
RIGHTS AND FIGHTS: THE ROLE OF HOMEOWNERS ASSOCIATION (HOA) AS COMPARED TO LOCAL GOVERNMENT UNITS (LGU) IN PROVIDING SERVICES TO RESIDENTS OF GATED COMMUNITY

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Abstract

The emergence of gated communities (GC) marked the advent of the developments for collective interests, and one of the developments is the authority of the homeowners association (HOA) as a private government. This study utilizes the new institutionalism theory in the perspective of both sociopolitical and political agenda. This study evaluated how HOA is representing within the community, compared to the local public sector in services dissemination. In doing so, this study uses phenomenology as the design, in analyzing the experiences of the residents of a GC, together with new institutionalism as a guide towards perspectives on the HOA as an institution. The use of new institutionalism paved way to understanding of HOA as an institution, paving to the incorporation of political principles making it political new institutionalism, concluding that service dissemination on one hand, and the extent of services by the use of fiscal policy as the good and bad consequences of HOA. It is also concluded that there is a collaboration of services by the HOA and LGU, this in turn to be the significance of HOA in lieu with the LGU. It is recommended in the end that a thorough manifestation and existence of fiscal policies in a GC, in relation to the LGU, towards services mechanism and services satisfaction, with or without collaborations or partnerships with the local public sector should be enacted.

Keywords: *gated community, homeowners association, local government unit, housing and land regulatory board, services*

1.0 INTRODUCTION

The emergence of a gated community proved to be a necessity for most of the people especially those who are privileged enough to buy properties, reasonably for security, services, and exclusivity. The study of Ignacio (2010) states that security as a reason is both physical security and economic security, where the former ensures keeping out of risk and dangers from harmful elements of nature like natural risks and man-made risks, while the latter ensures the future of the residents such as an invested house or a property. Additionally, the study also narrates on the services of a gated community where HOA or the homeowners association plays a

significant role in providing as such. Another reason is exclusivity where Ignacio (2010) defined it in two ways: restriction of access where acquisition and the benefits are to the few groups of people; and, geographical where economy and social class is being observed. The research of Ignacio is regards the emergence of gated communities in the Philippines provides this research an insight that in a gated community, a government and a jurisdiction should play a role in providing the basic especially to the constituents or the residents of an enclave. The said government, the homeowners association, which is also a private organization or institution that has jurisdiction within an enclave per se.

Most commonly a gated community is considered to be a residential area that is enclosed by walls, fences, or landscaping that provides a physical barrier to entry and restricted access; hence, an exclusive (Atkinson and Blandy, 2005; Vesselinov *et al.*, 2007; Vesselinov, 2008; Low, 2008; Choon, 2009; Clement and Grant, 2012), and a particular type of CID or common interest development (Townshend, 2006). The growth of gated communities has largely been attributed to a growing search for security because of the fear of urban crimes and violence, let alone providing privacy to the prominent families (Atkinson and Blandy, 2005; Genis, 2007; Mahgoub and Khalfani, 2012).

As mentioned earlier, one of the reasons of gated communities is the exclusivity, wherein most of the researches about enclaves have this similar purpose, countries with cases include Canada (Townshend, 2006), Singapore (Choon, 2009), Australia (Kenna, 2010), Brazil (Lara, 2011), Barbados (Clement and Grant, 2012), Puerto Rico (Flores, 2012), and Turkey (Berköz and Tepe, 2013). Within the domain of a gated community, homeowners association plays an important administrative role. Homeowners association is the common name for a residential private government, that is, similar to a municipal government of local public sector with different set of rules and regulations (Groves, 2006; McCabe and Tao, 2006; Vesselinov *et al.*, 2007; Vesselinov, 2008; Lerman *et al.*, 2012; Cheung and Meltzer, 2013; Cheung *et al.*, 2014). In the homeowners association or HOA, property owners automatically become legitimate residents or a member (McCabe and Tao, 2006). Also, in the study of Groves (2006) and Cheung and Meltzer (2013), it was iterated that residents pay to HOA to exert greater manipulation over service provisions for production, the properties, and to the neighborhoods as well; that HOAs are part of the local public economy that delivers services within the borders (McCabe and Tao, 2006).

HOA also provides residents with a housing option where people pay and manipulate exclusive services, according to the studies of Perkins (2010), Cheung and Meltzer (2013), and Cheung *et al.* (2014) which is not provided by the local government. In order to realize the services, residents should be a member automatically, these residents may equip for the scarcity of resources and potential actors in the organization (McCabe and Tao, 2006).

On the other way around, issues within the gated community, manifested in the jurisdiction of HOA, carries a social disadvantage, as HOA is regarded as a private mechanism for residential exclusion and segregation that members also pay to protect and isolate them from the citizens with different backgrounds (Cheung and Meltzer, 2013). As HOA is form of government, in the perspective of being in a gated community, the comparison of it to the local government is being cited in the research of McCabe and Tao (2006), although theoretical as to the approach unlike the local public sector that bound to the grounds of law, it is autonomous (McCabe and Tao, 2006). In line with this, Cheung (2008) argues that HOA, as a private government, is a form of collective decision making to provide services to the residents in the city, just like in a gated community. In some cases, local government has no liability or maintenance responsibility and support for private goods and services (Groves, 2006; McCabe and Tao, 2006; Cheung, 2008). But in the Philippines, the case here matters with agreements of both parties, the local public sector and the private one, and this is regulated through Republic Act 9904 or the Magna Carta for Homeowners Association that was ratified in 2009, and will be discussed briefly in the succeeding areas of the paper.

