both population growth and farmland conversion as huge swaths of land are built upon with larger lot-size requirements, which, ironically, are often enacted as a way to slow large-scale development.¹⁹

A 2002 survey of developers showed that 80 percent believe regulations of site design were the most expensive obstacles they face. Of these requirements, those considered most excessive were related to street construction, including width and setback requirements, land dedication for open space and recreation and stormwater mitigation.²⁰ In Pennsylvania, roadway regulations are detailed in the Department of Transportation Publication 72M, "Standards for Roadway Construction."²¹ Given these and similar pressures and in light of the competitive nature of housing construction, builders often seek to develop CIOCs because private developments are often less regulated by municipalities. Through negotiation with municipal authorities, builders are innovating new techniques that bypass standards and offer more flexible planning and better profitability. Allowances made for CIOCs include narrower streets, smaller setbacks, non-standard street configurations, and alternative paving materials were identified in 84 percent of cities in a 1995 national survey.²²

Many CIOC developers create homeowners' associations (HOAs) to preserve the integrity of a community and help maintain its long term value. It frees the developer of financial and legal responsibility of the community by transferring ownership of the association to the homeowners after selling a predetermined number of lots.²³ Homeowners pay annual dues to cover maintenance and amenity costs within the community. HOAs function as "private" governments, enforcing deed restrictions on what can be done in and to the neighborhood. These

¹⁹ U.S. Environmental Protection Agency, "Smart Growth Principles," http://www.epa.gov/smartgrowth/about_sg.htm, (accessed June 12, 2011).

²⁰ Supra note 14 at pg. 138.

²¹ "Roadway Construction Standards," Publication 72M, Bureau of Construction and Materials, Pennsylvania Department of Transportation, June 2010, <ftp://ftp.dot.state.pa.us/public/Bureaus/design/PUB72M/PUB72COV.pdf>, (accessed September 29, 2011).

²² Supra note 14 at pg. 142.

²³ 68 Pa.C.S. § 5303(c).

deed restrictions help make the community appealing over a long period of time and hold homeowners responsible for the ongoing maintenance of their property, helping to maintain property values and control the appearance of the neighborhood.²⁴

Management of HOAs

During the construction of a CIOC, the builder establishes an association that includes among its members the builder and future property owners, and lays the groundwork for a body to govern in lieu of the municipality. This organization, commonly referred to as a homeowners association (HOA), has authority to enforce the development's Conditions, Covenants, and Restrictions (CC&Rs), levy assessments and fees, manage the HOA's sinking fund, and is responsible for the maintenance of common areas within the CIOC.²⁵ The HOA's governing laws allow the builder to cede its responsibilities to the HOA in proportion to the number of units sold. Eventually, the builder is removed entirely from the HOA and control is held by the HOA's membership. In Pennsylvania, there are several conditions under which a builder turns control over to the HOA. These conditions include when 75 percent of the units have been purchased; two years after the builder has ceased to offer units for sale; or two years after any right to construct new units has been last exercised.²⁶ In some HOAs, the mortgage lender continues to hold a position of authority in the HOA.²⁷

Since most CIOCs are privatized by HOAs, each community provides its own maintenance for services such as trash and recycling pick-up, roadway maintenance, street lights and signs, stormwater infrastructure and snow plowing. Although the services are covered by their individual community, homeowners may pay municipal taxes for similar services as well. Very few states have statutes compensating condominium owners for municipal services, eliminating the payment, often dubbed "double taxation." Maryland is the only state that gives the governing bodies of private residential communities the freedom to contract for the delivery of "residential street services" with the municipalities providing reimbursement in-lieu-of services.²⁸ The law, adopted in 1995, also allows for roadways to be dedicated for public use. The 1989 Municipal Services Act in New Jersey requires municipalities to provide services to qualified private communities or reimburse them for snow removal, lighting of roads and streets, and collection of solid waste and recyclables, alleviating the burden from HOAs or individual homeowners.²⁹ In addition, "the municipality shall be required to accept for dedication for public

²⁴ Lindsay Andrews, "House Urban Affairs Committee, 3/26/09," testimony by Community Associations Institute.

²⁵ A sinking fund refers to a pot of money set aside by an organization for the purpose of reducing the organization's debt over time. The Joint State Government Commission found that a sinking fund, within the framework of HOAs, commonly refers to a fund established to pay for maintenance and capital improvements to the CIOC.

²⁶ 68 Pa.C.S. § 5303(c).

²⁷ Barbara Coyle McCabe, "The Rules Are Different Here: An Institutional Comparison of Cities and Homeowners Associations," *Administration & Society*, September 2005, pg. 416.

²⁸ Maryland Code, Corporations – Municipal, § 49-51.

²⁹ New Jersey Permanent Statutes, Municipalities and Counties, Title 40, § 67-23.3 and § 67-23.7.

use...any road or street within the community that conforms to municipal specifications for public roads and streets.”³⁰ Other states, including Rhode Island and Connecticut have considered similar legislation in recent years.

The CC&Rs controlled and administered by the HOA are intended to maintain each CIOC’s community standards.³¹ These complex and often highly specific CC&Rs can be dozens of pages long, though most CC&R documents include regulations common enough to verge on boilerplate. In *The Rules Are Different Here: An Institutional Comparison of Cities and Homeowners Associations*, Barbara McCabe wrote, “CC&Rs address a myriad of issues related to the development...and generally serve to regulate taste.”³² Typically, CC&Rs are viewed through the lens of how specifically they detail resident behavior: on which side of a street residents may park cars, if cars, boats or campers may be parked overnight, or whether a toy sandbox can be in view. Each of the CIOC’s CC&Rs are written to preserve shared values of the residents and, importantly, the financial value of the property. When seen from the perspective of a preservation of private property, the CC&Rs are not essentially different from urban zero-tolerance crime policies that seek to enhance residents’ quality of life by applying the “broken window” hypothesis.³³ A survey by Zogby International, which was sponsored by the CAI, found that 78 percent of HOA residents believed that their HOA rules and regulations “protect and enhance” property values, and 80 percent believed that their professional management company provides value to the residents.³⁴

Commission staff heard several recurring themes from stakeholders who identified problems associated with HOAs. Inadequate association dues and reserve funds for maintenance and improvements were identified as problems, as were unqualified managers and administrators and inadequate staffing.

Stakeholders’ comments gathered for this report are summarized as follows:

- Developers have little incentive to leave a significant rainy day or reserve fund. Most developers are required to leave the HOA with an established reserve fund to get the HOA started. However, the developer has an incentive to underestimate the amount of reserve funds needed to support the HOA in the first few years. If the developer takes advantage of these incentives, the HOA is left in the hole financially from the very beginning.
- Developers have a financial incentive to set HOA fees on the low side. Developers want to sell lots to builders and homeowners. If they set an HOA fee too high, it might scare off potential buyers. Also, developers may believe the fees do not need

³⁰ Ibid, Title 40, § 67-23.7.

³¹ Supra note 7.

³² Supra note 27 at pg. 408.

³³ Hope Corman and Naci Mocan, “Carrots, Sticks, and Broken Windows,” *Journal of Law and Economics*, April 2005, <http://bus.lsu.edu/mocan/CARROTS,%20STICKS,%20AND%20BROKEN%20WINDOWS.pdf>, (accessed August 25, 2009).

³⁴ CAI, Zogby International, “What do Americans say about their own community associations?” http://www.caionline.org/info/research/Documents/national_research_2009.pdf, (accessed August 24, 2011).

to be high in the beginning because maintenance costs in a brand new community should be fairly low. They may assume that when the HOA takes over, fees can be increased as necessary.

- Some HOAs have difficulty raising substandard HOA fees to adequate levels on their own. Usually HOA fees are set by a vote of all community homeowners. Residents who only plan to stay in the community for a limited time do not see the need to pay HOA fees into a long-term reserve fund. Long-term residents have an incentive to see that fees are appropriately set, but with the low savings rate nationwide, people often do not save enough money for their own personal rainy day fund. Consequently, it is often difficult for many families to all agree to save more collectively in a reserve fund. So when something major occurs, like a community swimming pool in need of major repairs or a bad winter that results in extraordinary plowing costs, the reserve fund may not be sufficient to cover expenses. If the HOA does not have adequate funds to cover the expense, it is forced to either take on debt or charge all residents a one-time assessment to cover their share of the cost, which is usually unpopular.
- Some CIOCs are too small to hire management companies and so day-to-day activities are left to the HOA Board. The Board is made up of people from the community who may or may not have the experience needed to deal with a broad range of issues including accounting and taxes, legal questions, maintenance issues, and dealing with people with complaints within the community. For example, if the HOA does not have a regular CPA, it is less likely anyone will realize that the reserve fund is not large enough or the HOA does not have enough insurance against a major catastrophe.
- A lack of or limited staff can make it difficult for day-to-day operations of the HOA to continue. For example, if someone in the community wants to sell their home, they need to provide all the legal HOA documents to the buyer before the home sale can be finalized. The Pennsylvania's Realtor Association indicated that some HOAs have difficulty responding to simple requests for common documents in a reasonable time frame. This could potentially lead to the seller finding it difficult to attract buyers wanting to close quickly.

McCabe wrote that CC&Rs and HOA bylaws are drafted to represent the interests of the “institutional entrepreneur,” that is, the developer. As such, the CC&Rs and HOA bylaws are, initially, “crafted by an individual whose goal is to sell, but not necessarily to live in, the community he or she has created. For that reason, these rules may do more to facilitate property sales and maintenance than community governance.”³⁵

³⁵ Supra note 27 at pg. 409.

It can be argued, however, that CC&Rs and HOA bylaws nonetheless attract initial property buyers and that if CC&Rs and HOA bylaws are maintained largely intact they will continue to attract buyers who reflect the interests of the CIOC residents. Thus, the benefits of stability and reliability are provided.

HOAs are established under state law as non-profit private corporations and courts have viewed HOAs as business enterprises, granting them “considerable autonomy from their host city and state.”³⁶ Moreover, “Once established, neither the state nor its cities can extinguish an HOA, modify its jurisdiction, or demand that it perform tasks not assigned to it in its organizing documents.”³⁷ In Pennsylvania, 68 Pa C.S., § 5220 requires the termination of planned communities by a majority vote of at least 80 percent of residents.³⁸ As with other types of property, the state may exercise eminent domain over property in planned communities.³⁹ Proponents of HOAs say they ensure a standard of living, maintain property values, offer amenities not available in traditional communities, impart a feeling of community and belonging among members, and give members more direct control over their community. Criticism of CIOCs include that they are exclusive, contribute to social segregation, and reinforce fears about people living outside the community.⁴⁰

In purchasing a property within the HOA’s jurisdiction, property owners become members of the HOA and are bound to its CC&Rs. In exchange, they are given voting privileges in the HOA’s management and proceedings. Seen from the standpoint of economic models, membership in an HOA allows consumers in private markets the opportunity to insure the stability of their investment.

In contrast to CIOCs, properties in traditional neighborhoods are not necessarily secure investments. While “individually rational, opportunistic behavior,” drives markets such personal moves may not be beneficial to a neighborhood. If one resident allows his property to decline in value, the cost is borne not only by him, but also by his neighbors. Conversely, if a property owner invests in improvements, his neighbors benefit without having made similar investments. Unchecked, such lopsided, asymmetric relationships could spiral into losses for all residents. HOAs provide a buttress against market uncertainty by enforcing cooperation that stabilizes and secures the value of the properties within their borders. The HOA’s “rules of governance each set procedures, secure rights, and express restrictions for directing future decisions.”⁴¹ However, whether living in HOAs or traditional communities, people have less tangible investments in their neighborhood than the money spent on their houses. Schools, community groups, local organizations and businesses may all contribute to enhance the neighborhood’s quality of life.

³⁶ Supra note 27 at pg. 406.

³⁷ Supra note 27 at pg. 407.

³⁸ 68 Pa.C.S. § 5220.

³⁹ 68 Pa.C.S. § 5107.

⁴⁰ Andrew Kirby, et. al, “Examining the Significance of Housing Enclaves in the Metropolitan United States of America,” *Housing, Theory and Society*, 2006, pgs. 19-33.

⁴¹ Supra note 27 at pg. 410.

Members' involvement in the HOA provides them with a direct connection to policies, budgets, and day-to-day administration, which together give them more control over their community than they may otherwise have. Larger HOAs often hire professional managers to administer the financial, planning, insurance, maintenance, laws, and regulations on behalf of HOA members.

Renters living in CIOCs are not property owners, and therefore not voting members of the HOAs governing their communities. The system of voting by property owners links the parties most financially and legally responsible for the well-being of the CIOC directly to the governance of the CIOC. Those who bear the costs reap the benefits. Robert Ellickson, in *New Institutions for Old Neighborhoods*, argued that: "Allocation of votes by property ownership, instead of by residency, would give rise to an electorate attuned to both the costs and benefits of decisions, an outcome that enhances the probability of prudent institutional governance."⁴²

It has been argued, however, that HOAs can limit homeowners' rights to a greater extent than municipalities can, even to a point that would be considered unconstitutional.⁴³ Professor Evan McKenzie wrote, in *Common-Interest Housing in the Communities of Tomorrow*:

Homeowners' associations are not restricted by the conventional notions of civil liberties, and their activities are supported by a powerful array of professionals, including lawyers, property managers, accountants, and others. Individual homeowners who dispute the authority of their associations typically learn in short order that the courts generally support the authority of this form of private government.

