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**June 5, 2006**

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## **FOR IMMEDIATE RELEASE**

### **Jeb Bush Supports the Privatization of American Local Government**

While President Bush extols the virtues of American democracy and does a “sell-job” to the world, his brother, the Governor of Florida, Jeb Bush, has just fired a state official seeking to maintain the principles of government that made America a great nation. Dr. Virgil Rizzo, Condominium Ombudsman, was hired only a year and a-half ago to protect the rights and freedoms of Americans living in Florida condominiums that are subject to privatized corporate governments. These governments operate outside those protections every American thought was guaranteed to them at birth.

The South Florida Sun-Sentinel reported on June 3<sup>rd</sup> that,

But Rizzo was strongly opposed by the Community Association Leadership Lobby, an arm of the Becker & Poliakoff law firm that represents more than 3,500 boards in Florida. Its executive director, Donna Berger, couldn't be reached for comment on Friday and the public relations firm that generally speaks for CALL wouldn't comment.

CALL opposed Rizzo because he supported changes that boards and their lawyers didn't think were necessary. Among them: term limits on directors, mandatory safety inspections of condo buildings, mandatory education for directors, a law to make it illegal for directors to abuse owners and creation of an ombudsman for homeowner associations.

The CALL web site reads,

CALL was created by Florida-based international law firm Becker & Poliakoff, P.A. and is headed by Becker & Poliakoff attorney Donna D. Berger. Ms. Berger is a noted authority on legal issues relating to all areas of common ownership housing communities, including condominiums, cooperatives, timeshares, mobile home communities and homeowners' associations.

Ms. Berger's law firm profile states that,

CALL, the Becker & Poliakoff Community Association Leadership Lobby, which represents the interests of our 4,000+ community association clients by monitoring and responding to legislation emerging from Tallahassee which can significantly impact our common ownership housing communities.

What the web site does not tell the viewer is that Gary A. Poliakoff is a member of the Community Associations Institute, CAI, and its College of Community Associations Lawyers. Members of CCAL are obligated to uphold the objects of CAI. Nor, does it say that Ms. Berger is also a CCAL and CAI member. (An examination of such similar associations in other states will reveal the heavy hand of CAI). Nor does it list other Becker & Poliakoff attorneys who are also members of CCAL: Joseph E. Adams and Mrs. Ellen Hirsch de Haan (former national CAI president). It's safe to say that CALL is a front organization for CAI's national lobbying efforts in Florida.

We know what principles Dr. Rizzo upheld, but what about Community Associations Institute? Here's a glimpse at CAI's interest in condos and HOAs, and its view of democratic principles as applied to privatized governments. First, it must be understood that CAI is a national lobbying organization for the association industry -- the lawyers and management firms -- that allows for a minority representation of a homeowners association class on its Board of Trustees. The directors of any association that is a member or supporter of CAI must address serious questions of breach of fiduciary responsibilities to its members, and justify its conflict of interest between loyalty to CAI or to its membership.

Viewers to its web site are told,

CAI also advocates for legislative and regulatory policies that support responsible governance and effective management. We represent the interests of our members before the U.S. Congress, federal agencies, and other policy-setting bodies on issues such as taxes, insurance, bankruptcy reform and fair housing. In addition, state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as assessment collection, foreclosure, and construction defects.

In regard to the government regulation of HOAs,

Community Associations Institute supports effective state legislation -- when it is deemed necessary for consumer protection, conversion limitations, protections for ongoing operations or other additions to existing statutes or common law to ensure that community association housing is developed and maintained consistent with legitimate public policy objectives and standards that protect individual consumers, balancing the legitimate rights of the development industry.

**Local legislation concerning the creation or governance of community associations is antithetical to a balanced,** well-considered assessment of all issues and interests affecting community associations. It also encourages a patchwork of regulations within an individual state and is, therefore, better dealt with at the state level.

The only interpretation that can be given to these two position statements is that CAI desires to set statewide laws, like the Uniform Common Interest Ownership Act, UCIOA, in which it can maintain its control over the agenda.

It is the policy of CAI to recommend that when state governments amend their basic community association development laws they consider the need for updated and comprehensive legislation to regulate the development of community association housing consistent with the above goals. **Moreover, in undertaking such review, state governments are urged to consider and give favorable treatment to one or more of the Uniform Community Association Acts.**

Yet, in spite of its claim to desire to protect consumers, in its amicus curiae brief in the Twin Rivers case (NJ), CAI cautioned against the application of constitutional rights and the democratic process:

In the context of community associations, the unwise extension of constitutional rights to the use of private property by members (as opposed to the public) raises the likelihood that judicial intervention will become the norm, and serve as the preferred mechanism for decision-making, rather than members effectuating change through the democratic process.

