

n California, there is no standalone statute named the "POA Development Act." Instead, the legal term, structure, and statutory framework you are looking for is the **Davis-Stirling Common Interest Development Act** (codified in the California Civil Code, beginning at **§4000**).

This is the comprehensive body of law that defines, regulates, and restricts how a Property Owners Association (POA) or Homeowners Association (HOA) must operate.

1. The Legal Definition of a Development Under the Act

Under **Civil Code §4200**, a development is not legally considered a Common Interest Development (CID) subject to POA oversight unless **three specific elements** are jointly established and recorded:

- **A Recorded Declaration:** The developer must file a formal map and a Declaration of Covenants, Conditions, and Restrictions (CC&Rs) with the county recorder.
 - **Separate Interests:** The property must be divided into individually owned lots, parcels, or airspaces.
 - **A Shared Common Area or Shared Obligation:** Individual owners must hold either an undivided share of a common piece of property (like private roads, slopes, or facilities) *or* hold mandatory membership in an association that has an obligation to manage and maintain those elements.
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2. The Four Recognized Property Structures

The Act specifically defines four distinct types of developments that can fall under the jurisdiction of a POA:

1. **Planned Developments (PUDs):** Subdivisions where an individual owns their specific parcel of land/lot, while the common areas (such as community entryways, drainage basins, or private roadways) are owned either collectively by the owners or directly by the POA.
2. **Condominium Projects:** Developments where an individual exclusively owns an interior slice of airspace, while the physical structures, land, and shared areas are owned as an undivided interest by all unit owners.
3. **Stock Cooperatives:** A structure where a corporation owns the entire real estate property, and individual "owners" purchase shares giving them an exclusive right to occupy a specific unit.

4. **Community Apartment Projects:** Developments where all owners hold an undivided tenancy-in-common in the entire property, coupled with an exclusive right to lease a specific apartment.
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3. Mandatory Board Accountability & Corporate Rules

Because most POAs in California operate as **Nonprofit Mutual Benefit Corporations**, the Act interfaces directly with the California Corporations Code to impose strict boundaries on board power:

Strict Open-Meeting Compliance (Civil Code §§4900–4955)

The board functions under a strict transparency standard known as the *Common Interest Development Open Meeting Act*:

- **No Action Via Email:** Board members cannot vote, deliberate, or conduct association business via email strings or private casual gatherings.
- **The 4-Day Notice Rule:** For open board meetings, members must receive the notice and a **specific agenda** at least 4 days in advance. The board cannot vote on or discuss any business item that was not formally placed on that published agenda.
- **Executive Session Boundaries:** The board can only meet in a closed, private session for highly sensitive, legally protected matters (e.g., pending litigation, third-party contract negotiations, employee personnel matters, or member disciplinary hearings).

Assessment Limits and Lien Powers (Civil Code §5600)

While the Act grants a POA the authority to collect dues to maintain the common interest, it limits financial overreach:

- **Cap on Increases:** A board cannot increase regular annual assessments by more than **20%**, or levy a special assessment greater than **5%** of the current fiscal year's gross budgeted expenses, without a formal vote and approval from a majority of a member quorum.
- **Delinquency and Liens:** Assessments become delinquent 15 days after the due date. The association can charge a late fee (maximum of \$10 or 10%, whichever is greater) and interest. If an account remains unpaid, the board has the statutory power to record an **assessment lien** against the owner's separate interest, which can ultimately lead to a non-judicial foreclosure if the debt exceeds specific statutory thresholds.