The significance of this study is about the impact of homeowners association as a governing institution inside a gated community to the residents particularly the satisfaction of services. The other significant implications of this study will be on the proper dissemination of

services, the institutional mechanism of HOA, and the standardization of services in the gated community.

2.0 REVIEW OF RELATED STUDIES

2.1 Gated Community

Gated communities are residential areas that are enclosed by walls, fences, and or landscaping, for exclusivity, and surrounded by guards, where public access is restricted, and often controlled by means of road closures and monitoring of access points, characterized by legal agreements which tie residents to a common regulations and usually collective responsibility for management (Landman and Schonteich, 2002; Vesselinov *et al.*, 2007; Vesselinov, 2008; Choon, 2009; Clement and Grant, 2012; Atkinson and Blandy, 2013; Berkoz and Tepe, 2013). The main characteristic of a gated community is the governing body which is the homeowners association, where election is part of the jurisdiction (Vesselinov *et al.*, 2007). McKenzie (2005) argues that the fear of crime and disenchanting with the government marks the advent of acquiring a property in a gated community; hence, security (Landman and Schonteich, 2002; McKenzie, 2005), a homogenous population, and managerial private government (McKenzie, 2005,) and as interpreted from the studies of Le Goix (2005), Genis (2007), and Little and Malpezzi (2009).

According to Low and Smith (2006), it is expensive to acquire in a gated community, however, due to varying reasons the demand is increasing, such reasons are inadequacy and accountability of the local government; the inadequacy and accountability refers to the uncertain service dissemination by the local government (McCabe, 2005), which people are unsatisfied with. But on the bright side, GCs reflect privatization for club goods, sharing of amenities for the residents and it provide prestige goods such as recreation resources and

beautiful settings (Clement and Grant, 2012). As regards to the good manifestations of gating, the concept of neighborhood, as incorporated in the study of Miller (2013) in his study on legal neighborhoods, has the potential in addressing bigger civic and environmental issues that cities have long sought to address. As per legality of gating, this will be discussed in the succeeding concepts, which are concepts of a gated community as an institution regulated by a government agency.

2.2 The Politics of Gating

The politics of gating is an idea that a gated community also involves political attribution in a form of representation. Politics of gating marks a preference and is discretionary to the prospected residents on how they respond to the political agenda inside a neighborhood or an enclave, that the study of Atkinson (2008) in response to the idea of private security and public spacing held a perspective that politics in gating is in line with segregation (Atkinson, 2008); that GCs extends resources to those who have money (Atkinson, 2008). On the other context, being in a gated community or a neighborhood also has an implication towards security (Landman and Schonteich, 2002), which is a necessity as far as the idea of gating is of great concern (Atkinson and Blandy, 2005).

According to the study of Miller (2013) on legal neighborhoods, there are three political representations of neighborhoods, and these are: neighborhood or district elections of the members of the local government unit; formal and advisory neighborhood councils; and, the neighborhood associations (Miller, 2013). This study utilized the latter representation, which is also known as the homeowners association (Nelson, 2004), as a major domain in relation to the focus, which is the residents in a gated community. By this, the next concept reiterates an institution that is fundamental in the politics of gating, the homeowners association, as stated in the study of Miller (2013).

2.3 Homeowners Association

The term homeowners association or HOA is the common name for a residential private government according to the study of McCabe and Tao (2006), Groves (2006), Cheung (2008), and Vesselinov (2008), a self-taxing resident associations (Townshend, 2006), HOA has a jurisdiction that makes residents automatically HOA members (McCabe and Tao, 2006). Homeowners association is a governing body of a common interest development or CID (Manzi and Bowers, 2005; Vesselinov, 2008; Caffrey, 2010) usually consists of elected members (Cheung, 2008), and a tool that addresses local demands on services (McCabe and Tao, 2006; Cheung and Meltzer, 2013; Cheung and Meltzer, 2014; Cheung, 2008), even the most basic services (Miller, 2013), such as assets, amenities, and security (Goldhaber and Donaldson, 2012; Cheung and Meltzer, 2014); hence, HOA provides a vehicle in a form of representation, acting as a government in the management of community interests (Manzi and Bowers, 2005).

The HOA is an institution responsible for a management and enforcing rules through collection of dues and, or fines (Lerman *et al.*, 2012). This entails that HOA is often associated with a city in terms of the administration involved, let alone compared as such due to its capacity to provide services and collect taxes (McCabe, 2005) in a form of association fees or dues (Lerman *et al.*, 2012). The decision of acquiring a residential property corresponds to a responsibility, such that you co-own a business asset, that in this way, the responsibility means you are ought to help the community, in safety, aesthetics or financial matters (Coleman and Huss, 2003); as HOA is also an institution of private agreements (Miller, 2013).