A sampling of CC&Rs selected from Pennsylvania CIOCs shows they have common categories among them. Some of these categories include provisions for landscaping and gardens, building exteriors and architecture, permissible vehicles, signage, streets/driveways/walkways, pets, and general behavior of residents. The CC&Rs are the code that informs owners of the rules and standards to which they are held and what behaviors they can expect of their fellow residents. The HOA has the authority to levy financial penalties against residents who do not comply with the CC&Rs.

Gardens & Landscaping

CC&Rs define the permissible use of landscaping and gardens for residents. Generally, modifications to the property may be made only with the approval of the HOA. In some cases, the CC&Rs specify little more than that the owner is responsible for the grounds around his residence, such as lawn and vegetation maintenance and repair. It may be specified that trees and shrubs must be appropriately trimmed so as not to reach a point of "overgrowth." Other

⁴² Robert C. Ellickson, "New Institutions for Old Neighborhoods," *Duke Law Journal*, Vol. 48:75, 1998, www.law.duke.edu/shell/cite.pl?48+Duke+L.+J.+75+pdf. pg. 94, (accessed August 25, 2009).

⁴³ Steven Siegel, "The Constitution and Private Government: Toward the Recognition of Constitutional Rights in Private Residential Communities Fifty Years After *Marsh v. Alabama*," *William and Mary Bill of Rights Journal*, Vol. 6, Issue 2, 1998, <http://scholarship.law.wm.edu/cgi/viewcontent.cgi?article=1444&context=wmborj>, (accessed August 25, 2009).

CIOCs' CC&Rs require that residents obtain written permission prior to the planting of trees and shrubs. Some CC&Rs permit no tree plantings in front of residences and limit the number of tree plantings permissible in the rear.

Most CC&Rs sampled include provisions for recreational activities on individual lots. These regulations define uses such as whether or not a resident may install an above ground swimming pool, use seasonal decorations such as Christmas lights or yard figures, leave BBQ grills on their patio, install in-ground or raised bed gardens, or if permanent or moveable basketball hoops may be installed.⁴⁴

Outside and line-drying of laundry is prohibited in nearly all CC&Rs sampled. The rules disallow hanging laundry from deck railings, the installation of clothes lines, laundry poles, and the like. Some CC&Rs allow for outside line drying provided that the laundry is not visible to neighbors.

Mailboxes are often subject to approval of the HOA. Television antennas and satellite dishes may or may not be permitted, but often are allowed within certain dimensions.

Pets

In each of the CC&Rs sampled, the number of pets of any type is limited to two, and no commercial breeding is permitted. Further, the keeping of farm animals, exotic pets and livestock is not permitted.

Permissible Vehicles

While it is true that some HOAs maintain control over street parking, the regulations are normally geared toward recreational vehicles such as motor homes, campers, and boats. Vehicles such as these are usually not allowed to be parked within CIOCs for more than a day unless they are garaged out of view.

Building Exteriors and Architecture

Allowable paint schemes are usually the most visible aspect of CC&Rs related to building exteriors and architecture. Some CC&Rs prohibit outright the installation of storage sheds, tree houses, and basketball hoops. Fences are commonly regulated by the HOA, and rules define their installation. More important, however, is that CC&Rs regulate modifications to existing building structures, installation of fences, and the construction of additional structures on the premises. In some CC&Rs, allowable building materials are listed. Because the HOA is

⁴⁴ Emilie Lounsberry, "White holiday lights only, say bylaws for a Bucks development – but some residents are rebelling," December 10, 2011, http://articles.philly.com/2011-12-10/news/30502254_1_lights-townhouse-development-holiday-season, (accessed December 10, 2011).

primarily charged with protecting its residents' quality of life and properties, it must give careful consideration to any long term property modification. Usually, CC&Rs allow residents to petition the HOA if they seek to make changes.

Streets/Driveways/Walkways

Because of the varying specifications to which CIOCs roadways are constructed, some HOAs must regulate how vehicles are parked on their streets. In some CIOCs, narrow streets demand that vehicles be parked solely on one side or the other to allow passage for emergency responders. Other CIOC regulations may prohibit the use of street space and driveways for car repairs. In condominiums, parking may be limited to a certain number of vehicles per unit, which may be insufficient and create overflow problems along driveways and streets.

Signage

Perhaps the most known regulations in CC&Rs are those regarding signage. Media reports about residents' disagreements with HOAs over posting political signs, sports team banners and the American and military flags are common. Often these residents elicit the support of the public living outside the boundaries and agreements are made with particular HOAs. Nonetheless, the CC&Rs sampled did allow provisions for signage within certain restrictions on the allowable dimensions, and some allow other displays to be shown within certain stipulations.

Residents' Behavior

Residents' behavior, and that of their guests, is also commonly addressed in CC&Rs. Generally speaking, residents are expected to maintain a decorum in common areas that reflects the values and respects the standards of neighbors. Particularly frowned upon are unreasonably noisy activities that disturb fellow residents. Where HOAs claim responsibility for residents' health and safety they may have policies that allow them some oversight of private space. For example, an HOA in Florida passed an ordinance against hoarding, a move supported by the local fire department.⁴⁵ It has been reported that second-hand smoke is causing rifts between neighbors in HOAs, and the question has arisen as to whether or not HOAs can regulate smoking in residents' private space.⁴⁶

⁴⁵ Claire Webb, "Laguna Woods Residents Told Not to Fear Hoarding Inspections," *The Orange County Register*, <http://www.ocregister.com/articles/hoarding-291249-policy-hoa.html>, (accessed March 8, 2011).

⁴⁶ ABC7News.com, "HOA Rule Forbids Couple To Smoke In Their Own Home," <http://www.thedenverchannel.com/news/10336501/detail.html>, November 16, 2006, (accessed August 25, 2009).

In exchange for regulations such as these, HOAs provide stability and a greater level of certainty “about what their neighbors will do to their homes, and how officials will respond, than do homeowners outside HOAs.”⁴⁷

Perceptions in News Media

HOAs are frequently perceived by the general public as being overbearing and overly focused on managing the minutiae of residents’ daily lives. Media stories about controversies between residents and HOAs tend to gather widespread attention. The American public’s ire quickly falls on an HOA that prohibits flagpoles above a specified height. Disregarded in these cases, whether about flagpoles or drying laundry, is that the residents are signatories to the HOA CC&Rs. The HOAs are, for better or for worse, enforcing the CC&Rs they are charged to uphold. Typical of negative media attention are these examples:

- An elderly WWII veteran, and Medal of Honor winner in Virginia, was sanctioned by his HOA for installing a 21’ flagpole that violated CC&Rs.⁴⁸ In Pennsylvania the “American, Commonwealth and Military Flag Act” prevents associations from prohibiting the display of the American, Commonwealth, or military flags on property privately controlled by residents. The Act does, however, allow HOAs to limit the size, location, and use of flagpoles.⁴⁹
- A central Pennsylvania couple was told by their HOA not to hang their laundry outside to dry. The case was not only reported in the local media, but also landed in the national spotlight as well.⁵⁰
- In one extraordinary example, a resident was briefly jailed after failing to appear in court to answer his HOA’s charges that he had not replaced damaged sod in his front yard.⁵¹ While no legislation has passed the House or Senate, multiple bills have been introduced in Pennsylvania to give residents of HOA’s the right to dry their laundry outdoors.⁵²

⁴⁷ Supra note 27 at pg. 417.

⁴⁸ Associated Press, “WWII vet gains support in Va. flagpole battle,” http://www.msnbc.msn.com/id/34261317/ns/us_news-life/t/wwii-vet-gains-support-va-flagpole-battle/, 12/3/2009, (accessed July 5, 2011).

⁴⁹ Act of July 7, 2006, P.L. 608, No. 93.

⁵⁰ Lara Brenckle, “Upper Allen Township Laundry Battle Makes People Magazine,” *The Patriot News*, September 7, 2010, http://www.pennlive.com/midstate/index.ssf/2010/09/upper_allen_township_laundry_b.html, (accessed September 15, 2010); Eileen Finan, “Dividing Lines,” *People*, September 13, 2010, <http://www.people.com/people/article/0,,20418835,00.html>, (accessed September 15, 2010).

⁵¹ Jeff Gillman and Eric Heberlig, *How the Government Got in Your Backyard*, Timber Press Inc.: Portland, 2011.

⁵² “The Right To Dry Laundry by Solar Energy Act,” HB 417 & SB 1048 of 2011, HB 2158 of 2009.

- One Nevada community got so disgusted with neighbors not cleaning up after their dogs they initiated DNA testing to solve the crimes. HOA members are required to register their dog into a DNA databank, but owners who fail to do so will face a \$100 fine and have a lien put against their unit. Violators who do not clean up after their dogs will face a \$60 fine.⁵³

In contrast to HOAs' mentions in the media, not only are municipalities responsible for enforcing local codes, the public has high expectations for their ferreting out zoning scofflaws and bringing them to justice. Words like "slumlord," and the less libelous "absentee landlord," were coined to characterize property owners who, in the eyes of both the public and municipal authorities, violate local ordinances by neglecting to maintain properties to community standards. Lawsuits are news in the case of property owners with track records of violations.⁵⁴ The municipalities, for their part, are typically viewed by the public as enforcers of the public good. In cases where property owners allow a particular property to degrade, most often through dilapidated structures, accumulation of trash and refuse or vegetation overgrowth, the municipality enforces measures that range from cutting grass to condemning buildings. The property owners are billed for these services, and unpaid bills lead to liens and eventually lawsuits. Nonetheless, municipalities generally do not enforce codes and ordinances as vigilantly nor as vigorously as do HOAs, and tend to delay action until either nearby residents' complaints are sufficiently fervent or violations rise to the level of endangering public health and safety.⁵⁵

Community Associations Institute

CAI is a trade-group representing the interests of CIOCs, HOAs and their residents since 1973. The Pennsylvania and Delaware Valley chapter represents some 1,500 member associations and over 3 million Commonwealth residents living in Planned Communities, Cooperatives and Condominiums, one-quarter of the state's population. Nationally, 57 million Americans live in 300,000 associations. While CAI represents all CIOC homeowners in the figurative sense, the literal finds only a fraction of the total, perhaps as little as 10 percent, are active members. The Foundation for Community Association Research and their research partners, including Zogby International, have struggled to pinpoint sources for complete data. While the functions and benefits of living in HOAs have been discussed earlier, the magnitude of what role these communities play in Pennsylvania cannot be disputed. However, all population and demographic information available to the organization are estimates, including the

⁵³ Darcey Spears, "HOA uses DNA testing to target dog owners who don't scoop poop," ABC 13 Action News, December 15, 2011, (accessed December 15, 2011).

⁵⁴ Brett Hambright, "City targets landlord," *Lancaster Online*, http://lancasteronline.com/article/local/431105_City-targets-landlord.html#ixzz1XHJTnIG7, July 31, 2011, (accessed August 12, 2011).

⁵⁵ There are instances, however, in which a municipality is characterized as overreaching the spirit of the law when enforcing codes. Like the aforementioned HOA resident who was taken to court by his HOA and subsequently jailed, a resident of Oak Park, Detroit, a traditional neighborhood rather than CIOC, faced up to 90 days in jail for failing to comply with municipal ordinances related to plantings in her front yard. Adrian Higgins, "Some Homeowners Finding Out That Garden Police Can Go Too Far," *The Washington Post*, July 30, 2011, <http://www.post-gazette.com/pg/11211/1163956-30-0.stm>, (accessed August 1, 2011).

Pennsylvania and national figures. A main feature of this report was to establish accurate numbers, but that is not possible as not even the CAI has comprehensive or methodological data.⁵⁶

A national research study, commissioned by CAI, was updated in 2009 by Zogby International, which included a survey of CIOC residents. Findings of the survey concluded that:

- Residents are satisfied with their community associations
- Association board members strive to serve the best interests of the community
- Community managers provide value and support to associations
- Association rules protect and enhance property values
- Homeowners value the return they get for their association assessments
- Residents do not want additional government intervention in their communities⁵⁷

In the current legislative session, CAI has endorsed the following pieces of legislation affecting HOAs and CIOCs. They include: HB 202 on Tax Equalization; SB 877, HB 419 and 950 on Open Meetings and Association Records; SB 353 and HB 442 (Act of Jun. 24, 2011, P.L. 40, No. 8) on Private Transfer Fees; HB 417 and SB 1048 on “The Right to Dry Clothes by Solar Energy Act;” and is advocating for clear legislation to allow the creation of planned communities and HOAs out of existing land or facilities that would not require municipal approval.⁵⁸

⁵⁶ Supra note 7; CAI, Pennsylvania Legislative Action Committee, “Testimony on HR 350, Hearing-9/8/2010.”

⁵⁷ Supra note 34.

⁵⁸ CAI, Pennsylvania Legislative Action Committee, “Testimony on HR 350, Hearing-9/8/2010.”

ISSUES AFFECTING CIOCs AND LOCAL GOVERNMENTS

Responsibility for Roadway Maintenance

The primary source of funding for municipal road construction and improvements is the Commonwealth's Liquid Fuels Funds. This money is generated from liquid fuels tax receipts, the state oil and franchise tax, and is supplemented from time to time by other state and federal allocations for specific projects within each municipality. Payments are distributed based on each municipality's road mileage and population.⁵⁹ State Highway Maintenance Funds are distributed to the Pennsylvania Department of Transportation's (PennDOT) County Highway Maintenance Districts, who maintain state roadways within a municipality.⁶⁰ In the case of CIOCs, however, unless the municipality agrees to take dedication of a CIOCs roads, the maintenance on roadways within that community is usually paid for by HOA fees collected from each property owner in the community.