The CEO of CAI makes the following assertions in his “Welcome to Ungated” blog of May 22<sup>nd</sup> (emphasis added),

What we cannot support are situations that compromise the financial health and well-being of associations, place an undue regulatory burden and cost on associations, or treat associations differently than any other type of business entity. **Because that is what associations are – businesses. . . . They aren’t governments,** they aren’t personal private clubs, and they certainly aren’t fascist states created to deprive poor, unsuspecting homeowners of their rights. They are businesses that need to be run in a professional and business-like manner.

How many condo buyers and HOA buyers knew that they were primarily buying into business and not buying their home? Where is the information, either in the sales literature, in the state consumer protective agencies, or in CAI’s own literature and promotional materials, reports, government agency filings and testimony before government bodies? Where? CAI states in its brief Explanation of Community Associations, CAI speaks only of the concept of community and homeownership, and not about being a stockholder in a business,

Three features make community association homes different from traditional forms of homeownership. One is that you share ownership of common land and have access to facilities such as swimming pools that often are not affordable any other way. The second is that you automatically become a member of a community association and typically must abide by covenants, conditions, and restrictions (CC&Rs). The third feature is that you will pay an "assessment" (a

regular fee, often monthly, that is used for upkeep of the common areas and other services and amenities).

Yet, Governor Jeb Bush appears to have acceded to the CAI/CALL lobbying efforts to protect their business interests and to continue to deny those protections that Americans believed, since birth, were guaranteed by their government and its constitution. Where is the exercise of the State of Florida's police powers to protect one faction from the abuse of another faction? The absence of such protections can only mean the state's entwinement, cooperation and support of private authoritarian governments that are a blot to the American democratic principles, those same principles being extolled by his brother, the President of the United States.

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Additional references:

1. *Community Associations: A View by a Homeowner Rights Advocate*, George K. Staropoli, <http://pvtgov.org/pvtgov/ca.pdf> (2002).
2. *National Lobbyist for HOA Principalities: Community Associations Institute Dominating the Emergence and Acceptance in America of a Quiet Political Revolution in Authoritarian, Contractual Private Local Government*, George K. Staropoli, <http://pvtgov.org/pvtgov/downloads/politburo.pdf> (2006).
3. *And the Land Shall be Made Good Again: a poem*, George K. Staropoli, [http://pvtgov.org/pvtgov/downloads/the\\_land.pdf](http://pvtgov.org/pvtgov/downloads/the_land.pdf) (2006).

## George K. Staropoli



Mr. Staropoli is an Arizona resident who has been active as a homeowners rights advocate since April 2000. He has appeared before a Nevada Legislative committee, the Arizona HOA Study Committee, and testified many times before several Arizona Legislative committees; has been active in submitting homeowner rights issues to the legislators, the media and the public. His opinions and views have appeared in the national media: Kiplinger's Personal Finance magazine, CNN/MoneyOnline and in the New York Times, L.A. Times, Palm Beach Post, as well as on local TV news and in the Arizona Capitol Times. Mr. Staropoli has been quoted in *Private Neighborhoods and the Transformation of Local Government*.

In 2000 he founded and is president of the nonprofit **Citizens for Constitutional Local Government, Inc**, Scottsdale, AZ, a nonprofit organization seeking to inform the legislators and public about common interest property issues and to expose the prevalent myths and propaganda about carefree living in an HOA. *Citizens* believes in supporting principles of American democracy.

George has published several books and videos on reforming planned communities and their HOA form of government. He is editor of *Buyer's Guide to Living in a Community Association* (2001), and he is author of *The Case Against State Protection of Homeowner Associations* (2003), reaching a growing audience of concerned people. The author, a veteran homeowner rights activist, makes his case against state government protection of homeowner associations. He documents, using his appearances before the Arizona Legislature, state legislative hostility toward upholding the civil liberties of homeowners with their broad, misguided interpretation of "private contract" prohibitions, and the use of statutes that favor the HOA.

His StarMan Publishing, LLC produced a 42 minute DVD, *Somewhere Over the Rainbow* (2004), of the Arizona Legislative session documenting the loss of homestead protections and the right of the HOA to foreclose, and a 2 volume, 4 disk DVD series, *Homeowner Rights Advocacy 2006* (2006), documenting homeowner rights advocates at legislative sessions in Arizona and Texas.

Mr. Staropoli was a member of the CEO Club, NY, NY, served as Treasurer and board member of a Penn. HOA, and was a board member of the Valley Citizens League, Phoenix, AZ. He holds a MS in Management from Polytechnic University, Brooklyn, NY.

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