2.5 Services to the Residents

In terms of the services, as far as the value is concerned, residents pay to HOA to exert greater

control to the provisions of such (Cheung and Meltzer, 2013). And the study of Ignacio (2010) values the importance of services, not to mention the most important in terms of service. His study dictates that the services the residents would usually want from the private government or the HOA, are basic conveniences and security services. Basic conveniences include basic services that maintains the enclave, while security services (Landman and Schonteich, 2002; Ignacio, 2010) are the most important service bracket that a gated community has, the HOA values the most (Ignacio, 2010) which is under the basic services.

According to Cheung (2008) and Goldhaber and Donaldson (2012), the most common services provided are those provisionary to upkeep common areas such as landscaping or maintenance of the landscape, waste management, pools, security, buildings, water, sewers and streetlights. By these services, taxes is considered, that a low tax means limited services, and the enclave may use fees provided by the developers to produce amenities (Low and Smith, 2006); and by tax, we mean the use of association dues. In lieu of the local government's management and residents' participation to it, residents are often satisfied with their lifestyle inside a gated community, this is due to HOA's provisions on quality and public goods (Goldhaber and Donaldson, 2012), relying to its fiscal capacity or instrument to provide the necessary goods and services to the residents (McCabe and Tao, 2006).

2.4 Local Government and the Private Association (HOA): An Overview

From the preceding section on the services inside a GC, Goldhaber and Donaldson (2012) asserted that the satisfaction of the residents on the lifestyle inside a GC, in lieu to the provisional services of the local public sector, is due to HOA's provisions on quality and public goods, and corroborated by McCabe and Tao (2006), that it is because of the reliant to the

fiscal capacity as an instrument in providing the necessary goods and services to the residents. In relation to the local government participation in the perspective of service dissemination inside a gated community, as per study of McCabe (2005) in the context of HOA as a substitute to a city or the local public sector, residents do satisfy with the complimentary provisions such as taxation, insofar as levy taxes or association dues are concerned (Townshend, 2006).

As quasi evident in the study of Feiock and Andrew (2006), local government do challenge within its own jurisdiction the motive of providing better services, more and better services, while operating within fiscal constraints. And in doing so, a nonprofit organization has a legitimate resources that would meet the necessary quota in relation to the delivery of services (Feiock and Andrew, 2006). Non-profit organizations (NPOs) are those organizations that act importantly similar to the private sector, dependent in the publics and often expected to operate with much more than the profit entities (Sisco, 2010). NPOs can be a neighbor-based associations or nationally based charities and foundations (Feiock and Andrew, 2006). Furthermore, NPOs do prohibit the distribution of profits to officers or members (Feiock and Andrew, 2006), as such in the homeowners association.

2.6 The Role of GC and HOA: Evaluation

The role of gated communities and homeowners association in lieu of city or local government intervention is manifested as part of the advent of the development of HOA as an institution. With this, the general objective of this paper is to qualify a local governance inside a gated community. Specifically, the aims of this research is to ascertain different services that benefitting the residents, assess HOA, in Philippine perspective, as an institution that governs the residents of a GC, and evaluate HOA in lieu with the local public sector in terms of governance inside a GC.

The objectives are intended to analyze the phenomenon on governance substitution between HOA in relation to the local public sector, in the Philippine context, let alone the regulative provisionary indicators under the jurisdiction of the Housing and Land Use Regulatory Board or HLURB. The review of related literature suggests that the first subject matter is about gated community, and its corresponding assumption is people live in a GC for a better social commodity. As for the second and third subject matters, namely HOA and the services entailed, the assumptions revealed that the institutional value of HOA is manifested through the residents' financial and or fiscal assistance, and there are variety of services that HOA has imposed in accordance with the needs of the community in lieu with the local government's participation. Hence, generally, to put into single idea, the assumptions suggest that HOA levy management acts just like a public government or the local public sector commonly known as the local government unit. But a key question is considered:

To what extent does the HOA acts like an LGU in the Philippine perspective?

2.7 Public Regulations: HLURB's Republic Act 9904, Magna Carta for Homeowners and Homeowners' Associations

The Magna Carta for homeowners and homeowners' associations is one of the regulating documents implemented not just to the residents inside a GC but to the GC in general. This was filed on July 27, 2009 during the 3rd regular session of the 14th Congress, passed by the Congress on October 13, 2009, and approved by the President on January 7, 2010. The RA 9904 is a tool for "the State to encourage, promote and respect nongovernment, community-based and people's organizations in serving their legitimate collective interests", "complementing the efforts of local government

units or LGUs in providing vital and basic services to the citizens” (Republic Act 9904). By this declaration of policy, registered HOA can ensure legitimacy in terms of the people’s discretion and preference. Additionally, the Magna Carta’s provisions are coincided with a provision in Article III, Section 8, of the 1987 Philippine Constitution stating and quoting as:

“The right of the people, including those employed in the public and private sectors, to form unions, associations, or societies for purposes not contrary to law shall not be abridged” (De Leon and De Leon, Jr., 2014).

The aforesaid provision in the book of De Leon and De Leon, Jr. (2014), membership in an organization or association is deemed voluntary as a basic constitutional right, let alone to freedom of association.

