



FOUNDATION FOR
COMMUNITY ASSOCIATION

research

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CREATING HARMONY IN DIVERSE COMMUNITIES



REPORT FINDINGS

Quantifying and
categorizing discrimination
complaints

Response procedures

Preventative measures

CREATING HARMONY IN DIVERSE COMMUNITIES

SUMMARY

Amid the backdrop of the COVID-19 pandemic and economic shutdown in 2020, Americans gathered around the dinner table and the virtual board room to have difficult and honest conversations about equality and justice. Thousands upon thousands marched across the country—from big cities to small towns—in protest of unfair treatment, representation, and opportunity.

The purpose of community associations everywhere is to bring people together, strengthen neighborly bonds, promote a sense of belonging, and build a place where we can connect. That mission should be on the minds of community association board members, managers, and business partners in the smallest city condominium to the largest master-planned suburban community.

A reported rise in the number of discrimination claims within community associations has put that mission in jeopardy. Intertwined with discrimination claims are general complaints from residents who respond negatively to delinquent assessment collections notices or community covenants, conditions, and restrictions compliance requests.

The Foundation for Community Association Research set out in late 2020 to investigate the extent of discrimination claims in community associations, test a hypothesis that communities with robust communications and active social events calendars would have fewer problems, and create a baseline from which diversity, discrimination, and communications in our communities could be measured.

Nearly 700 community association managers and more than 300 community association residents were surveyed separately and asked about attitudes, practices, and experiences with regard to diversity and discrimination issues, how any issues have been resolved, and recommended practices for reducing issues in community associations.

Among the findings:

DISCRIMINATION COMPLAINTS

- Roughly half of community association managers (53%) report at least one diversity or discrimination complaint. While a majority (59%) of the association managers in the survey say there has been no change in the number of discrimination/diversity complaints, a plurality believe there has been an increase (24%) versus a decrease (4%).
- Only 1% of residents report having an outstanding claim against the community association for discrimination.
- Diversity complaints focused more on other residents (72%) than the board (46%).
- A small minority of managers reported complaints being filed at the state level (13%) and federal level (5%).
- Discrimination complaints have the highest incidence regarding ethnicity (76%) and then disabilities (20%) and age (19%).
- Over half (55%) of complaints were prompted by collection notices, violation letters, or social media posts. Three quarters of the associations reported at least one complaint between residents.
- Feelings of racism top the list of reported discrimination complaints.

RESPONDING TO DISCRIMINATION COMPLAINTS

- The most common procedures currently in place to handle discrimination complaints are a review by the board and a hand-off to legal counsel.
- The vast majority of the association managers report no procedures in place to handle diversity complaints.
- Two-thirds of the residents say there is no board member training to address issues of discrimination.
- Residents are somewhat split on holding management responsible for protecting their civil rights with respect to diversity/discrimination issues within their community (59%) and discrimination issues between residents (45%).

PREVENTING DISCRIMINATION COMPLAINTS

- Two-thirds of residents (64%) agree that the regular events their association offers helps them getting to know their neighbors.
- Eight in 10 residents agree that knowing their neighbors would contribute to more talking to them versus reporting a dispute.
- Association communications are fairly prevalent; about two-thirds report at least monthly communication with residents.
- Community social events are also common; 71% hold at least annual events, and over half have at least four events per year.
- Managers (18%) do perceive that increases in social events reduce diversity complaints. The numbers are similar for discrimination complaints.

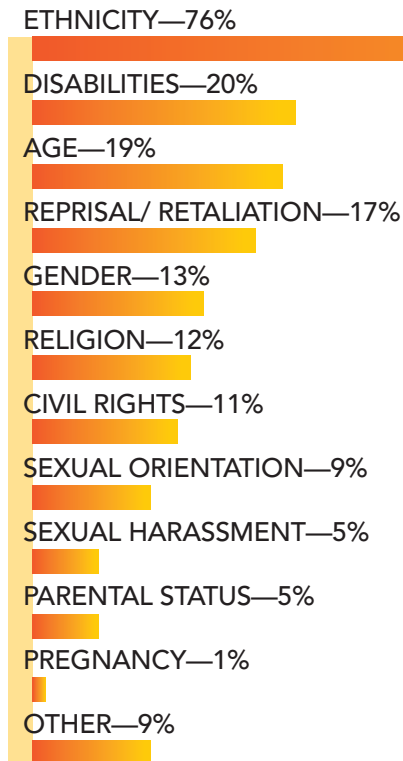
CONCLUSION

Based on these findings, the Foundation recommends that Community Associations Institute develop training and education that covers:

- How to establish formal procedures for handling diversity and discrimination issues in associations.
- Promotion of the importance for continuing active social programs and communications for reducing complaints. This relationship is already being recognized by management and residents as evidenced in these surveys.
- Education on relevant state and federal laws on diversity and discrimination issues as well as emerging changes in the way courts are handling these issues.
- The importance of board training on diversity and discrimination issue management and on how to handle resident-to-resident complaints and complaints to the board.

DISCRIMINATION COMPLAINTS

TYPES OF COMPLAINTS EXPERIENCED IN RECENT MEMORY



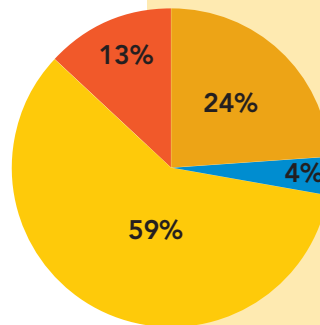
Total (n = 366). Community association managers. Respondents selected all complaints they were aware of in their communities.