Under the Second Class Township Code, municipalities may accept dedication of "roads, streets or alleys located within townships...as public roads," but there is no requirement to do so.⁶¹ Further, municipalities have incentives not to take dedication of the roads, including these comments that were communicated to Commission staff by municipal officials:

- The current liquid fuels money provided to municipalities and PennDOT to care for local and state roads is inadequate. Since the state gas tax has not been raised in recent years and many people are now purchasing more fuel-efficient cars, revenues in the liquid fuels funds are not keeping up with the cost to maintain the roads.
- Old or poorly constructed CIOC roads may need significant work to get them up to municipal and PennDOT standards. Municipalities are struggling to keep up with their current road maintenance without adding many miles of roads that may need to be completely replaced.
- CIOC roads may not have been built wide enough for municipalities to easily plow and cinder them during winter months using their current trucks. If the municipality would take dedication of narrow, non-standard roads, it may require them to purchase smaller trucks or contract with independent contractors to adequately care for the roads.

⁵⁹ 75 Pa.C.S. §§ 9001-9022; Act of Jun. 1, (1956) 1955, P.L. 1944, No. 655.

⁶⁰ 75 Pa.C.S. §§ 9101-9106.

⁶¹ Act of November 9, 1995, P.L. 350, No. 60.

- Many CIOC roads are more narrow and contain cul-de-sacs, which make roads difficult to plow in the winter as snow accumulates along the roadside.

With that said, some municipalities do take dedication of the roads for the following reasons:

- Some municipal police departments feel they are better able to patrol CIOC neighborhoods that have public roads. When the roads are privately owned by an HOA, the police need permission from the HOA to do routine patrols. In the event of emergencies or reports of crime, police have authority to enter private roads but only after they have been notified.
- If a municipality takes dedication of a road when it is brand new, it receives some liquid fuel money for the road in the beginning years when maintenance is minimal. Thus, a municipality is positioned to spread maintenance expenses across all of its roads.
- Municipalities are better able to ensure that their safety personnel are traveling on safe roadways during the winter months if they clear snow and ice themselves. Commission staff was informed by one municipality of an HOA that did not adequately plow its roads during snow and ice storms, which could have jeopardized the safety of fire, ambulance, and police personnel.

What Can Occur When Municipalities Do Not Take Dedication of Roadways

Varying issues were raised by stakeholders regarding private/public roadways. Some local officials encourage all roadways within CIOCs to be dedicated to the municipalities for proper maintenance. Others officials felt strongly that builders should be allowed to determine what is best for the development, and give greater control to the homeowners through HOA management and upkeep. While most local governments have adopted the specifications within PennDOT Publication 72M, “Standards for Roadway Construction,” deviations are common during the development and construction process, under Subdivision and Land Use Ordinances.⁶² However, it should be noted that consequences of decisions regarding road dedication are borne by the HOAs and residents and not by the builders who negotiate the agreements.

Some municipalities allow developers to deviate from PennDOT specifications in favor of lesser standards with the understanding the roads will be maintained by the HOA. Roads without normal setback requirements, lighting, width, curbing, sidewalks, or even materials used

⁶² The Pennsylvania Department of Transportation’s Publication 72M includes earthwork, pavement, drainage, guiderail and median barriers, fences and curbs, erosion and sediment control, highway lighting and roadway development and plantings; The Pennsylvania Municipalities Planning Code (Act of July 31, 1968, P.L. 805, No. 247) provides a framework for a municipality to plan development through the adoption of a comprehensive plan, zoning and a subdivision and land use ordinance. Supra note 21.

in construction are often less expensive to construct. Owning non-conforming roads makes it difficult, if not impossible, for HOAs to request assistance from municipalities in later years when major repairs are needed. Intervention from the municipalities would require that the roads be rebuilt in their entirety to comply with PennDOT specifications.

A statute requiring all roads in the Commonwealth, including private roads in HOAs, to meet PennDOT standards would be impractical. Eliminating the flexibility offered to municipalities under the MPC is not desirable, and imposing such a requirement on developers would certainly increase costs of construction. Moreover, an (unknown) number of rural HOAs are little more than private hunting camps that are accessible only via unpaved, dirt or gravel roads. Such a requirement would also fail to resolve issues retroactively with respect to road repairs. The most productive policy moving forward would be that all roads built to PennDOT specification would be required to receive municipal dedication, provided they are not within gated communities. Under that policy, the cost to developers who choose to invest more in roads would be balanced by the reasonable compromise of municipalities agreeing to maintain them. Realistically, developers have little incentive, however, as they will eventually transfer control to the HOAs, but it may present an incentive for prospective unit owners, making them an easier sell.

Some issues that can occur when CIOC roads are owned by HOAs include the following:

- Some HOAs that are governed inefficiently do not understand that regular maintenance on roads helps prolong the roadway's use and prevents having to completely rebuild a road (a very expensive proposition). Municipalities usually have people employed who adequately understand what it takes to maintain roads and a better understanding of what funds should be set aside for yearly maintenance.
- Keeping the roads clear during the winter months is a safety issue. If an HOA fails to keep community roadways clear, it hampers efforts of police, fire and emergency personnel from accessing the community quickly and safely.
- If roads are not built to proper specifications and are not owned by the municipalities, sometimes the roadways are too narrow for larger vehicles such as trash trucks, school buses, fire trucks, municipal plow trucks, etc. to safely maneuver in the community. There is a potential liability issue for government maintenance equipment entering private property.
- Since school districts are only reimbursed by the state for transportation of students on public roads, there is little incentive for school districts to provide transportation on HOA owned roads. Also, some school districts expressed a liability concern for their district if an accident would occur with a school bus on a private road.⁶³

⁶³ JSGC staff heard concerns that in some large communities, school districts are not providing bus transportation inside the CIOC due to the roads being designated as private.

- HOAs usually cannot take advantage of very large bulk purchasing of salt and cinders for winter roadway maintenance (unlike municipalities). HOAs also have a limited ability to receive state grants and loans to help with repairs of roadways. There are a few programs they qualify for, but due to the recent budget tightening that has occurred at the state level, available funds have dwindled.

A survey of police departments, conducted on behalf of the Joint State Government Commission by the Pennsylvania Chiefs of Police Association, revealed that although the potential for police access problems exist, in practical terms there are few problems between CIOCs and local police departments. In CIOCs where the municipality took dedication of the roadways, local police have jurisdiction to patrol the streets and issue citations for parking, traffic, and moving violations. In CIOCs where the municipality did not take dedication of the roads, the local police do not have jurisdiction to issue traffic citations. Nonetheless some police departments responded that residents complain to the police about traffic violations the police are powerless to enforce. In almost all cases, police departments reported they have unimpeded access to CIOCs in the performance of their duties, especially when they are responding to emergency calls. There are a few situations where access is less than optimal, however.

Stormwater Runoff System Maintenance

In addition to roads, stormwater runoff system maintenance is another part of infrastructure for which HOAs tend to be responsible. Federal and state regulations require builders to integrate stormwater runoff systems into their development of a CIOC. Once the development is complete, the builder typically transfers maintenance to the HOA. In some cases, the developer simply attaches stormwater components like retention ponds onto an individual property which then becomes that particular homeowner's responsibility. Another arrangement has the municipality or county take dedication of the CIOC's stormwater runoff system, but Commission staff found no examples of this occurring in the Commonwealth. The municipality often refuses to take responsibility for these systems and so the HOA is usually responsible for maintenance. If an HOA fails to provide adequate maintenance of the stormwater system, it could increase the likelihood of flash flooding both inside and outside the boundaries of CIOC.

Municipalities, especially in rural areas, have not commonly addressed stormwater management through their comprehensive plans. Some municipalities lack appropriate zoning, which can lead to a patchwork of stormwater systems. Requiring a stormwater management plan as part of municipal comprehensive plans under the Municipalities Planning Code would help to alleviate and standardize practices.⁶⁴ Developments nonetheless are held to Pennsylvania Department of Environmental Protection (DEP) requirements, which are derived from the U.S.

⁶⁴ Act of July 31, 1968, P.L.805, No.247.

Environmental Protection Agency's National Pollutant Discharge Elimination System (NPDES).⁶⁵ Development permits, relevant to stormwater, are often issued and enforced by DEP through County Conservation Districts.

Developers are encouraged to incorporate and build low-maintenance, naturalized stormwater retention basins that include meadow grasses, increased infiltration soils, extended flow channels, rain gardens, cisterns, rain barrels and other described Best Management Practices.⁶⁶ HOA management could also be educated to invest in low-maintenance options to cut costs for the CIOC.⁶⁷ It would be difficult for municipalities to accept dedication of maintenance and upkeep of stormwater management systems, as the recommendation could not be imposed unilaterally and any policy going forward would need to include residential, commercial, and industrial properties. Costs for maintenance would be prohibitive for municipalities at any time, but especially in difficult budget years. Research has shown that developers should be prohibited from attaching stormwater infrastructure to an individual lot owner within a CIOC.

HOA Owned Dams

In some areas of the state large CIOCs own their own lakes that were created by man-made dams. Many of these lakes are private lakes provided for the enjoyment of the CIOC residents only, but some HOAs allow public access. The dams are owned by the HOAs, and it is their responsibility to keep these dams maintained and properly inspected. DEP, under the Dam Safety and Encroachments Act, issues permits for and inspects many of these dams to identify potential problems.⁶⁸ DEP also has the power to inspect and prescribe corrections to unsafe conditions. In some cases, these dams need substantial repairs, and flooding resulting from eventual failure could endanger not only the CIOC, but areas outside the CIOC's boundaries as well. Where dams become an extreme danger, DEP can order that the dam either be repaired or the lake behind the dam be drained enough to prevent a flash flood. This problem has the potential to affect people outside of the CIOC, causing serious risk to public safety, health and property. The largest example of a private dam failure in state history is the Johnstown flood of 1889, when the South Fork Fishing and Hunting Club's dam at Lake Conemaugh failed.

Currently, no public funding is available to repair dams within HOAs or private communities. House Bill 1941 of 2011 has, and continues to be a focus for the prime sponsor, Representative Mario Scavello, to help alleviate this issue by creating the Dam Project Assistance Act. The Dam Project's bond fund would open \$225 million for the removal,

⁶⁵ Act of October 4, 1978, P.L. 864, No. 167; Act of June 22, 1937, P.L. 1987, No. 394; 25 Pa. Code §§ 92 & 102; 33 U.S.C., § 1342.

⁶⁶ The Pennsylvania Environmental Council, "Maintaining Stormwater Basins on Your Property," Fall 2008. http://www.stormwaterpa.org/assets/media/resources/OM_Pamphlet.pdf, (accessed July 5, 2011).

⁶⁷ Heritage Conservancy, "Report to William Penn Foundation Homeowners Association Technical Assistance Project," September 2009.

⁶⁸ Dam Safety and Encroachments Act, Act of November 26, 1978, PL 1375, No. 325. Implementing regulations can be found at 25 Pa. Code, Chapter 105.

restoration and repair of state-owned dams and \$275 million for private dams. The owners of private dams would need to apply as co-applicants with local governments. Priorities would be given to high-hazard dams, with immediate safety issues and those necessary for drinking water systems. This bill would help address one specific area of CIOC infrastructure that would affect those outside the CIOC in the event of a failure. Legislation making public dollars available for private projects, especially in this case, would unquestionably affect people outside the private community should a breach occur.

Delinquent HOA Fees

In the past several years, there has been an increase in the number of homes facing foreclosure due in part to the poor economic climate and higher unemployment rate. When someone living in a CIOC gets into financial trouble, they often stop paying HOA fees, which causes the HOA financial problems. If enough people fail to pay HOA fees, the HOA would face serious financial problems. Once a house goes into foreclosure, it is unclear if the HOA is reimbursed for missing HOA fees from the proceeds from the sale of the home. Adjudications have become more common in the recent economic downturn, and situations like these are particularly acrimonious. Liens can be placed on properties and legal action is common, but the residents suffer the most as everyone in the community is expected to “pick up the slack” created by those who don’t pay and typically face increased fees and assessments.⁶⁹

Gated Communities

Gated communities are a subset of CIOCs that are designed to provide increased privacy, security, and exclusivity. Moreover, they typically offer a number of expensive amenities such as private golf courses, swimming pools and tennis courts. Property owners may expect to find shared values and a sense of community with their neighbors. Security guards and gatehouses are provided to both prevent unwanted persons from accessing the development and also to provide a modicum of security to the CIOC. Some recreational properties have part-time residents, which increases the need for gates and guards. However, gated communities have a unique set of issues that can increase hazards to public safety if not addressed.

⁶⁹ Tamara Lush, “Homeowner associations foreclose on residents,” USA Today, July 9, 2011, http://www.usatoday.com/money/economy/housing/2011-07-09-homeowner-foreclosure_n.htm, (accessed August 12, 2011); Paul J. Weber, “Homeowners associations start foreclosures to collect dues,” USA Today, June 12, 2009, http://www.usatoday.com/money/economy/housing/2009-06-11-homeowner-association-foreclosures_N.htm, (accessed August 12, 2011).

- Staff has heard anecdotal evidence that some school districts will not provide bus transportation inside gated communities. The reasons given included: The roads are sometimes too narrow for school buses to maneuver; school districts are only reimbursed by the state for miles driven on public roadways; and there are liability concerns for school districts and school bus drivers when buses are driven on private roads.

Gated communities pose a potential barrier to access for local police responses. Where gated communities exist, police departments reported that procedures are in place to allow them immediate access. Access is made by providing gate keys or key cards to each patrol car. In some large CIOCs a security guard meets local police officers to open the gate. Pauses at the gate are characterized as “minimal” by those who responded to the survey.