As asserted in the study of McCabe (2005), quoting “despite difference in specific governing rules in both HOAs and the cities, three major influences like professional associations, state laws, and the need to address the cooperation problem, have resulted in common approaches to governance in HOAs and cities”. Also, as organizations like HOA and city are under a state regulation, it allows the two, HOA and city to be autonomous or have self-governance; hence shape their governance provisions (McCabe, 2005).

With the aforementioned statements on HOA and city as institutions, this is in line with the next concept which is the study’s theoretical perspective, the new institutionalism theory. New institutionalism theory deals with how HOAs can substitute the agenda of governance made by the local public sector or the cities.

3.0 THEORETICAL PERSPECTIVE

The preceding concept’s latter statement suggests that this study’s theory is based on the idea that HOA is a perfect substitute of the

cities’ agenda on governance, as such the entirety of management. The presentation and discussion of the theory will be justified in accordance with several related studies accompanying perspectives closely relative in the study’s theoretical perspective. This study utilizes the new institutionalism theory, a concept used by McCabe (2005), in comparing the cities and the homeowners association. In new institutionalism, HOAs are perfect substitutes to the cities, which levy or render management (McCabe, 2005).

New institutionalism was used in the study of McCabe (2005), on the different rules and institutional comparison of cities and the homeowners association, comparing the typical governing provisions of cities and HOAs to consider how such provisions shape civic life in urban areas. Wherein the distinction of HOAs and cities as community organizations for local governance becomes evident when their constitutional level rules are compared (McCabe, 2005).

Institutions are viewed as the critical indicator in any analysis of policy making as institutions structures the input of social, economic, and political forces that would later shaped policy results (Awesti, 2007), as such, renewed interest in institutions is a characteristic of a contemporary trends, evident in economics, which has discovered law, contracts, hierarchies, standard operating procedures, professional codes, and social norms (March and Olsen, 1984).

New institutionalism have a variety of context (March and Olsen, 1984; Monro, 2007), as the study of Surya Monro (2007) suggests, new institutionalism could be economic new institutionalism or, and political new institutionalism that have emphasized formal norms or rules and statutes; that people act on the bases of their rational choice, especially in the economic perspective of new institutionalism. The study of Monro (2007) also claims and reiterated the notion of sociological new institutionalism where she based the

ideology from classical sociologists, especially Max Weber's concept, stating that the institutional framework encompassed customs, conventions, social norms, religious and cultural beliefs, households, kinship, ethnic boundaries, organizations, community, class, status groups, markets, the law and the state (Monro, 2007). But, for the purpose and the approach, given that this study involves norms regarding policies and the processes of governance, the use of the perspectives of political new institutionalism is incorporated; although this research has a domain in line with gating, which is sociological.

Given that the new institutionalism theory is sociological in most respect, the incorporation of political perspectives to justify and qualify the study's objectives and the findings will be discussed in the succeeding area of this paper. As far as the approach and the design of this research are concerned, the theory is much of a guide and will be contextualized in the succeeding discussion of the paper.

4.0 RESEARCH METHODOLOGY

With the concept of governance, providing services, and management of daily affairs of lives within a gated community, this paper used a descriptive method, utilizing particularly a phenomenological approach defining everyday experiences of residents in a gated community. The use of phenomenology was essential for the analysis of data, given that phenomenology is tracked to evaluate, let alone assess the response of the study's 9 selections, as regards to their experiences inside a gated community. An aide memoire was constructed to serve as an interview guide using the variables discussed and its definition to come up with the closest description of the residents' experience of the services being provided by the HOA and the LGU.

In relation to the study's research parameters or foci together with the domain, the chosen

gated community is BF Homes in Quezon City. By dealing with the aforesaid principles as to this paper's method, the findings were analyzed using thematic analysis and came up with a dendrogram that identified recurring themes, which are the themes that answers the presented assumption, and will be presented in the succeeding statements.

5.0 FINDINGS AND ANALYSIS

The analysis was conducted through the use of qualitative research corpus of data, which is the interview of the residents of BF Homes Subdivision in Quezon City. The themes and categories of this study's data were collected from the transcriptions of the interview and are conceptualized qualitatively in order to find perspectives that would be used for the discussion on the themes being contested. The thematic analysis will be discussed in the succeeding sections; since this is qualitative research, the use of new institutionalism will serve as a guide and pattern in order to acquire and come up with contextualized analysis regarding this study's focus.

5.1 Collaborative Security Measures:

i. Service Dissemination

The demand of gated community is manifested by the scarcity of services in the local sector and opportunity to experiment new things for goods and services redistribution (Low and Smith, 2006).

ii. Security Services by the Village

Security services inside the village is one of the most important, if not the most important service that a gated community could offer (Ignacio, 2010). In this study, collaboration of security between the HOA and LGU marks a shift that governance have compromised. The respondents

or selections have argued in relation to security, that:

“We have a security that makes sure that no outsiders come in to the village without having been questioned by the security detail, as far as IDs, purpose, etc. are concerned.” (Resident B)

“We have a feeling of security inside the village because of the efficiency of the security detail”. (Resident B)