COMPLAINT PROMPT

Was the complaint prompted by community association assessment collection notice, violation letter, or social media post?



Total (n = 366). Community association managers

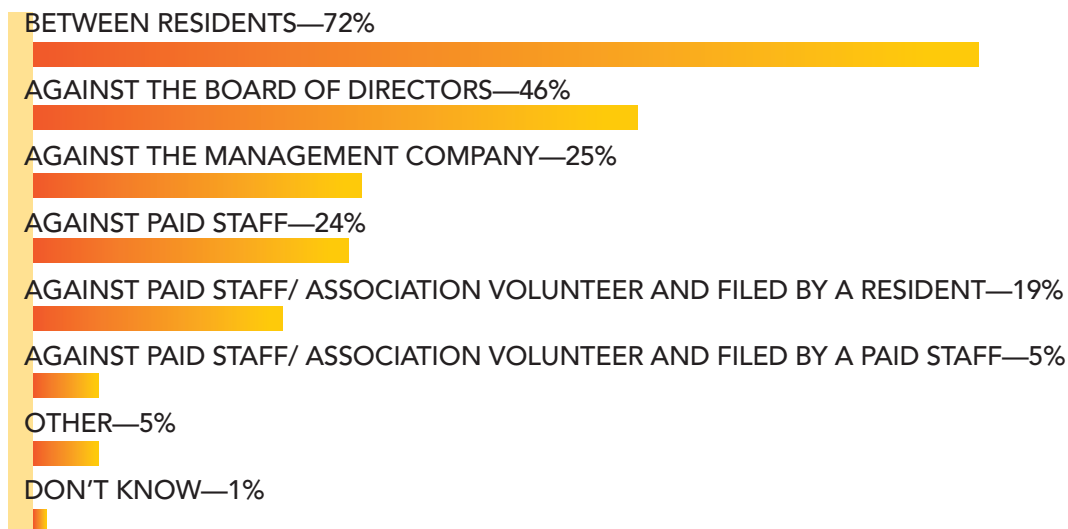


TRENDS IN COMPLAINTS

- Complaints are increasing—24%
- Complaints are decreasing—4%
- No change in complaints—59%
- Don't know—13%

Total (n = 687). Community association managers

COMPLAINT DIRECTION



Total (n = 366). Community association managers. Respondents selected all of the complaint directions they were aware of in their communities.

RESPONDING TO COMPLAINTS

RESPONSIBILITY

Should community leaders be responsible for enforcing individual civil rights with respect to diversity/discrimination issues within the community?

Yes—59%

No—41%

Total (n = 305). Community association residents

Should community leaders be responsible for dealing with discrimination issues between you and your neighbor?

Yes—45%

No—55%

Total (n = 305). Community association residents

PROCEDURES

What types of procedures do your community association clients have in place to handle discrimination issues?

- **A review/hearing by the board or a committee of the board (no formal procedure).**
- **Sending the complaint to their legal representative (no formal procedure).**
- Following a written complaint policy procedure.
- Investigating the complaint.
- Sending the complaint to human resources.
- Following Department of Housing and Urban Development guidelines.
- Following state/federal guidelines.
- Following a neighbor policy.
- Alternative dispute resolution.

Bold = most common mentions. Community association managers

What types of procedures do your community association clients have in place to handle diversity issues?

- **No procedures in place.**
- Referral to attorney.
- Referral to human resources.
- Hold a hearing.
- Follow community association policy.
- Follow state recommended procedures.

Bold = overwhelming majority of responses. Community association managers

TRAINING

Does your association provide any training for board members to address issues of discrimination?

Yes—14%

No—63%

Don't know—22%

Total (n = 305). Community association residents

PREVENTING COMPLAINTS

KNOWING NEIGHBORS

If you knew your neighbors, and a diversity/discrimination issue dispute arose, would you be more open to talking directly with your neighbor instead of reporting the issue to the association?

Yes—80%

No—20%

Total (n = 305). Community association residents

HOLDING SOCIAL EVENTS

Please indicate if the number of discrimination complaints increases, decreases, or stays the same for communities that tend to have more social events.

Increases in number—6%

No change—60%

Decreases in number—34%

6%

60%

34%

Total (n = 322). Community association managers

COMMUNICATION

Please indicate if the number of discrimination complaints increases, decreases, or stays the same for those communities that tend to have increased homeowner communications.

Increases in number—6%

No change—61%

Decreases in number—33%

6%

61%

33%

Total (n = 364). Community association managers

ADDITIONAL SOLUTIONS

Perhaps understanding that preventing discrimination requires a multifaceted and ongoing approach, roughly half of community association managers did not know whether a robust social events calendar or a regular communication program alone would increase or decrease the number of complaints in their communities. The Foundation for Community Association Research recognizes that social events and communication are only part of potential solutions for harmony in diverse communities and recommends that Community Associations Institute develop training and education (p. 3) that covers several aspects of diversity and discrimination: formal procedures for handling the issues; events and communication; state and federal laws; relevant court cases; and managing complaints between residents and those directed at the board.

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