There have been a few reported problems related to police access, specifically to gated communities. Because access can be limited to marked patrol cars, undercover officers in unmarked cars find it difficult to access the CIOC unnoticed. Further, the Pennsylvania Office of Attorney General responded that in CIOCs where access is available only with the cooperation of a private security guard, undercover operations are sometimes compromised when the private security staff tips off residents engaged in criminal activity that law enforcement authorities are entering the premises. Private security officers are susceptible to bribery, and have been bribed by criminal residents, as noted by the Attorney General’s office.

Some law enforcement actions have been hampered by HOAs that take matters into their own hands and have criminally suspect residents removed from the premises prior to police intervention. The HOAs do this, it is believed, to protect their reputations and avoid bad publicity.

Police departments reported in the survey that private security guards hired by HOAs have misrepresented themselves as police officers. Private security guards have no authority to issue citations, nor have they the authority to engage in police pursuits. Respondents to the survey reported that, in some cases, private security guards have been cited for engaging in police pursuits that went beyond the boundaries of the CIOC. Police investigations have been hindered by CIOC security guards who make their own investigations and wrongly inform residents that contact with and intervention by local law enforcement authorities is unnecessary.

Regardless of whether or not the local municipality has taken dedication of the roads, the laws of the Commonwealth of Pennsylvania apply throughout the state. Local, state and federal law enforcement authorities have the responsibility and the legal ability to enter any CIOC to enforce the laws and apprehend suspects once a crime is reported. In one reported example, a CIOC resident presumed he was immune to drunk driving laws because he was driving drunk within the boundaries of the CIOC. He was quickly disabused of that notion.

THE ROLE OF STATE GOVERNMENT IN CIOCs

CIOCs Access to State Money

In the past, state grants and loans were available for municipalities and private communities for infrastructure upgrades through the Pennsylvania Department of Community and Economic Development (DCED) and the Pennsylvania Infrastructure Investment Authority (PENNVEST). However, because of the current state budget constraints, such funding is becoming less available. In the event of natural disasters state resources from the Pennsylvania Emergency Management Agency (PEMA) and the Federal Emergency Management Agency (FEMA) may be made available through county administrators.

DCED grants are fluid and can change with each budget cycle in terms of available dollars and applicability. Many grant and loan programs require municipal sponsorship, matching investment, and have specific eligibility requirements. Programs where CIOCs may be eligible to apply for funds include the Community Redevelopment, Urban Development, PennWorks, Community and Business Assistance, and provisions of the H2O PA Act. Obstacles to funds include CIOCs simply being unaware of eligibility, smaller community boards may not have full time managers or may have a board that meets infrequently and DCED and municipalities may be more inclined to rate other “public” projects as a greater priority. In addition, Community Development Block Grant monies, originating from the federal government and flowing through municipalities and counties, is also available. In the past two years, budgets cuts at the federal and state levels have severely limited funding allocations, making competition ever stiffer for remaining monies.⁷⁰

PENNVEST has been and continues to be a funding source for CIOC projects. In general, most projects are approved for low-interest loans, with matching contributions and sometimes include a portion as grants. PENNVEST also administers numerous other funding streams, including DEP’s Growing Greener and those through the federal American Recovery and Reinvestment Act (ARRA) of 2009. PENNVEST has the ability to fund “any owner and/or operator of a water, sewer or municipal stormwater system with a project to construct a new system or improvements necessary to correct public health, environmental, compliance or safety deficiencies.”⁷¹ There is also a lack of awareness amongst many CIOCs and in general, a

⁷⁰ DCED meeting with JSGC staff on 10/19/2009; DCED, “Funding and Program Finder,” <http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder>, (accessed October 22, 2009); Dan Miller, “Decline in federal grant funds makes tough job harder for nonprofits and municipalities,” *The Patriot News*, 11/25/2011.

⁷¹ Office of the Budget, “Comprehensive Annual Financial Reports,” <http://www.portal.state.pa.us/portal0/server.pt?open=512&objID=4574&&PageID=473437&mode=2>, (accessed October 22, 2009).

frustration that more program options are not available. It is recommended that all infrastructure grant programs available to municipalities be open to CIOCs through either stand-alone applications or municipal pass-throughs.⁷²

In general, when a situation within a CIOC has the potential to adversely affect the general public, the HOA, municipal and state governments have a responsibility to reduce or eliminate the hazard. Areas of concern could include stormwater infrastructure, dam repair, sanitary sewer and water infrastructure and treatment. State and federal competitive grants or loans could be administered directly to the CIOC or the municipalities, with municipalities serving as a pass-through entity. While the state could develop and enforce new requirements for municipalities to accept dedication of infrastructure or builders to comply with certain regulations this would be costly and not alleviate any of the problems in existing CIOCs. Both the PA Builders Association and the Township Supervisors Association are adamantly opposed to any mandates.⁷³

The Issue of “Double Taxation”

In most cases, there is only a very small overlap in services that are paid for twice by HOA members. Municipal taxes paid by all municipal residents pay for municipal roads and bridges, fire and ambulance services, libraries, community development, administrative services, solicitor and legal services, planning and zoning and building code enforcement, some limited health services, parks and recreation services, and police protection. These are areas from which all residents in the municipality either directly or indirectly receive a benefit.

In many municipalities, the cost of sewer, trash and water is included in the municipal budget, but in most cases, the money is only collected from those who benefit from the service. If a CIOC collects its own trash or handles its own water and sewer, its residents do not appear to have to pay for trash collection, sewer or water from the municipality. It is difficult to determine with certainty however, due to the lack of available data.

One area where CIOC residents may be paying twice for the same service is when an HOA owns its own roads or it must maintain its own stormwater runoff systems. These are items that municipalities often pay for on behalf of residents living on municipal roads. However, since all residents within a community can use all public municipal roads, it would make sense that all residents living in a municipality pay taxes towards the upkeep of municipal roads. Those living in a CIOC drive on municipal roads and should therefore should continue to help pay for those roads.

⁷² PENNVEST, “Financial Assistance,” http://www.pennvest.state.pa.us/portal/server.pt/community/financial_assistance/9321, (accessed October 22, 2009).

⁷³ PA Builders Association meeting with JSGC staff on 3/10/2010; Township Supervisors Association meeting with JSGC staff on 3/17/2010.

Some residents in larger CIOCs argue that since they have recreation facilities that are owned and paid for by their HOA, they should get a break in paying for duplicate recreational facilities outside of the CIOC. However, all people living in a municipality have access to all services offered by a municipality, whether or not they choose to take advantage of them.

Some larger CIOCs also have their own private security force paid for by the HOA. This is a service the HOA members want to have in addition to whatever protection the municipality or state offers. No municipal ordinance or state law or regulation that staff can find requires that a CIOC have its own security. The HOA members are seeing added benefits of this extra service. If a CIOC has increased criminal activity, most municipalities will work with HOAs to provide patrols in the community. The key is to have a good working relationship between the HOA and municipal board of control.

The state taxes paid by both CIOC residents and those living on municipal and state roads also go towards a whole host of different services that benefit many state residents either directly or indirectly. As stated previously, some dollars do go towards grants and loans to municipalities to upgrade some of their infrastructure such as sewer lines. It is important to note that, while dollars may not be available to HOAs, they are also not available to thousands of residents in Pennsylvania who currently have individual wells and septic tanks as well.

Another issue that came to our attention was municipalities not collecting household waste and recyclables within CIOCs. Under Act 101 of 1988, municipalities with populations above 10,000 or populations between 5,000 and 10,000 and more than 300 persons per square mile are required to provide curbside collections of trash and recyclables, including a mandate that municipalities collect at least three of the following materials: clear glass; colored glass; plastics; aluminum; steel and bimetallic cans; high grade office paper; corrugated paper and newsprint; and separate leaf waste. In addition, counties are required to develop municipal waste management plans. Certain exemptions for multi-family housing units, including rental properties can meet this requirement with a general collection system or drop-off location.⁷⁴

The only example of a municipality refusing to provide trash, recycling and bulk item collection services to a CIOC comes out of the City of Philadelphia. City Council recently moved a bill that would provide owners of condominiums, cooperatives and planned community units with a tax credit in-lieu-of providing those services. While there may be others, it is also possible that CIOCs have declined to participate if collection points in the CIOC were offered. It may be beneficial to clarify the law to require municipalities to offer trash collection services to private communities where they provide them at large. In addition, CIOCs should retain their right to opt out and provide their own collection services, but must meet the requirements for recyclables.⁷⁵

⁷⁴ Act of July 28, 1988, P.L. 556, No. 101.

⁷⁵ Community Associations Institute, "Philadelphia City Council Moves on Condo Trash Bill," October 18, 2011, <http://www.cai-adelval.org/athome/2011/10/18/philadelphia-city-council-moves-on-condo-trash-bill/>, (accessed November 1, 2011); City of Philadelphia, "Legislative File ID," <http://legislation.phila.gov/detailreport/Matter.aspx?key=11067>, (accessed November 1, 2011).

In general, state, local and municipal tax data was difficult to acquire because of the variety of taxes paid by residents. State taxes include the Personal Income Tax, Sales, Use and Hotel Tax, Liquid Fuels Tax, Cigarette and Liquor Taxes; it is impossible to calculate the state tax burden imposed upon any individual or family. From county and local property taxes, the Local Services Tax, Earned Income Tax, Per-Capita Taxes, little meaningful information was found.⁷⁶ The disparity in local tax rates, median household incomes and millage rates as determined by the State Tax Equalization Board make demographic information difficult to quantify and compare.

Another factor making any meaningful comparisons impossible is the lack of available association fee data. The CAI does not track that information for its members, which can change annually, and would not include assessments. When comparing the percentage of taxes relative to any region, using median incomes or average tax burdens, a benchmark is necessary and none were found.

Legislative Activities in Other States

Two states have laws requiring state compensation or reimbursement of CIOC owners for municipal services. In Maryland, the code governing municipal corporations provides that “The governing body of a municipal corporation that provides a residential street service may make an agreement with the governing body of a privately owned residential community that qualifies...”⁷⁷ In New Jersey, The Municipal Services Act of 1989 has two related provisions. One provision requires a “Municipality to reimburse private community for services or provide services,” and a second provides for a roadway’s “acceptance for public use if conforms to municipal specifications.”⁷⁸ While the dedication of roadways built to specifications is addressed on page 26 of this report, purchasers of dwellings that lie within CIOCs, as long as the proper disclosures are made, are choosing to live under a system that requires them to pay fees to an HOA that provides services normally provided by municipalities. If these are fees for services and a system of government that prospective residents would like to avoid, they have that option, just as they have the option to move from the state, a municipality or school district.

⁷⁶ Pa Department of Revenue, “Tax Types,” http://www.revenue.state.pa.us/portal/server.pt/community/revenue_home/10648, (accessed September 1, 2011); DCED, “Tax Information,” <http://www.newpa.com/get-local-gov-support/tax-information>, (accessed September 1, 2011).

⁷⁷ Maryland Code, Corporations - Municipal § 50 & § 51.

⁷⁸ New Jersey Permanent Statutes, Municipalities and Counties, Title 40, § 67-23.3 and § 67-23.7.

Recent Legislative Activity Affecting CIOCs

Pennsylvania was one of the first states to legislatively authorize the establishment of condominiums by the enactment of the Unit Property Act in 1963.⁷⁹ At that time it was reported that 4 million Americans resided in condominiums, and a 1978 report by the Joint State Government Commission noted that “all states presently provide statutorily for the establishment of condominiums, and the upsurge in their development—especially marked since the early 1970’s—has led to significant legislative revision...[to} provide additional flexibility to developers while incorporating consumer-protection provisions.”⁸⁰ CIOCs in Pennsylvania are currently governed by a bundle of laws: The Uniform Condominium Act was adopted in 1980 and amended in 1992 to deal with Cooperatives and expanded further in 1996 to encompass Planned Communities.⁸¹

In Pennsylvania, there are primarily two types of CIOCs, condominiums and planned housing developments.⁸² The differences between the two CIOCs are subtle. In a condominium, each owner holds a deed to private living space and a percentage ownership in common areas. Condominium associations function like building managers, and leave provision of municipal services to the local municipal government. In a planned community, each owner holds a deed to private living space while the HOA owns the common areas.

In the last three legislative sessions more than 60 bills and resolutions have been introduced in the House and Senate dealing with “Common Interest Ownership Communities,” “Planned Communities,” or “Homeowners Associations.” The topics they dealt with ranged from allowing the use of energy efficient upgrades and allowable materials, claims to adverse possession of property, preemption from building construction standards, solar energy deed restrictions, and other miscellaneous topics. The majority of legislation focused on the operations of HOAs, open meeting requirements, financial disclosure, record keeping and minutes. Few bills, however, received a hearing or were enacted. House Bill 202 of 2011, P.N. 154, sponsored by Representative Mario Scavello, has been introduced in some form since 2007. The bill would amend the Tax Reform Code of 1971 to allow 75 percent of HOA dues to be deducted from taxable income on a personal income tax return.⁸³ This bill has never been the topic of a hearing in the House Finance Committee, and while it is unclear what the specific cost of this bill would be, one certainly is a reduced amount of Income Tax Revenue to the state.

⁷⁹ Act of July 3, 1963, P.L. 196, No. 117.

⁸⁰ Joint State Government Commission, *Condominiums: A New Generation*, September 1978, pg. 1.

⁸¹ Title 68 of the Pennsylvania Consolidated Statutes (Real and Personal Property), contains these three acts in Part II: Subpart B, Condominiums (added by Act 82 of 1980); Subpart C, Cooperatives (added by Act 168 of 1992); and Subpart D, Planned Communities (added by Act 180 of 1996).