“Okay, ako lang yung tinatanong mo kasi ako, satisfied ako. Ang obligasyon ko, kung may makikita akong masama, isusumbong ko sa security officer, kasi ung incharge, di naman niya alam ginagawa ng iba, kung minsan nga natutulog e. (Okay, you are asking me? I am satisfied. My only obligation is to file a complaint about incidence of misconduct to the SO. Because, sometimes the in charged security, is taking a break, a nap, during duty hours.) (Resident D)

“We hire our own security agency, primarily for them to implement our policies when it comes to generally access and also for the protection of the community members.” (Resident A)

“We are informed of coming visitors, tapos, about our vehicles, meron kaming lane outside visitors, ano ito, mga homeowners, kung minsan they just let it go.” (We are informed of coming visitors, then, about our vehicles, we have a lane outside visitor, for the homeowners. Sometimes they just let it go). (Resident G)

The abovementioned statements were part of the phenomenon on gating, as stated in Ignacio’s (2010) study, security inside the village is the most important service that HOA and the GC could offer.

iii. Security Services by the Police Force

Security services courtesy of the police force, primarily from the local public sector, are also evident in any gated community. By this, few residents have said:

“We also have coordination in, of course the police force, station 6 and station 5, kasi yan yung dalawang malapit na presinto dito sa atin” (We also have coordination in, of course the police force, station 6 and station 5, because those are the two accessible precincts here in our place”). (Resident A)

“Tatawagin ang barangay, sila nagsasabi na, ganito ang masama, Nasa kanyan yun, depende na naman sa security officer” (The barangay will be called, and they will be told about an incident, but It depends on the security officer whether or not the barangay personnel or security will be entertained in the village). (Resident D)

Security Services by the Police force, under the local government unit, coordinate with the HOA, as stated in the mentioned statements of Resident A and Resident D. The idea of collaboration entails that inside a village, there are compromising parts in living inside a GC. There are statements, for further presentation, in the succeeding paragraphs that will give us idea on the collaboration of services, whether it is political or apolitical in nature.

iv. Collaboration of Services through Special Arrangements and Deals

Collaboration of services is through communication and special arrangements or deals. Residents do respond that communication is a tool for collaboration:

“Pagka piyest, pag ganun, magdodonate sila. Tsaka kung may mga problem, kaso kaso, barangay.” (Whenever there is a celebration,

for instance, the barangay is involved. And whenever there is a problem or conflict, as such cases, it's the barangay"). (Resident F)

"We communicate to the local government. Like we maintain close ties with the barangay and, the congressmen, and the councilors of the district, are also very much interested in the needs of the community." (Resident A)

"Yun nga yung basura, garbage. Nung araw meron kami dito, meron kaming dito na fire truck, pero wala na. Sa LGU na". (The garbage collection. There was a time, we have our own fire truck here in the subdivision. But now, its under the LGU already.) (Resident E)

Resident F's and Resident A's statements about their experiences with regards to close collaboration marks agenda for political services, but Resident E's statement connotes to the idea of an apolitical services, simple services that the village could provide, but was transacted to the LGU as part of their protocol.

The aforesaid statements of their experiences, the residents' experiences on security services, personifies an idea that living inside a GC is synonymous to living outside the GC as far as the community is concerned, disregarding the notion of gating. As stated in the theory of this study, new institutionalism, from the study of McCabe (2005) the HOA can be a substitute in providing services to the residents. Moreover, study of Feiock and Andrew (2006) reiterates the importance of partnerships, evident in the statements of Resident F, Resident A, and Resident E, that the partnerships' design, as such the delivery of public services, is through joint planning and program development (Feiock and Andrew, 2006).

5.2 Services in the Village: From the Public and Private

i. Services from the HOA

Services in the village provided by the HOA include the garbage collection, water supply, electrical supply, and security and welfare services. These are the main services Resident H, Resident F, Resident G, and Resident A pointed out during the interview. It is coincided in the study of Landman and Schonteich (2002) and Ignacio (2010) as stated in the review of related studies, as such security. The study of Goldhaber and Donaldson (2012) also indicated the services on the maintenance of the enclave, as such the amenities. The following are the statements of the residents regarding their experiences as to their knowledge of the services granted with and by the HOA:

"We have water supply, electrical supply, garbage collection, those are the ones that we need in this subdivision". (Resident H)

"Well collected talaga kami dito, tsaka ang basura namin dapat naka plastic, naka plastic talaga" (We are well collected in terms of the garbage management and it should be in plastic, should be in plastic). (Resident F)

"Major services, garbage collection, our water, so far ang water naming okay". (Major services, garbage collection, our water, so far it is okay) (Resident G)

"Well, first is the security, then the maintenance also, and then the infrastructure, and the social welfare services, these are the main four services". (Resident A)

ii. Services from the LGU

Services from the LGU, on the other hand, are close to similar with the HOA's in terms of the significance. As Resident B, Resident A, Resident I, and Resident F have stated in the interviews. The response of the respondents corroborated with the study of Feiock and Andrew (2006) on the local government and the nonprofit organization's partnerships.

