To Be ... or Not to Be ... on the Web!

by ... Attorney at Law, and Bruce Fonoroff

Community associations are going online. But does it make sense for your community?
With the number of options for developing a community association web site and the many
directions a web site can take, it can become difficult terrain to navigate. But don't worry;
do your homework and you'll have a web site with top honors!

The key is to look at having an association web site like any other business decision regarding
the association. What are the benefits? What pitfalls do you need to avoid? Do its benefits
outweigh the costs?

We continue to hear about association web sites working against the association such as the following: "The site never gets used." "It doesn't have anything useful, just marketing information." "The resident who built it left the community and/or they no longer want the responsibility to maintain it." "No one knows how to update it." "Our association doesn't have an official web site, but a disgruntled resident started their own." "I've been to our association's web site, but I can never find what I'm looking for, there isn't even a site search."

If this sounds familiar or you're wondering how to avoid these issues arising within the board, the committees, the manager, staff, and membership, the good news is that with careful consideration and a little bit of legwork, you can gain an insider's knowledge of web sites that work for you and not against you.

Benefits, Benefits, Benefits

The reason why community associations are going online is that the Web can be an efficient tool to conduct association business and to communicate with residents. Considering a new deck this summer? Are you wondering where and when the next board meeting will be held? Would you like to submit an item to be considered for the upcoming agenda? Do you need to pay your association assessments? These tasks and a whole lot more can be accomplished through an association web site at anytime of day or night regardless of how busy the phone or limited are the posted hours at the manager's office.

A growing majority of Americans have access to and use the Internet routinely as part of their daily lives. Yes, there will be residents that say they don't have a computer. But don't let this block the advantages to be realized by the majority of homeowners. As of last year, nearly 65 percent of all American households have a computer and access the Internet. If you factor in a college degree or total household income of $75,000 or more into the statistics, that number jumps to over 82 percent.

Save Time and Money

Managers of communities with web sites receive less calls and requests from owners. Just imagine if you could experience what some managers say, "Our call volume has been cut in half." Even though some of those calls are replaced with e-mail, that's still good news to managers since what used to be a fifteen-minute call is now just a couple of minutes for e-mail correspondence. *Quick Tip: Add a Frequently Asked Questions (FAQ) page to your web site and set up template e-mail responses to those frequently asked questions that you receive directly. Be sure to include links to any supporting documents, instructions, and forms on the Web, otherwise you're still going to eventually get that call.*

Postage and printing costs can be virtually eliminated from an association budget by making Governing documents, newsletters, and important association information available online. Rather than printing and mailing your newsletter, why not post it online and e-mail it to the membership using an integrated mass e-mailing capability which can be found in more advanced association web site applications.

Generate Revenue

Web sites can easily generate revenue in the same manner an association newsletter has done for decades. Whether the revenue comes from company sponsorships or advertising from, for example, your local real estate agent, a few tastefully placed ads will not clutter or deter from the usability of the site. In addition, you can give value to homeowners by creating a separate classifieds section to be used by not only advertisers, but for residents who wish to sell that red leather chair. You can intersperse ads throughout the site or create a small banner ad. In either case, this can amount to real dollars: one 1,100-unit community in the Washington, D.C. area charges $1,000 per year for a
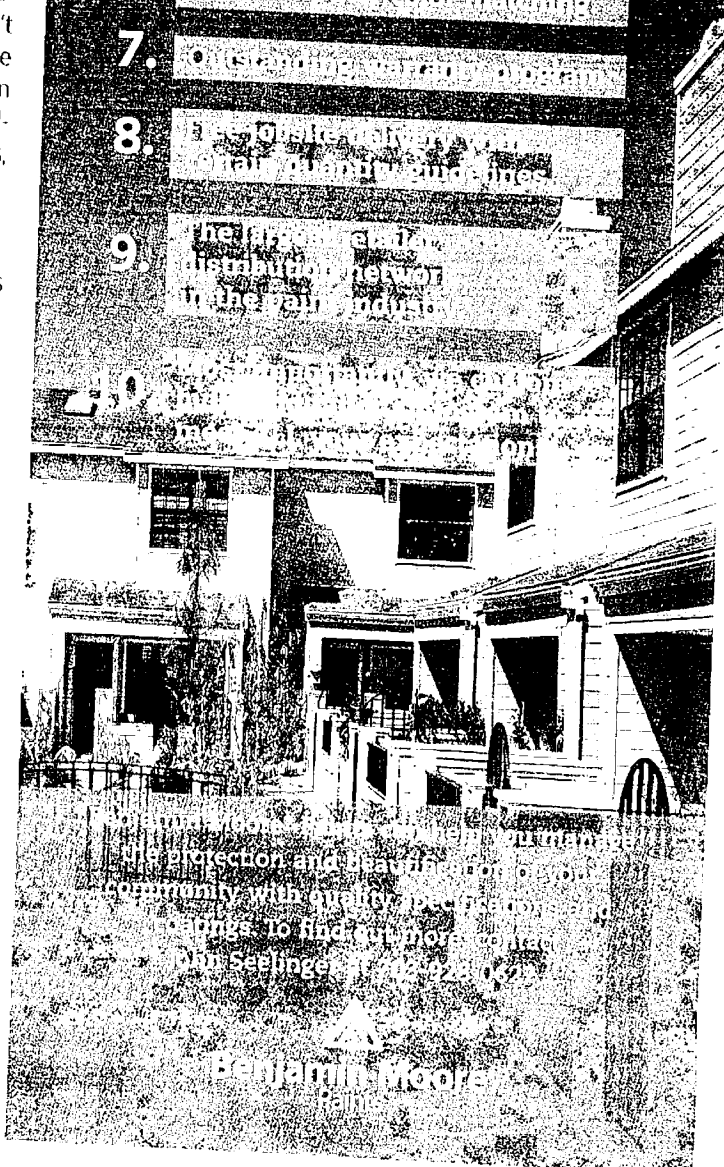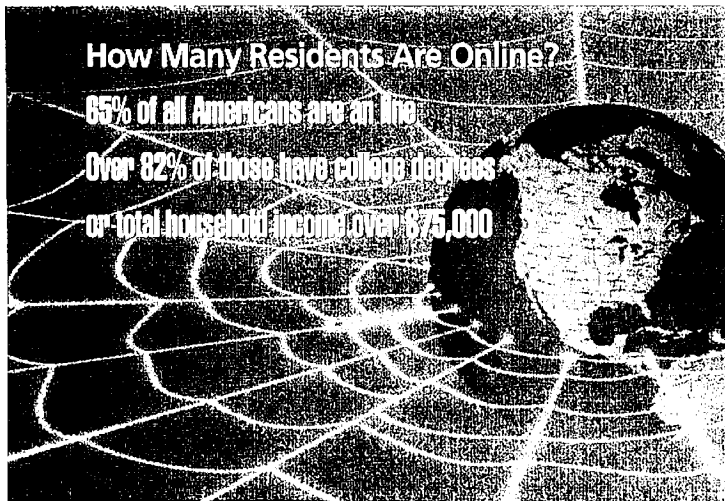
full page ad (and they have several).