⁸² PA House Urban Affairs Committee, remarks of Stefan Richter, Chairman and President of CAI Pennsylvania Chapter, March 26, 2009.

⁸³ House Bill 202 of 2011, Printer’s Number 154.

ANALYSIS OF AVAILABLE DATA

Commission staff gathered all available data required by HR 350 after speaking with many of the stakeholders. Data sought included the number of CIOCs in each county and municipality, approximate amount of state and local taxes paid by residents in CIOCs, and the age and condition of infrastructure within the CIOCs. The sources of data are detailed under the following sub-headings.

Community Associations Institute

The Pennsylvania and Delaware Valley Chapter of the CAI, which represents HOAs and CIOCs, provided staff with a database of its 504 community (HOAs) members as of November 2, 2009. This database included the address of each HOA so it would be possible to determine in which municipalities and counties the HOAs are located. Commission staff was made aware that this list was only a small fraction of the CIOCs in Pennsylvania, by some estimates only 10 percent.

Pennsylvania Department of State

Commission staff concluded that HOAs would possibly register with the Pennsylvania Department of State (DOS) as nonprofit corporations. Therefore, staff contacted DOS and requested a list of all non-profit organizations that have the words “home owner,” “homeowner,” “condo,” or “condominium” within their name to gather a more complete list of HOAs located within Pennsylvania. The DOS provided a list of 5,380 non-profit groups that met these criteria. The majority of these associations did appear to be HOAs. In fact, many of them turned out to be a plethora of other organizations that happened to have the search words in their name. Unfortunately, as staff sifted through the list it became clear that some of the addresses were the associations’ management companies or their original developers. Such information was not helpful in trying to determine the county and municipal locations of the CIOCs. Additionally, staff concluded it may have missed non-profit HOAs that did not have the search terms in their names.

County Planning Commission Surveys

Staff was informed early in the study by multiple sources that counties were unlikely to collect information pertaining to CIOCs. County planning commissions were likely the only county office to retain some of the information. It was understood that it would be highly unlikely that any of the planning commissions would have any information regarding state and local taxes paid by CIOC residents. Michael Mrozinski of the Pike County Planning Commission contacted the Commission in February 2010 and stated that the Pike County Planning Commission did have a fair amount of information collected on CIOCs and their infrastructure, and believed that some other planning commissions probably had similar information.⁸⁴ Using the Pike County Planning Commission as guidance on what staff might be able to find from other planning commissions, a survey was welcomed to the county planning commissions on March 2, 2010 with a response deadline of April 9, 2010. It was hoped that an adequate response rate would provide data to complete the study. On April 13th, staff sent out an e-mail reminder to non-responding planning commissions with a due date of April 30th.

Unfortunately, the data received from the county planning commissions were not thorough. Upon final count, 23 of 66 of the planning commissions had responded to the survey with data.⁸⁵ Furthermore, some of the counties were only able to provide estimates of CIOCs instead of an actual count. Of the remaining planning commissions, 43 either did not respond or did not collect the requested information.

A few planning commissions who did not collect the information did forward the survey on to municipalities within their counties. Some municipalities responded with information, but a surprisingly high number of municipalities did not collect any of this information. Even if staff had the resources to survey all of the municipalities in Pennsylvania, it is probable that many municipalities would not be able to respond to the data request.

The survey also asked planning commissions the following questions, in addition to the CIOC data requested from the planning commissions:

- Are there any general comments you would like to make concerning CIOCs?
- Based on your personal experience, do you have any suggestions on what the State may be able to do to assist both local governments and HOAs in addressing infrastructure concerns?

Only thirteen planning commissions answered these questions in some way.

⁸⁴ See Appendix A for some of the information provided by the Pike County Planning Commission.

⁸⁵ There are 67 counties and only 66 County Planning Commissions because Lehigh and Northampton have a combined Lehigh Valley Regional Planning Commission.

County Tax Assessment Office Surveys

In late April 2010, Alan Price Young, an attorney from Young & Haros, LLC in Stroudsburg, Pennsylvania contacted the Commission and suggested the possibility that county tax assessment offices collected the necessary data. Mr. Young stated that all CIOCs would most likely have at least one piece of property (parcel) that is owned by the HOA or similar entity and would therefore be assessed different from the other parcels of land within the CIOC. He believed the county assessment offices would be able to locate each CIOC by using these commonly owned parcels and then using that information to provide Commission staff with the number of parcels within each community and the assessed value of each parcel so that the real estate taxes paid could be calculated.

Based on Mr. Young's comments, staff contacted Steven Howe of the Dauphin County Tax Assessment Office to solicit his opinion on that approach. Mr. Howe thought it had promise, although he admitted that it would be time consuming for the assessment offices. He suggested that some of the most populated counties may have the computer databases to handle such a request, but they would need to devote significant manpower to process the requested data. Some of the least populated counties may not have an electronic database capable of processing the requested data. While this was by no means a perfect way to collect the data needed to complete this research project, Mr. Howe was doubtful that any other organization at the state, county, or local level would have anywhere close to the data needed. He did caution that due to the lack of resources experienced in just about every county office across the Commonwealth, he thought Commission staff would be lucky to get a 50 percent response rate to the survey.

In order to get another opinion on potentially surveying the county tax assessment offices, Mr. Howe suggested staff contact two other individuals: Joan Righter-Price of the Montgomery County Tax Assessment Office and Terry Cochran of the Pennsylvania Tax Assessors' Association. Ms. Price turned out to be an excellent source of information when staff drafted the survey. She tended to agree with much of what Mr. Howe had stated, and both Ms. Price and Mr. Howe assisted JSGC staff in wording the survey in such a way that most county tax assessment offices would understand what was being asked. Ms. Cochran was of great assistance to staff by providing an e-mail address for every county tax assessor in Pennsylvania and even sent out an introductory e-mail to all of the tax assessors prior to the survey being released to help encourage the assessment offices' participation.

On Friday, May 21, 2010 staff released an e-mail survey to all county tax assessment offices throughout Pennsylvania. Based on suggestions by Mr. Howe and Ms. Price, the survey deadline was set at July 21, 2010. The survey asked for the following information from the counties:

- Number of CIOCs in the county, each municipality and each school district (school district was needed to calculate the local taxes paid by residents in CIOCs);

- Estimated real estate taxes paid by CIOC residents (using assessment data of each CIOC community and municipal and school district tax mills); and
- Number of homes currently in each CIOC.

As of final count, 21 (or 31.3 percent) of the tax assessment offices had responded to the survey with data. Unfortunately, this even fell below the prediction of only getting a 50 percent response rate due to the lack of resources in each county. Of the remaining 46 assessment offices which did not provide data, reasons included not having the computer capabilities to assist staff or the capability to pull CIOCs out into a separate category. Some counties had the common areas in CIOCs listed as “exempt” and it fell in the same category as schools, municipal buildings, churches and other tax exempt properties. Some offices are under difficult budget constraints that prevent them from devoting necessary staff time to projects of this magnitude. Others simply did not respond or asked follow up questions without providing data.

Treasure Lake

A petition was filed in Clearfield County Court of Common Pleas by the Treasure Lake Property Owners Association to incorporate the community as a borough. While the Pennsylvania Borough Code outlines the process by which a new municipality may be formed, this is the first example of a CIOC wanting to incorporate as a private unit of government.⁸⁶ The judge has yet to rule on the legality of a borough “having the same boundaries as a privately owned gated community.” The local municipality, Sandy Township, filed objections to the petition. A five-person, fact finding advisory committee has been established, and a timeline has been set for the process to move forward, and a vote could possibly appear on the ballot in November 2012.⁸⁷

Under the current plan to secede from Sandy Township, Treasure Lake readily admits to the desire to keep the tax rates the same as the Township, as well as maintaining its annual dues to the association. However, those tax dollars will stay within the new municipal boundaries for their exclusive use, and not that of the entire Township.⁸⁸ It is important to note that residents would continue to pay a variety of taxes to their school district, county and state.

Sandy Township is a Second Class Township with a total area of 52.8 square miles. The township’s population in 2000 was 11,556 people in 4,387 households. Treasure Lake is a private gated community encompassing 11.5 square miles. Treasure Lake’s population in 2000

⁸⁶ Conference call with JSGC staff including Sandy Township Manager, Police Chief and Chairman of the Sandy Township Board of Supervisors on March 3, 2010.

⁸⁷ The Courier Express, “Schedule set in Treasure Lake’s borough quest,” November 10, 2011, <http://www.thecourierexpress.com/courierexpresscourierexpresslocal/939620-349/schedule-set-in-treasure-lakes-borough-quest.html>, (accessed November 20, 2011).

⁸⁸ Treasure Chest, “Special Borough Committee Report,” August 2011, http://www.treasurelakepoa.com/images/stories/TLPOA-TreasureChest-August-2011_web.pdf, (accessed November 20, 2011).

was 4,507 people in 1,751 households. Treasure Lake's 2000 population and number of households were roughly 40 percent of Sandy Township's population and number of households. Sandy Township indicated that if Treasure Lake was successful in becoming a borough, the township would likely end up in financially distressed, Act 47 status.⁸⁹

Pike and Monroe County CIOC Data

Pike and Monroe County have been two of the fastest growing counties from 2000 to 2010.⁹⁰ While Pennsylvania's overall population increased 3.4 percent, Pike increased 23.9 percent and Monroe increased 22.5 percent. Along with an increase in population, came an increase in the number of housing units. Pike and Monroe County had an increase in the number of housing units of more than 10 percent from 2000 to 2010.⁹¹ Pike County currently has 38,350 housing units and Monroe County has 80,359.⁹²

As shown in the Table 1 and Appendix A, Pike County has 192 CIOCs containing 25,928 homes. Of the types of sewer systems in Pike County CIOCs, 79.8 percent of the homes have an individual on lot sewer system, 17.6 are on a central sewer system, 1.6 percent are unknown, and 1.0 percent are on a community sewer system. However, 47.2 percent of the homes are on a central water system, 38.4 percent have an individual on lot water system, 8.9 percent are on a community water system, and 5.5 percent are unknown. When comparing the number of overall housing units (38,350) with homes in CIOCs (25,928), 67.6 percent of the homes in Pike County are located within a CIOC.

Monroe County has 101 CIOCs containing 32,257 homes. See Table 1 and Appendix B. The earliest was built in 1928, with more than two-thirds being built over the twenty-year period from 1965-1984. The types of sewer systems varied by CIOC with 69.3 percent of the homes having an on lot sewer system, but only 30.7 percent are on a central sewer system. Similarly, 63.5 percent of the homes have on lot water and 36.5 percent are on a central water system. When comparing the number of overall housing units (80,359) with homes in CIOCs (32,257), 40.1 percent of the homes in Monroe County are located within a CIOC.

⁸⁹ Supra note 86.

⁹⁰ Pennsylvania State Data Center, *Local 2010 Census Data Released for Pennsylvania: State Shows Continued Population Growth*. See http://pasdc.hbg.psu.edu/sdc/pasdc_files/researchbriefs/2010_Census_PL94_Release_RB_FINAL.pdf, (accessed September 13, 2011).

⁹¹ Pennsylvania State Data Center, *Decennial Housing Unit Percent Change, Pennsylvania Counties*, See http://pasdc.hbg.psu.edu/sdc/pasdc_files/mapsofthelmonth/Map_County_Total-HousingUnits-PerChange_2000to2010.pdf, (accessed September 13, 2011).

⁹² Pennsylvania State Data Center, 2010 Census Summary File 1 Data, See http://pasdc.hbg.psu.edu/sdc/pasdc_files/pastats/rb_sf1_file_for_web.xls, (accessed September 13, 2011).

TABLE 1
NUMBER OF CIOCs AND RESIDENTIAL UNITS
FROM THE PLANNING COMMISSION AND TAX ASSESSMENT SURVEYS
BY COUNTY

County	Total number of HOAs or CIOCs	Total number of residential units
Armstrong	1	49
Beaver	51	1,544
Bedford	1	68
Cambria	1	281
Cameron	0	0
Centre	62	3,631
Chester	413	38,100
Clarion	0	0
Clearfield	1	2,083
Clinton	0	0
Dauphin	74	unknown
Elk	0	0
Erie	116	unknown
Fulton	4	71
Greene	3	42
Jefferson	1	20
Juniata	0	0
Lancaster	94	7,287
Lebanon	13	2,422
Lehigh	53	3,312
Lycoming	4	26
McKean	0	0
Mifflin	1	380
Monroe	101	32,257
Montgomery	799	unknown
Montour	4	89
Northumberland	9	208
Perry	6	unknown
Pike	192	25,928
Potter	0	0
Schuylkill	6	unknown
Snyder	9	269
Sullivan	3	65
Susquehanna	2	253
Tioga	30	unknown
Union	10	249
Venango	1	unknown
Warren	1	15
Washington	31	3,030
Total	2,097	121,679

Note: Some counties gave estimates for the number of CIOCs and/or residential units.

SOURCE: Data provided by the County Planning Commission or Tax Assessment Office. See Appendix D for specific source by county.

Total residential assessment amounts paid in each CIOC were provided by Thomas Hill, Chief Assessor of the Monroe County Tax Assessment Office, June 3, 2010. These data were multiplied by the 2009 millage rates in the county, each municipality and school district to obtain the taxes paid by residents in each CIOC. See Appendix C.

Some CIOCs straddle two school districts and/or municipalities. Monroe County Tax Assessment Office indicated that it was too difficult to determine which households in each community were in each municipality and/or school district. Therefore, for CIOCs that straddle two school districts or municipalities, the taxes paid are given in a range based on the assessment value of all residential properties within the community and multiplying the lowest millage and the highest millage of the two districts or municipalities to that total assessment value.