“There was, they sent representatives for those who are not yet registered to register”. (Resident B)

“Services? Just like the services that they can provide to everybody who lives outside the community. So, granting of certifications, mga barangay clearances, police clearances.” (Resident A)

“They do respond with the emergency happenings, they do respond immediately”. (Resident I)

“Wala naman sila binibigay masyado, pag ganyan pagka, yung senior citizen, na inaavail, na binibigay sa mga seniors.” (They do not give amply, the only thing is the benefits for the senior citizens) (Resident F)

5.3 Rights and Fights: Service Satisfaction and Dissatisfaction

Homeowners are less active in the local government because they are satisfied with the quality of life and public goods provisions by the HOA (Cheung et al., 2014).

“It is a fight because it keeps the villagers safe and secure. There is no fight because when the villagers or the homeowners are safe and secure, what is the reason to fight”. (Resident B)

“Well there are so many loop holes, so many, maybe because the securities assigned here or the agency is a little bit, lower in class”. (Resident I)

”All services, sa kin okay lang, okay lang sa akin dahil di naman ako nagreklamo pa e. Wala naman akong inirereklamoE, they allow me naman, so what reason do I have to complain?” (All services, for me, it is fine, it is reasonable, I never have to complain, nothing. They allow me so what reason I have to complain?) (Resident C)

“At present, you know, you cannot please everybody, but majority, satisfied”. (Resident F)

“Yung subdivision? Kasi yung garbage, barangay naman yun, kung minsan, ang schedule namin dito e Tuesday and Friday, minsan di dumadating. Tuesday, kung minsan dumadating ng Wednesday” (In the subdivision, well, the garbage, it is of the barangay, sometimes the schedule is not followed, the schedule here in the village is Tuesday and Friday, and sometimes no show. Sometimes it’s Wednesday). (Resident E)

The abovementioned statements clearly manifests from the residents’ experiences, and as mentioned in the study of Goldhaber and Donaldson (2012), people living inside a GC are satisfied because of HOA’s efficiency in terms of their provisions on quality and public goods; and it is a right thing. However, there are certain aspects or realities, inside a GC that has an impact on how residents live within the corners of the enclave, evident in the statements of Resident I and Resident F; these can lead to a perspective that the role of HOA is not sufficient enough for the entirety of the GC.

5.4 HOA as an Administration

HOAs are often compared with cities or the local public sectors because both provide services, levy taxes, and regulate individual behavior (McCabe, 2005).

i. Implementation of Regulations on Services through Assemblies

“It is discussed within the board. And when agreed upon, a board resolutions issued. Then upon signing by the members, it’s communicated to the concerned people who are supposed to implement it.” (Resident A)

“I think the homeowners has a voice, because every now and then, they call meetings, meetings or general assembly”. (Resident C)

ii. Revenue-Raising Power

The revenue-raising power of the HOA is close to similar to that of the local government, that Article 5, Section 153, Chapter 2, Book II of the Local Government Code of 1991 states that:

“Local government units may impose and collect such reasonable fees and charges for services rendered”. (Rodriguez, 2013)

The above provision under the Local Government Code of 1991 as a basis for the matters on fiscal policy and fiscal accountability will be discussed in the succeeding sections, as the paper traverse through the details of the themes, and transcend and explore for the purpose of finding recommendations.

“You must pay your association dues. Kailangan magbabayad ka, kung hindi, kaya nga magbabayad ka kasi andito ka sa loob e.” (You must pay your association dues. You should pay, because you are availing the security and all other services.) (Resident C)

“Qualification is a bonafide member first, paying member, I mean religiously paying the dues”. (Resident I)

“You must be in good standing, which means that you have paid your dues”. (Resident A)

“May monthly dues, kasi pang bayad sa security, pag bayad sa maintenance, lahat, lahat ng benepisyong nakukuha naming dito, e binabayaran ng homeowners”. (There are monthly dues for the remuneration of the security, for the maintenance fee, all of the benefits in the village, they are all monitored through funding, made by the homeowners.) (Resident D)

One of the reasons that living in a GC is synonymous to living outside of it, is the levy of taxes, in a form of association dues. And clearly,

in this study’s finding, the association dues is the most important thing to be considered, it is evident as to how the enclave manage throughout the entirety. McCabe (2005) consider taxes as vital in a GC to produce goods, and these taxes are the association dues (Lerman et al., 2012). Low and Smith’s (2006) study, reiterates that the management uses the fees in order to provide adequate amenities for the residents.

5.5 Public Intervention: Guide from HLURB

i. Jurisdiction within the Village

“We have his BF organization where they have their own policy that they enforce upon the homeowners”. (Resident H)

“There were times when the homeowners and the directors had a conflict especially in the other decisions which the members are not informed and have not agreed upon.” (Resident I)

“Fraternizing between the security and the homeowners, so there should be constant change of security detail; or complacency between the sectors.” (Resident B)

“Meron, nag aano sila ng ano, house to house, nagbibigay ng advisory, binibigyan ng ano, I hope lahat nabibigyan.” (There are advisories that are disseminated on a house to house basis) (Resident C)

“It is discussed within the board. And when agreed upon, a board resolution issued. Then upon signing by the members, it’s communicated to the concerned people who are supposed to implement it. So that is how it is implemented.” (Resident A)

“If there is a law then you have to follow it, and that is a procedure”. (Resident H).

As part of the study's regulatory matters, it is essential to embark the perspective on HLURB, the central regulatory government agency in the country, which follows protocols on how GC should be managed by a single administrative management, the homeowners association or HOA. The further discussion will be presented and suggested in the succeeding matters of this study.