There are 32,257 homes located within Monroe County CIOCs paying \$135,540,720 - \$139,020,020 in real estate taxes. That is an average of \$4,202 - \$4,310 in real estate taxes per home. County taxes totaled \$14,280,436, municipal taxes ranged from \$6,628,341 - \$8,821,673, and school taxes ranged \$114,631,943 - \$115,917,911. That is an average of \$443 in county taxes per home, \$205 - \$273 in municipal taxes per home and \$3,554 - \$3,594 in school taxes per home. Taxes varied by CIOC from a high of \$22,829 per home in Keystone Hollow, to a low of \$1,028 per home in Summit Pointe.

Homes built in CIOCs since 1988 averaged \$7,928 per home in real estate taxes. However, homes built in CIOCs prior to 1988 averaged a much lower \$4,052 per home in real estate taxes. As stated previously, more than two-thirds of the CIOCs were built over the twenty year period from 1965-1984 and fall into the \$4,052 per home range.

Data Conclusions

Unfortunately, Commission staff was unable to provide concrete CIOC data specifically requested in HR 350. The data simply do not exist statewide and it would take significant resources and a commitment from the county and municipal governments to locate the data requested. Furthermore, no single state agency, county, or municipality is required to collect this type of information. When combining the results of the county planning commission surveys and the county tax assessment office surveys, however, 39 counties supplied data. This represents nearly 60 percent of counties which supplied some type of data regarding CIOCs. As shown in Table 1, there were 2,097 CIOCs containing 121,679 residential units. The majority of CIOCs, 77.3 percent, were in Chester, Erie, Monroe, Montgomery and Pike Counties. When removing the counties with unknown residential units, CIOCs contain an average of 114 homes throughout the state. The number of homes in a CIOC ranged from one CIOC containing only 15 homes to one containing more than 2,000.

For a complete list of counties which provided data for the county planning commission surveys and the county tax assessment office surveys, see Appendix D. Additional data received from both county offices, the DOS and the CAI are available electronically, upon request.

Meaningful data is not currently collected on CIOCs, by any entity including the Department of State through non-profit or incorporation filings, county planning or tax assessment offices, CAI or other trade group of similar interest. It is recommended the task be assigned to each county's planning commission. While all declarants are currently required to register with each county recorder of deeds, commission staff feels the planning offices are in a better position to collect and report the required information.⁹³ Since all development plans pass through those offices, it makes sense to assign that task to them as the origination point of the data. Presently, the county planning commission offices have access to the necessary data, but lack a mandate to collect it.

County planning officers in the Commonwealth are required by the Pennsylvania Municipalities Planning Code (MPC) to submit an annual report: "The commission shall keep a full record of its business and shall annually make a written report by March 1 of each year of its activities to the governing body." The MPC should be amended to require planning commissions to track certain information on CIOCs, including their community names, physical locations, land area, lot size and number of units, presence of a mixed use development, infrastructure including sanitary sewer, drinking water and stormwater systems, dedication of roadways and if roads were built to specifications, common infrastructure and recreation facilities, and registration information filed as non-profit or articles of incorporation with the DOS.⁹⁴

The implementation of this amendment would have to be going forward and retroactive registration of existing CIOCs would be required by a date certain, filing with their county planning commission and providing the required data. A new law in the Utah requires HOAs to register with the state by July 1, 2011, pay a registration fee of up to \$37 and update association director changes. Enforcement for non-compliance with registration requirements renders the HOA unable to enforce liens against delinquent homeowners.⁹⁵ The filing requirements should be required of the HOA, once formed under Title 68, Section 5303 (c) and not by the developer.

⁹³ 68 Pa.C.S. § 5201.

⁹⁴ Act of July 31, 1968, P.L. 805, No. 247, § 207.

⁹⁵ Curtis Kimble, "New Utah Law Requires Registration by HOA's," <http://rkwlaw.wordpress.com/2011/04/28/new-utah-law-requires-registration-by-hoas/>, (accessed September 12, 2011).

APPENDIX A: PIKE COUNTY CIOC DATA

PIKE COUNTY COMMON INTEREST OWNERSHIP COMMUNITIES (CIOC) BY MUNICIPALITY

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
Blooming Grove			
Camelot Forest	90	Individual on Lot	16 Community/IOL
Hitching Post	37	Community	Central
Mel-Chris Woods	28	Unknown	Unknown
Skytop Ranches	30	Individual on Lot	Individual on Lot
White Birch Run	12	Individual on Lot	Individual on Lot
Total	197		
Delaware			
Birchwood Lakes	866	Individual on Lot	Individual on Lot
Delaware Crest Preserve	12	Individual on Lot	Individual on Lot
Highland Acres	37	Individual on Lot	Community
Kemadobi	27	Individual on Lot	Individual on Lot
Marcel Lake Estates	374	Central	Central
Meadow Ridge Acres	33	Individual on Lot	Individual on Lot
Old Marcel Lake	85	Individual on Lot	Individual on Lot
Pocono Acres	42	Unknown	Unknown
Pocono Mtn Lake Forest	337	Individual on Lot	Central/IOL
Shepherds Dev	66	Individual on Lot	Unknown
Traces of Lattimore	65	Individual on Lot	Individual on Lot
Wild Acres	1,249	Individual on Lot	Central
Total	3,193		
Delaware-Leham			
PMLE Sec. 5-7	158	Individual on Lot	Individual on Lot
Total	158		
Dingman			
A. Miller	13	Individual on Lot	Individual on Lot
Bluestone Ridge	23	Individual on Lot	Individual on Lot
Conashaugh Lakes	551	Individual on Lot	Individual on Lot
Country Club Woods	70	Individual on Lot	Individual on Lot
Cranberry Ridge	30	Individual on Lot	Individual on Lot
Crescent Lake	70	Individual on Lot	41 Community/29 IOL
Crooked Oaks	27	Individual on Lot	Individual on Lot

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
Foxcroft Woods	23	Individual on Lot	Individual on Lot
Gold Key Lake	985	Individual on Lot	Individual on Lot
Indian Trails	54	Individual on Lot	Individual on Lot
Lake Adventure	0	Central	Central
Laurel Hills	37	Individual on Lot	Individual on Lot
Log Tavern Lake	62	Individual on Lot	Individual on Lot
Meadow View Acres	24	Individual on Lot	Individual on Lot
Mount Haven Dev	12	Individual on Lot	Individual on Lot
Nitche's Pond	23	Individual on Lot	Individual on Lot
Oak Ridge Crossing	48	Individual on Lot	Individual on Lot
Old Mill Estate	32	Individual on Lot	Individual on Lot
Pederson Development	4	Individual on Lot	Individual on Lot
Pocono Mtn Woodland Lake	1,188	Individual on Lot	Individual on Lot
Sawkill Crossing	11	Individual on Lot	Individual on Lot
Shohola Lake Farms	9	Individual on Lot	Individual on Lot
Spring Brook Estates	23	Individual on Lot	Individual on Lot
Stone Hedge Farms	22	Individual on Lot	Individual on Lot
Sunrise Lake	760	126 Community/634 IOL	142 Community/618 IOL
Winding Brook	29	Individual on Lot	Individual on Lot
Total	4,130		
Dingman-Delaware			
Auten	57	Individual on Lot	Individual on Lot
Pocono Mtn Water Forest	332	Individual on Lot	Individual on Lot
Total	389		
Greene			
Al's Acres	54	Individual on Lot	Community/5 IOL
Bloss Acres	7	Individual on Lot	Individual on Lot
Buena Vista Est	10	Individual on Lot	Individual on Lot
Cold Hill	10	Individual on Lot	Individual on Lot
Fawn Hill	17	Individual on Lot	Individual on Lot
Game Ridge	9	Individual on Lot	Individual on Lot
Grant Wilson	18	Individual on Lot	Individual on Lot
Lake in the Clouds	129	Individual on Lot	Individual on Lot
Lake Jamie	48	Individual on Lot	Individual on Lot
Lake Wallenpaupack Est	98	Individual on Lot	Community
Mountain View Est	8	Individual on Lot	Individual on Lot
Panther Hills	7	Individual on Lot	Individual on Lot
Panther Lake	62	Individual on Lot	Individual on Lot
Pine Hill	20	Individual on Lot	Individual on Lot
Rhoades Dev	65	Individual on Lot	Individual on Lot
Rinehimer Dev	151	Individual on Lot	Community
Robert Wilson	206	Individual on Lot	Community
Rocky Acres	50	Individual on Lot	Individual on Lot
Rose Dev	27	Individual on Lot	Individual on Lot
Sky View Lake	187	Individual on Lot	Central
Split Rock	13	Individual on Lot	Individual on Lot
Sugar Hill	73	Individual on Lot	Individual on Lot
Sugar Hill Forest	8	Individual on Lot	Individual on Lot
Top of the Mountain	47	Individual on Lot	Individual on Lot

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
Tranquility Falls	57	Individual on Lot	Community
Whitetail Ridge	16	Individual on Lot	Individual on Lot
Woodland Meadows	30	Individual on Lot	Individual on Lot
Total	1,427		
Greene-Palmyra			
Sand Spring Acres	21	Community	Community
Total	21		
Lackawaxen			
Baisdenville Valley	13	Individual on Lot	Individual on Lot
Cabin Ridge	8	Individual on Lot	Individual on Lot
Canal Acres	12	Individual on Lot	Central
Catchall Landing	33	Individual on Lot	Individual on Lot
Farm Properties	10	Individual on Lot	Individual on Lot
Fawn Lake Forest	745	Individual on Lot	Central
Fred Kuhn Dev	18	Individual on Lot	Individual on Lot
Friendly Acres	77	Individual on Lot	Individual on Lot
Hickory Acres	14	Individual on Lot	Individual on Lot
Holbert Dev	15	Individual on Lot	Individual on Lot
Huggy Bear	47	Individual on Lot	Individual on Lot
Hunters Ridge	23	Individual on Lot	Individual on Lot
Lake Teedyuskung	76	Community	Community
Laurel Ridge	9	Individual on Lot	Individual on Lot
Long Pine Acres	12	Individual on Lot	Central
Maplewood Estates	9	Individual on Lot	Individual on Lot
Masthope Rapids	1,188	Central	Central
Mountain View Est	13	Individual on Lot	Individual on Lot
Riverview Acres	23	Individual on Lot	Individual on Lot
Roland Acres	5	Individual on Lot	Individual on Lot
St. Vincents Point	15	Individual on Lot	Individual on Lot
Tink Wig	302	Individual on Lot	Individual on Lot
Tuscorora	17	Individual on Lot	Individual on Lot
Welcome Lake	24	Individual on Lot	Individual on Lot
Westcolang Park on the Dela	17	Individual on Lot	Individual on Lot
Woodledge Village	53	Individual on Lot	Central (AQUA PA)
Woodloch Pines	389	Individual on Lot	Individual on Lot
Total	3,167		
Lackawaxen-Blooming Grove-Palmyra			
Blue Heron Woods	1	Individual on Lot	Individual on Lot
Total	1		
Lehman			
Glen at Tamiment	400	Central	Central
Pine Ridge	1,065	Individual on Lot	Central
Pocono Mtn Lake Estates	653	Individual on Lot	107 Central / 546 IOL
Pocono Mtn Lake Estates - 5A	55	Individual on Lot	Community
Pocono Ranch Lands	716	Individual on Lot	Central/ Rest IOL
Rustic Acres	170	Individual on Lot	Central

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
Saw Creek Estates	2,202	Central	Central
Stony Hollow Village	112	95 Central/71 IOL	95 Central/71 IOL
Sunset Acres	20	Individual on Lot	Central
Total	5,393		
Lehman-Delaware			
Mountain Shadows	16	Individual on Lot	Individual on Lot
Total	16		
Milford			
Emery Dev	15	Individual on Lot	Individual on Lot
Greenwood Hills	33	Individual on Lot	Individual on Lot
Hickory Hills	47	Individual on Lot	Individual on Lot
Pine Acres	29	Individual on Lot	Individual on Lot
Sawkill Run	22	Individual on Lot	Individual on Lot
School House Ridge	29	Individual on Lot	Individual on Lot
Total	175		
Milford-Westfall			
Keystone Park	63	Individual on Lot	Individual on Lot
Total	63		
Palmyra			
Al-Wa-Da-East	22	Individual on Lot	Community/IOL
Anns & Howells Sub	33	Individual on Lot	Community/IOL
Beechwood	22	Individual on Lot	3 Community/ Rest IOL
Big Woods	70	Individual on Lot	Individual on Lot
Claude Seeley Dev	14	Individual on Lot	Community
Colony Cove	38	Individual on Lot	Community
Coutts Brothers Dev	16	Individual on Lot	Community
Deerwoods	22	Individual on Lot	Individual on Lot
Dirk Dev	33	Individual on Lot	Individual on Lot
Earl Unger Dev	13	Individual on Lot	Community
Fairview Lake - Westbrook Plan	21	Individual on Lot	Individual on Lot
Hemlock Grove	69	Individual on Lot	Individual on Lot
Hemlock Point	68	Individual on Lot	Central/2 Community
Illigasch	21	Individual on Lot	Individual on Lot
Ivywood	14	Individual on Lot	Community
L. Ansley Dev	38	Individual on Lot	Individual on Lot
L. Simons Dev	47	Individual on Lot	Individual on Lot
Lake Wenonah	14	Unknown	Unknown
Lakeview Acres	49	Individual on Lot	Community
Lenape Village	15	Individual on Lot	Individual on Lot
Lynndale	83	Individual on Lot	Community
Millbrook	141	Individual on Lot	Community/2 IOL
Oak Hill Estates	15	Individual on Lot	Individual on Lot
Otter Springs	42	Individual on Lot	Community
Paupack Gardens	46	Individual on Lot	43 Central/3 IOL
Penn Wood Dev	95	Individual on Lot	Community
Preston Flury Dev	65	Individual on Lot	Individual on Lot