6.0 DISCUSSION

This section of the study marks the advent of mechanisms in ascertaining the good side and bad side of having a homeowners association, to what extent does it go for the services of the residents, the essentiality of HOA as an institution, and how does HOA became important as a substitute of the LGU. The themes that were extracted out of the interviews from the residents of the village BF Homes QC, are: collaborative security measures, services in the village, the rights and fights of services, HOA as an administration, let alone the theme on HLURB in the perspective of regulations.

In collaborative security measures, the mechanism of security and services partnerships were evident. Security services inside the village is one of the most important, if not the most important service that a gated community could offer (Ignacio, 2010). In this study, collaboration of security between the HOA and LGU marks a shift that governance have compromised. The statements of Resident A, Resident B, and Resident D follows what is being consented in terms of the access in the village. The study of McKenzie (2005) argues that the fear of crime and disenchantment to the government paved way to living in a GC; hence for the security, which was coincided from the interpretation of the studies made by Le Goix (2005), Genis (2007), and Little and Malpezzi (2009).

Another aspect of collaboration were manifested in the statements of Resident F,

Resident A, and Resident E, in their accounts on GC's partnerships and representation. By this, it means collaboration for collective interests (Manzi and Bowers, 2005; Vesselinov, 2008; Caffrey, 2010), in consonance with the study of Barbara Coyle McCabe (2005). As far this research is concerned, a theme was conceived with due respect to the services to the residents, synonymous enough between the statements of Resident F, Resident G, Resident G, Resident A, and Resident I and the studies of Cheung (2008) and Goldhaber and Donaldson (2012).

In relation to the aforesaid matter on services, there are rights and fights or so called satisfaction and dissatisfaction, rendered to the residents. Statements of Resident B, Resident I, Resident C, Resident F, and Resident E were examples of their satisfaction and predicaments in terms of the services that were given.

In doing so, speaking in terms of the services, a single institution has emerged, and this is the homeowners association which is a residential private government (McCabe and Tao, 2006; Groves, 2006; Cheung, 2008; and Vesselinov, 2008). HOA as an administration is about the institutionalization of HOA as governing body inside a gated community. The aspect of institutionalization will be discussed in the succeeding area of the paper, which is under the discussion and contextualization of the theoretical perspective new institutionalism.

There are two aspects of HOA as an administration, the idea of the implementation of matters as a governing body, and the one is the revenue-raising power as an organization. The subtheme of implementation of policies through assemblies were pointed out by Resident A and Resident C. Since HOA has a jurisdiction that makes residents automatically HOA members (McCabe and Tao, 2006), it is a fact that assemblies from time to time are held to discuss things as stated by Resident A. And, the most important aspect of being an administration is the power to manage fiscal, implementing fiscal policies, that HOA is a self-taxing resident associations (Townshend, 2006).

For the next theme, it is of the fact that in the country, almost everything is regulated, and same goes with the institutional value of HOA as a governing institution inside a GC. The regulation for the HOA is under the jurisdiction of HLURB or Housing and Land Use Regulatory Board, which is under the National Housing Authority. Of the latter, Republic Act No. 9904 or the Magna Carta for Homeowners and Homeowners' Associations, was ratified in lieu for the proper regulation of the associations in the country, in particular with the HOA; the ratification is in accordance with the provisional rights under the State Law. The responses of Resident H, Resident I, Resident B, and Resident C, together with Resident A were relative to the main value of HLURB's regulation, which is to guide the HOA and the village in general, in relating and disseminating the provisions inside the enclave.

This study addresses the gap between HOA and LGU's compromising matters, as this study's theoretical perspective, the new institutionalism, suggests. New institutionalism is a theory used in the study of McCabe (2005) to compare cities and the homeowners association. In the preceding subjects on theoretical perspective, it has been connote that institutions are viewed as critical indicator in any analysis of policy (Awesti, 2007).

New institutionalism have a variety of context (March and Olsen, 1984; and Monro, 2007), but this research is in line with political science, so the use of political new institutionalism as a specific theoretical aspect will be discussed in the succeeding paragraph. Political new institutionalism emphasize formal norms or rules and statutes (Monro, 2007). As stated earlier, given that the new institutionalism theory is sociological in most respect, the incorporation of political perspectives to justify and qualify the study's objectives and the findings will be discussed in the succeeding area of this paper. As far as the approach and the design of this research are concerned, the theory

is much of a guide and will be contextualized in the succeeding discussion of the paper.

Prior to the theory incorporation, first is the presentation of arguments of this study, the research objectives and the assumptions, in lieu to the perspectives that will be used in order to analyze the existence of new institutionalism, as far as the experiences of the residents and as far as the research question are concerned. The main objective is to qualify a local governance inside a gated community, while the specific objectives are: (1) to ascertain different services to the residents; (2) assess HOA as an institution that governs the residents; (3) and, to evaluate HOA in lieu with the local public sector in terms of governance inside a GC.