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
R Perry Dev	34	Unknown	Unknown
R. Tragus Dev	22	Individual on Lot	Unknown
Spinnlers Point	120	Individual on Lot	Individual on Lot
Sunset Acres	10	Individual on Lot	Central
Sunset Point	66	Individual on Lot	Community
Tafton Heights	17	Individual on Lot	Central
Tafton View	51	Individual on Lot	Community
Tanglwood Lakes	649	Individual on Lot	Central
Tauschman	62	Individual on Lot	Individual on Lot
Whispering Pines	28	Individual on Lot	5 Community/IOL
White Sands Beach	30	Individual on Lot	Community
William Soose Dev	20	Individual on Lot	Community
Wilson Hill Dev	88	Individual on Lot	Individual on Lot
Zimmerman Pines	13	Individual on Lot	Community
Total	2,336		
Palmyra-Blooming Grove			
Steiner Dev	17	Individual on Lot	Community
Tanglwood North	296	Individual on Lot	Central
Total	313		
Palmyra-Greene			
Escape	406	Central	Community
Laurel Lane	135	Individual on Lot	Community
Total	541		
Porter			
Blue Heron Lake	50	Individual on Lot	Individual on Lot
Earl Ness	50	Individual on Lot	Individual on Lot
Eilenberger Dev	61	Individual on Lot	Individual on Lot
Spruce Run Creek	42	Individual on Lot	Individual on Lot
Total	203		
Porter-Dingman-Blooming Grove			
Hemlock Farms	3,150	5-Community/Rest IOL	Central
Total	3,150		
Shohola			
Between the Lakes	29	Individual on Lot	Individual on Lot
Brandtwood	23	Individual on Lot	3 Community/20 IOL
East Cove	12	Individual on Lot	Individual on Lot
East Cove Woods	27	Individual on Lot	Community
Evergreen Park	12	Individual on Lot	Community
Happy Hollow	73	Individual on Lot	71 on 1 Community
Hinkel Estates	37	Individual on Lot	Individual on Lot
Maple Park	43	Individual on Lot	Individual on Lot
PA Lakeshores	196	Individual on Lot	Individual on Lot
Sagamore Estates	180	Community/IOL	Central
Shohola Acres	17	Individual on Lot	Individual on Lot
Shohola Heights	26	Individual on Lot	Individual on Lot
Symphony West	10	Individual on Lot	Individual on Lot

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System
Trails End	0	Central	6 Community
Twin Lake Preserve	20	Individual on Lot	Individual on Lot
Twin Lake Woods	48	Individual on Lot	Individual on Lot
Twin Lakes Park	43	Individual on Lot	Individual on Lot
Walker Lake	134	Individual on Lot	Individual on Lot
Total	930		
Westfall			
Farmstead	21	Individual on Lot	Individual on Lot
Fieldstone Ridge	21	Individual on Lot	Individual on Lot
Glass House Hill	39	Individual on Lot	Individual on Lot
Riverside Estates	30	Individual on Lot	Individual on Lot
Valley View	14	Individual on Lot	Individual on Lot
Total	125		
Grand Total	25,928		

SOURCE: Data provided by the Pike County Planning Commission.

APPENDIX B: MONROE COUNTY CIOC DATA

MONROE COUNTY COMMON INTEREST OWNERSHIP COMMUNITIES (CIOC) BY MUNICIPALITY

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System	Approximate year community construction began
Barrett				
Buck Hill Falls	250	central sewer	central water	1953
Lake in the Clouds	64	on lot sewer	on lot water	1969
Skytop Meadows	48	central sewer	central water	1989
Spruce Hill Farms	77	on lot sewer	on lot water	1969
Wildwood Manor Estates	38	on lot sewer	on lot water	1981
Total	477			
Chestnuthill				
Birches III	170	on lot sewer	on lot water	1980
Birches West	91	on lot sewer	on lot water	1978
Lenape Hills	96	on lot sewer	on lot water	1974
Pohopoco Creek Estates	81	on lot sewer	on lot water	1976
Robinwood Village	49	central sewer	central water	1985
Weir Lake Dev	81	on lot sewer	on lot water	1928
Total	568			
Chestnuthill/Tunkhannock				
Birch Brier	286	on lot sewer	on lot water	1980
Sierra View	1,094	on lot sewer	on lot water	1976
Total	1,380			
Coolbaugh				
Mushroom Farm	73	on lot sewer	on lot water	1974
Pocono Country Place	3,886	central sewer	central water	1973
Pocono Farms Country Club	2,268	on lot sewer	central water	1980
Pocono Forest Sports (Lehigh River Est)	76	central sewer	central water	1965
Pocono Summit Lake	107	on lot sewer	on lot water	1956
Riverside Estates	86	on lot sewer	on lot water	1977
Whispering Glen	70	on lot sewer	on lot water	1984
Total	6,566			

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System	Approximate year community construction began
Coolbaugh/Tobyhanna				
Lake Naomi Club Timber Trails	2,050	on lot sewer	on lot water	1973
Stillwater Lake Civic Association	1,186	on lot sewer	on lot water	1965
Timber Trail Community Assoc.	487	on lot sewer	on lot water	1973
Total	3,723			
E. Stroudsburg				
Stones Throw	119	central sewer	central water	1986
The Oaks Property Owner Assoc.	71	central sewer	central water	2003
Total	190			
Hamilton				
White Oak Country Estates	69	central sewer	on lot water	1996
Total	69			
Hamilton/Chestnuthill				
Meadow Lake Park Assoc	73	on lot sewer	on lot water	1966
Total	73			
Jackson				
Camelback Village	308	central sewer	central water	1981
Total	308			
Jackson/Pocono				
Barton Glen	273	on lot sewer	on lot water	1964
Northridge at Camelback	313	central sewer	central water	1990
Total	586			
M. Smithfield				
Country Club of Poconos (Great Bear)	279	central sewer	central water	1988
Keystone Hollow	22	central sewer	on lot water	1996
Leisure Lands	281	on lot sewer	on lot water	1975
Northpark Estates	99	on lot sewer	on lot water	1992
Northslope III Owner Association	187	central sewer	central water	1988
Pocono Heights	64	on lot sewer	on lot water	1964
Wilderness Acres	252	on lot sewer	on lot water	1978
Winona Lake	660	on lot sewer	on lot water	1965
Lake of the Pines	431	on lot sewer	on lot water	1972
Maple Lane	21	central sewer	central water	1987
Monroe Lake Shores	404	on lot sewer	on lot water	1958
Mountaintop Estates	183	on lot sewer	on lot water	1985
Saw Creek Estates	205	central sewer	central water	1981
Total	3,088			
M. Smithfield/Price				
Pocono Highland Lake Estates	279	on lot sewer	on lot water	1951
Pocono Wild Haven	235	on lot sewer	on lot water	1967
Total	514			

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System	Approximate year community construction began
Mt Pocono				
Villas at Pine Hills	20	central sewer	central water	1984
Total	20			
Mt Pocono/Coolbaugh				
Summit Pointe	221	central sewer	central water	1978
Total	221			
Mt.Pocono				
Foxfire Condominium Assoc.	135	central sewer	central water	1984
Snowshoe Condominiums	53	central sewer	central water	1987
Total	188			
Paradise				
Log Cabin Estates	30	on lot sewer	on lot water	1971
Timber Hill Community Assoc.	183	on lot sewer	on lot water	1965
Total	213			
Paradise/Pocono				
Ski Haven Lake	26	on lot sewer	on lot water	1965
Total	26			
Pocono				
Alpine Lake	147	on lot sewer	on lot water	1965
Crescent Lake	97	on lot sewer	on lot water	1957
Deer Mountain Lake	72	on lot sewer	on lot water	1973
Glenoak Forest	70	on lot sewer	on lot water	1974
Mountain View Village	39	central sewer	central water	1981
Pocono Laurel Lake	201	on lot sewer	on lot water	1965
Ski Side Village	50	central sewer	central water	1983
Stone Row	25	central sewer	central water	1986
Sunset Pocono Highland Estates	111	on lot sewer	on lot water	1973
The Woodlands-Cranberry Comm	150	on lot sewer	on lot water	1973
Total	962			
Polk				
El-Do Lake Prop. Assoc.	144	on lot sewer	central water	1986
Evergreen Lake Estates	158	on lot sewer	on lot water	1970
Foxwood	29	on lot sewer	on lot water	1987
Hemlock Lake	70	on lot sewer	on lot water	1957
Pleasant View Lake	131	on lot sewer	on lot water	1967
Pleasant Valley Estates	384	on lot sewer	on lot water	1970
Robin Hood Lake	330	central sewer	on lot water	1975
Total	1,246			
Polk/Chestnuthill				
Birch Hollow Estates	329	on lot sewer	on lot water	1982
Total	329			
Price				

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System	Approximate year community construction began
Hallowood Acres	48	on lot sewer	on lot water	1970
Hamlet	134	on lot sewer	on lot water	1972
Pine Creek Estates	110	on lot sewer	on lot water	1975
Snow Hill Falls	82	on lot sewer	on lot water	1967
Total	374			
Smithfield				
Valhalla Lake	194	on lot sewer	on lot water	1957
Shawnee Village	419	central sewer	central water	1977
Spring Lake Estates	67	on lot sewer	on lot water	1972
Twin Lake Estates	60	on lot sewer	on lot water	1965
Village of the Eagle	29	on lot sewer	on lot water	1973
Total	769			
Stroud				
Blue Mountain Lake Reserve	99	central sewer	central water	1993
Cornerstone Conservancy	32	central sewer	central water	2007
Olde Mille Run	63	on lot sewer	on lot water	1978
Walnut Grove	45	central sewer	central water	1994
Wigwam Lake Est	131	on lot sewer	on lot water	1965
Woodhaven Estates	28	on lot sewer	on lot water	1969
Total	398			
Stroud/Pocono				
Penn Estates	1,657	central sewer	central water	1977
Total	1,657			
Stroud/Smithfield				
Blue Mountain Lake Estates	561	central sewer	central water	1993
Total	561			
Stroud/Stroudsburg				
Labar Village	108	central sewer	central water	1984
Total	108			
Tobyhanna				
Camelot Forest	213	on lot sewer	on lot water	1971
Fawn Ridge Estates	47	central sewer	on lot water	1994
Forest Glen	89	on lot sewer	on lot water	1964
Greenwood Acres	144	central sewer	on lot water	1984
Locust Lake Village	1,090	on lot sewer	on lot water	1967
Pine Crest	270	on lot sewer	on lot water	1998
Pocohanna Colony	81	on lot sewer	central water	1958
Wagner Forest Park	116	on lot sewer	on lot water	1969
Total	2,050			
Tobyhanna/Coolbaugh				
Arrowhead Lake	2,397	on lot sewer	on lot water	1964

Municipality and CIOC Name	Total Number of Homes	Type of Sanitary Sewer System	Type of Drinking Water System	Approximate year community construction began
Total	2,397			
Tobyhanna/Tunkhannock				
Emerald Lake	1,446	on lot sewer	on lot water	1971
Total	1,446			
Tunkhannock				
Brier Crest Woods	490	on lot sewer	on lot water	1969
Stonecrest Park	243	on lot sewer	on lot water	1965
Total	733			
Tunkhannock/Chestnuthill				
Indian Mt. Lake	1,017	on lot sewer	on lot water	1973
Total	1,017			
Grand Total	32,257			

SOURCE: Data provided by the Tax Assessment Office of Monroe County.