The first assumption corresponds to the first variable which is the idea of gated communities which is people live in a GC for a better social commodity. As for the second and third subject matters, namely HOA and the services to the residents, the assumptions revealed that the institutional value of HOA is manifested through the residents' financial and or fiscal assistance, and there are variety of services that HOA has imposed in accordance with the needs of the community in lieu with the local government's participation. Overall, as to the generality of the assumptions, a research question is imposed in line with HOA as an institution that levy management acts similar to the public government or the local public sector, stating: to what extent does the HOA acts like an LGU in the Philippine perspective? This research question is manifested through the use of new institutionalism theory, being the main guide of the entirety of this paper, analyzing the existence of HOA in the country.

To properly contextualize the theory, it was being presented in the preceding details that most of the statements from the residents were towards satisfaction and dissatisfaction. In other words, the experiences of the residents has a lot of issues concerning the fact that living inside a GC is same with living outside of it, the only matter is the idea of gating which is the main

definition of living inside an enclave. New institutionalism acts as a guide to understand that primarily the politics, let alone the administration inside a gated community is like a governing process by the LGU; the only difference is that residents pay taxes in a form of association dues in order to satisfy, let alone hold and mandate services to the board of directors or the HOA in general.

As stated earlier, this study specifically is guided by the principle of new institutionalism, the context of politics was compromised, and additionally put politics making it political new institutionalism. This, by the fact that HOA is the only governing institution inside the enclave, paved way to a fact that substitution is prevalent; and that, HOA also conforms to the provisions that are entitled to the residents made by assemblies. It is confirmed that by HOA is making a government that is based on provisions and regulations, is an entitlement to the residents to pay association dues in order to realize these provisions and regulations. Indeed the similarity is obvious and remarkable, but in accordance to the research question, this will pave way to a new direction in the perspective of new institutionalism.

To what extent does HOA acts like an LGU? It is a question that is bound to be answered in accordance with how the residents responded to their experiences within the village. Regarding this question, this, the study would like to present and suggest that there are good sides of the HOA as an institution whether sociologically or politically, but the great concern is the bad side of HOA as an institution.

The questions for the bad side of HOA are as follows:

- Does HOA entitled to the fiscal policy under the LGU?
- Does HOA entitled to initiate its own policy without a consent to the government authority since it has been contested as a private institution?

The two aforesaid questions can lead to a great inquiry regarding fiscal policy of whether or not the HOA can be an institution can be both public and private organization, since it is regulated by the government.

7.0 CONCLUSION

To conclude, the main objective that is to qualify the existence of HOA in a GC and in the society is being perceived much to the statements of the residents, given the circumstances of how residents experienced being members of the HOA inside a GC. The general objective was answered throughout the entire discussion, with the response of the residents as the instrument in order to analyze the existence of HOA in a GC, let alone the importance and necessities of HOA as an institution. The themes were manifested and analyzed through the use of statements of the residents and the utilization of the theoretical perspective, which is the new institutionalism, a theory used by McCabe (2005) in her study on the comparison of HOA and cities.

The use of new institutionalism paved way to the uttermost understanding of HOA as an institution, paving to the incorporation of political principles making it political new institutionalism. In line with political new institutionalism, the central question was answered in lieu with the former perspectives as to the extent of HOA being an institution of governance. And with these, a new idea is emerged in relation to HOA as an institution.

The good side and the bad side, which fundamentally the advantages and disadvantages of having a HOA and its effect to the community. In relation to the findings, analysis, and discussion, there are contested ideas that would describe and substantially define the existence of HOA in a GC: the collaborative mechanism imposed by HOA, the services to the residents or the community, the rights and fights over the service provisions, the institutionality of HOA, and the regulatory agendum of HLURB.

The study's specific objectives include: (1) to ascertain different services to the residents; (2) assess HOA as institution that governs the residents; and, (3) evaluate HOA in lieu with the local public sector in terms of governance inside a GC. As per first specific objective, it was answered in the findings and analysis of data, wherein services include the security, water supply, and welfare services. In relation to the services, the good side is towards the service dissemination and the bad side is the extent of services by the use of fiscal policy.

The second specific research objective, the assessment of HOA as an institution that governs the residents, was answered through analyzing the matter on fiscal policy, and the regulations set by the HLURB, as a sole regulatory board for the HOAs. In line with the third objective, which is the evaluation of the HOA, this was evident in the findings that there is a collaboration of services by the HOA and LGU, this in turn to be the significance of HOA in lieu with the LGU. Also, as the evaluation implicated, the analysis turned out to be that LGU and HOA do collaborate but only to a certain extent, and this cannot be confused with HOA as a governing body with a regulation set a government, a public government.

As for the suggestive acts towards future studies, the reason this study posits with the good and the bad side of the HOA, is due to the findings, analysis and discussion, that clearly shows the importance of HOA as an institution, and the limitations of HOA; and this is evident to the fiscal policy, that is, the most important aspect in service satisfaction and dissatisfaction, let alone to HOA as an administration, as stated in the second objective. The good side is towards the service dissemination to the residents, and the bad side is the extent of services to the residents, granted with the use of fiscal policy, as the first specific objective dictates. So, it is a recommendation to study thoroughly the manifestation and existence of fiscal policies in a GC, in relation to the LGU, towards services mechanism and services

satisfaction, with or without collaborations or partnerships with the local public sector.

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