APPENDIX C: MONROE COUNTY REAL ESTATE TAX ESTIMATES

MONROE COUNTY REAL ESTATE TAXES BY CIOC AND MUNICIPALITY

Municipality and CIOC Name	County Taxes	Municipal Taxes	School District Taxes	Total Taxes
Barrett				
Buck Hill Falls	\$210,835	\$226,112	\$1,622,509	\$2,059,456
Lake in the Clouds	\$29,594	\$31,738	\$227,742	\$289,074
Skytop Meadows	\$42,525	\$45,607	\$327,261	\$415,393
Spruce Hill Farms	\$34,279	\$36,763	\$263,801	\$334,843
Wildwood Manor Estates	\$17,044	\$18,279	\$131,164	\$166,487
Total	\$334,277	\$358,499	\$2,572,477	\$3,265,253
Chestnuthill				
Birches III	\$61,830	\$14,337	\$485,681	\$561,848
Birches West	\$33,295	\$7,720	\$261,531	\$302,546
Lenape Hills	\$38,882	\$9,016	\$305,421	\$353,319
Pohopoco Creek Estates	\$32,924	\$7,635	\$258,619	\$299,178
Robinwood Village	\$21,446	\$4,973	\$168,462	\$194,881
Weir Lake Dev	\$15,169	\$3,517	\$119,153	\$137,839
Total	\$203,546	\$47,198	\$1,598,867	\$1,849,611
Chestnuthill/Tunkhannock				
Birch Brier	\$160,316	\$37,175 - \$106,877	\$1,233,733 - \$1,259,291	\$1,431,224 - \$1,526,484
Sierra View	\$484,098	\$112,255 - \$322,732	\$3,725,450 - \$3,802,625	\$4,321,803 - \$4,609,455
Total	\$644,414	\$149,430 - \$429,609	\$4,959,183 - \$5,061,916	\$5,753,027 - \$6,135,939
Coolbaugh				
Mushroom Farm	\$25,349	\$10,507	\$195,079	\$230,935
Pocono Country Place	\$1,540,124	\$638,370	\$11,852,257	\$14,030,751
Pocono Farms Country Club	\$979,866	\$406,147	\$7,540,704	\$8,926,717
Pocono Forest Sports (Lehigh)	\$12,926	\$5,358	\$99,476	\$117,760
Pocono Summit Lake	\$36,400	\$15,088	\$280,125	\$331,613
Riverside Estates	\$35,131	\$14,562	\$270,357	\$320,050
Whispering Glen	\$36,913	\$15,300	\$284,073	\$336,286
Total	\$2,666,709	\$1,105,332	\$20,522,071	\$24,294,112
Coolbaugh/Tobyhanna				
Arrowhead Lake	\$749,031	\$310,468 - \$627,015	\$5,764,280	\$6,823,779 - \$7,140,326
Lake Naomi Club Timber Trails	\$1,084,464	\$449,502 - \$907,806	\$8,345,658	\$9,879,624 - \$10,337,928
Stillwater Lake Civic Association	\$460,445	\$190,851 - \$385,439	\$3,543,427	\$4,194,723 - \$4,389,311
Timber Trail Community Assoc.	\$362,742	\$150,354 - \$303,652	\$2,791,536	\$3,304,632 - \$3,457,930
Total	\$2,656,682	\$1,101,175 - \$2,223,912	\$20,444,901	\$24,202,758 - \$25,325,495

Municipality and CIOC Name	County Taxes	Municipal Taxes	School District Taxes	Total Taxes
E. Stroudsburg				
Stones Throw	\$55,980	\$42,188	\$529,685	\$627,853
The Oaks Property Owner Assoc.	\$41,758	\$31,470	\$395,113	\$468,341
Total	\$97,738	\$73,658	\$924,798	\$1,096,194
Hamilton				
White Oak Country Estates	\$52,266	\$3,030	\$440,700	\$495,996
Total	\$52,266	\$3,030	\$440,700	\$495,996
Hamilton/Chestnuthill				
Meadow Lake Park Assoc	\$28,921	\$1,677 - \$6,706	\$227,175 - \$243,857	\$257,773 - \$279,484
Total	\$28,921	\$1,677 - \$6,706	\$227,175 - \$243,857	\$257,773 - \$279,484
Jackson				
Camelback Village	\$118,134	\$61,635	\$909,114	\$1,088,883
Total	\$118,134	\$61,635	\$909,114	\$1,088,883
Jackson/Pocono				
Barton Glen	\$98,301	\$51,287 - \$76,162	\$756,489	\$906,077 - \$930,952
Northridge at Camelback	\$222,269	\$115,967 - \$172,210	\$1,710,506	\$2,048,742 - \$2,104,985
Total	\$320,570	\$167,254 - \$248,372	\$2,466,995	\$2,954,819 - \$3,035,937
M. Smithfield				
Country Club of Poconos (G. Bear)	\$247,548	\$64,578	\$2,342,303	\$2,654,429
Keystone Hollow	\$46,838	\$12,219	\$443,181	\$502,238
Leisure Lands	\$97,688	\$25,484	\$924,325	\$1,047,497
Northpark Estates	\$56,237	\$14,670	\$532,114	\$603,021
Northslope III Owner Association	\$139,306	\$36,341	\$1,318,121	\$1,493,768
Pocono Heights	\$16,462	\$4,294	\$155,762	\$176,518
Wilderness Acres	\$108,504	\$28,305	\$1,026,665	\$1,163,474
Winona Lake	\$274,419	\$71,587	\$2,596,558	\$2,942,564
Lake of the Pines	\$199,804	\$52,123	\$1,890,551	\$2,142,478
Maple Lane	\$9,441	\$2,463	\$89,332	\$101,236
Monroe Lake Shores	\$114,302	\$29,818	\$1,081,530	\$1,225,650
Mountaintop Estates	\$56,179	\$14,655	\$531,563	\$602,397
Saw Creek Estates	\$94,085	\$24,544	\$890,233	\$1,008,862
Total	\$1,460,813	\$381,081	\$13,822,238	\$15,664,132
M. Smithfield/Price				
Pocono Highland Lake Estates	\$105,832	\$18,406 - \$27,608	\$1,001,389	\$1,125,627 - \$1,134,829
Pocono Wild Haven	\$92,663	\$16,115 - \$24,173	\$876,782	\$985,560 - \$993,618
Total	\$198,495	\$34,521 - \$51,781	\$1,878,171	\$2,111,187 - \$2,128,447
Mt Pocono/Coolbaugh				
Summit Pointe	\$22,136	\$9,175 - \$34,647	\$170,349	\$201,660 - \$227,132
Total	\$22,136	\$9,175 - \$34,647	\$170,349	\$201,660 - \$227,132

Municipality and CIOC Name	County Taxes	Municipal Taxes	School District Taxes	Total Taxes
Mt.Pocono				
Foxfire Condominium Assoc.	\$33,475	\$52,395	\$257,609	\$343,479
Snowshoe Condominiums	\$11,136	\$17,430	\$85,697	\$114,263
Villas at Pine Hills	\$4,635	\$7,255	\$35,671	\$47,561
Total	\$49,246	\$77,080	\$378,977	\$505,303
Paradise				
Log Cabin Estates	\$16,189	\$5,866	\$124,583	\$146,638
Timber Hill Community Assoc.	\$84,700	\$30,689	\$651,824	\$767,213
Total	\$100,889	\$36,555	\$776,407	\$913,851
Paradise/Pocono				
Ski Haven Lake	\$10,523	\$3,813 - \$8,153	\$80,983	\$95,319 - \$99,659
Total	\$10,523	\$3,813 - \$8,153	\$80,983	\$95,319 - \$99,659
Pocono				
Alpine Lake	\$55,154	\$42,733	\$424,448	\$522,335
Crescent Lake	\$32,274	\$25,006	\$248,371	\$305,651
Deer Mountain Lake	\$31,563	\$24,454	\$242,897	\$298,914
Glenoak Forest	\$32,392	\$25,097	\$249,275	\$306,764
Mountain View Village	\$10,486	\$8,124	\$80,693	\$99,303
Pocono Laurel Lake	\$73,791	\$57,172	\$567,869	\$698,832
Ski Side Village	\$19,567	\$15,160	\$150,577	\$185,304
Stone Row	\$10,254	\$7,944	\$78,908	\$97,106
Sunset Pocono Highland Estates	\$46,504	\$36,030	\$357,875	\$440,409
The Woodlands-Cranberry Comm	\$126,420	\$97,948	\$972,885	\$1,197,253
Total	\$438,405	\$339,668	\$3,373,798	\$4,151,871
Polk				
El-Do Lake Prop. Assoc.	\$52,079	\$9,963	\$409,081	\$471,123
Evergreen Lake Estates	\$62,897	\$12,032	\$494,057	\$568,986
Foxwood	\$11,302	\$2,162	\$88,776	\$102,240
Hemlock Lake	\$12,984	\$2,484	\$101,988	\$117,456
Pleasant View Lake	\$130,562	\$24,977	\$1,025,571	\$1,181,110
Pleasant Valley Estates	\$33,402	\$6,390	\$262,378	\$302,170
Robin Hood Lake	\$74,665	\$14,284	\$586,500	\$675,449
Total	\$377,891	\$72,292	\$2,968,351	\$3,418,534
Polk/Chestnuthill				
Birch Hollow Estates	\$139,173	\$26,624 - \$32,272	\$1,093,213	\$1,259,010 - \$1,264,658
Total	\$139,173	\$26,624 - \$32,272	\$1,093,213	\$1,259,010 - \$1,264,658
Price				
Hallowood Acres	\$26,073	\$4,534	\$246,704	\$277,311
Hamlet	\$64,138	\$11,154	\$606,878	\$682,170
Pine Creek Estates	\$42,410	\$7,376	\$401,281	\$451,067
Snow Hill Falls	\$28,882	\$5,023	\$273,279	\$307,184
Total	\$161,503	\$28,087	\$1,528,142	\$1,717,732
Smithfield				

Municipality and CIOC Name	County Taxes	Municipal Taxes	School District Taxes	Total Taxes
Valhalla Lake	\$178,177	\$41,316	\$1,685,914	\$1,905,407
Shawnee Village	\$40,753	\$9,450	\$385,611	\$435,814
Spring Lake Estates	\$49,124	\$11,391	\$464,810	\$525,325
Twin Lake Estates	\$76,707	\$17,787	\$725,805	\$820,299
Village of the Eagle	\$17,655	\$4,094	\$167,049	\$188,798
Total	\$362,416	\$84,038	\$3,429,189	\$3,875,643
Stroud				
Blue Mountain Lake Reserve	\$74,002	\$57,914	\$624,188	\$756,104
Cornerstone Conservancy	\$35,703	\$27,942	\$301,149	\$364,794
Olde Mille Run	\$51,465	\$40,277	\$434,093	\$525,835
Walnut Grove	\$15,056	\$11,783	\$126,997	\$153,836
Wigwam Lake Est	\$33,378	\$26,122	\$281,540	\$341,040
Woodhaven Estates	\$14,698	\$11,503	\$123,973	\$150,174
Total	\$224,302	\$175,541	\$1,891,940	\$2,291,783
Stroud/Pocono				
Penn Estates	\$890,907	\$690,259 - \$697,231	\$6,856,109 - \$7,512,023	\$8,437,275 - \$9,100,161
Total	\$890,907	\$690,259 - \$697,231	\$6,856,109 - \$7,512,023	\$8,437,275 - \$9,100,161
Stroud/Smithfield				
Blue Mountain Lake Estates	\$430,822	\$99,901 - \$337,165	\$3,632,644 - \$4,076,454	\$4,163,367 - \$4,844,441
Total	\$430,822	\$99,901 - \$337,165	\$3,632,644 - \$4,076,454	\$4,163,367 - \$4,844,441
Stroud/Stroudsburg				
Labar Village	\$87,929	\$68,814-\$180,956	\$741,408	\$898,151-\$1,010,293
Total	\$87,929	\$68,814-\$180,956	\$741,408	\$898,151-\$1,010,293
Tobyhanna				
Camelot Forest	\$85,670	\$71,715	\$659,288	\$816,673
Fawn Ridge Estates	\$40,206	\$33,656	\$309,411	\$383,273
Forest Glen	\$18,090	\$15,143	\$139,216	\$172,449
Greenwood Acres	\$69,979	\$58,580	\$538,538	\$667,097
Locust Lake Village	\$377,145	\$315,709	\$2,902,377	\$3,595,231
Pine Crest	\$182,736	\$152,969	\$1,406,277	\$1,741,982
Pocohanna Colony	\$19,147	\$16,028	\$147,346	\$182,521
Wagner Forest Park	\$66,271	\$55,476	\$509,999	\$631,746
Total	\$859,244	\$719,276	\$6,612,452	\$8,190,972
Tobyhanna/Tunkhannock				
Emerald Lake	\$662,484	\$441,656 - \$554,566	\$5,098,248	\$6,202,388 - \$6,315,298
Total	\$662,484	\$441,656 - \$554,566	\$5,098,248	\$6,202,388 - \$6,315,298
Tunkhannock				
Brier Crest Woods	\$169,411	\$112,940	\$1,303,726	\$1,586,077
Stonecrest Park	\$91,391	\$60,927	\$703,310	\$855,628
Total	\$260,802	\$173,867	\$2,007,036	\$2,441,705
Tunkhannock/Chestnuthill				

Municipality and CIOC Name	County Taxes	Municipal Taxes	School District Taxes	Total Taxes
Indian Mt. Lake	\$419,199	\$97,205 - \$279,466	\$3,226,007 - \$3,292,836	\$3,742,411 - \$3,991,501
Total	\$419,199	\$97,205 - \$279,466	\$3,226,007 - \$3,292,836	\$3,742,411 - \$3,991,501
Grand Total	\$14,280,436	\$6,628,341 - \$8,821,673	\$114,631,943 - \$115,917,911	\$135,540,720 - \$139,020,020

Note: Total Residential Assessment Amounts paid in each CIOC were provided by Thomas Hill, Chief Assessor of the Tax Assessment Office of Monroe County, June 3, 2010. These data were multiplied by the 2009 millage rates in each municipality and school district to obtain the taxes paid by residents in each CIOC. Some CIOCs straddle two school districts and/or municipalities. Monroe County Tax Assessment Office indicated that it was too difficult to determine which households in each community were in each municipality and/or school district. So, for CIOCs that straddle two school districts or municipalities, the taxes paid are given in a range based on the assessment value of all residential properties within the community and multiplying the lowest millage and the highest millage of the two districts or municipalities to that total assessment value.

SOURCE: Assessment data provided by the Tax Assessment Office of Monroe County.

APPENDIX D:

COUNTIES WHICH PROVIDED SURVEY DATA

**COUNTIES WHICH PROVIDED DATA
FROM THE PLANNING COMMISSION AND TAX ASSESSMENT SURVEYS**

Planning Commission Survey	Tax Assessment Survey
Armstrong	Armstrong
Beaver	Bedford
Clearfield	Cambria
Clinton	Cameron
Dauphin	Centre
Erie	Chester
Fulton	Clarion
Juniata	Elk
Lebanon	Greene
McKean	Jefferson
Mifflin	Juniata
Monroe	Lancaster
Montgomery	Lehigh
Montour	Lycoming
Northumberland	Monroe
Perry	Montour
Pike	Schuylkill
Potter	Snyder
Susquehanna	Sullivan
Tioga	Venango
Union	Warren
Venango	
Washington	

Note: Additional survey results will be provided for the above counties upon request.