Intangibles

Less time on the phone handling routine matters or printing and preparing mailings, leaves more time for managers and staff to deal with important association business, where their skills and training can be more fully utilized.

Additionally, providing timely information online for residents and providing the ability so that they can help themselves to the information they are seeking, as well as the conveniences associated with doing things online lead to improved levels of resident satisfaction with the association management and board. Simply stated, it's a win-win formula.

A well-designed web site can also serve to represent the community to prospective buyers and pick-up in selling the important aspects of your community, where your local real estate agent may leave off.

What to Watch Out For

While having a web site makes sense for many (perhaps even most) associations, there are some situations where developing a web site might not make sense.

Cost

Some associations have found they can actually generate enough income to offset the cost of operating their web site. Others have decided as a matter of policy not to accept paid advertising. In any case, for most associations there will be some cost associated with developing and maintaining a web site. This cost has to be weighed against the benefits to managers and association members. The actual monthly costs can vary widely, depending on how elaborate the site is and the level of functionality (i.e. features) it provides. For most associations, however, the cost turns out to be "pennies" per day for each unit. Also, be sure to factor the costs into your association's budget.

Somebody's Got To Be In Charge

There is no getting around the fact that an association web site requires some "care and feeding" and that somebody's got to be in charge of ensuring that information on the site is current, accurate, and useful. This function could be contracted out, assigned to an association volunteer, or added to the duties of existing management staff. The trick is to have a web site that is so easy to manage that routine updates and edits do not become a burden. Nevertheless, some time will be required to keep the Web site fresh and relevant to association members' needs. Just make sure you know who that person is!

Demographics

Every association that is considering creating a web site has to assess whether association members will actually use it. For example, do the majority of members have access to a computer, either at home or at work? Are they sufficiently comfortable with taking online surveys, reading newsletters online, interacting with management online, etc.? Studies have shown that older populations tend to be less computer literate than younger ones. However, even that is changing. Many retired people who had not previously used computers are now learning to use them so they can e-mail with their grandchildren and surf the web to learn about travel or hobbies. While no one knows for sure how many people in a given community are capable of using a computer, one thing is for certain: whatever the number is today, it will be greater tomorrow!

Size

Finally, size does matter. For example, a very small association may find that it is easier and more cost-effective to communicate with its members using traditional means. Where the "break-even" point is, is hard to say; there are cases where a four-unit town house development has found that a web site has proven to be extremely valuable to its homeowners.

Vendors

Watch out for Web developers, enthusiastic volunteers, the "kid in the basement," or service providers that make promises. They should be able to clearly demonstrate a fully functioning web site to meet your needs today! With the change of pace in Internet technology, if they aren't where you need them now, they probably won't be there tomorrow, literally.

What Watch Out for versus Benefits

So what's the bottom line—does creating a web site make sense for your association? As we said earlier, like most business decisions, it is a

matter of adding up the costs versus the benefits. The side bar accompanying this article shows how you might go about it. First, estimate the savings that would likely accrue from having a well-designed site: reduced calls to the management office, lower printing and postage costs, faster collection of assessments, and much more. Then, subtract the vendor fees for leasing software and hosting the site and the administrative cost for managing the process. Next (and this is often overlooked), figure out what additional revenue might be generated from sponsorships, advertising and online classifieds. This will lead to a realistic expectation of the true cost of operating your site. However, the missing element in the equation, and the most difficult one to assess, are the "intangibles"—all those ways that a web site would increase management productivity and improve resident satisfaction.

OTHER THINGS TO KNOW

Important Legal Concerns

Community associations must be aware of potential legal hurdles that an association web site presents. Primarily, the legal concern is in regard to the accuracy and privacy of information posted. This concern may be overcome by making sure that all information is accurate and that your web site has industry standard practices in place to safeguard private association information or information about residents.

The association should develop a web site policy (as it should for publication of its newsletter) that addresses the Terms of Service, Rules and Regulations, and Privacy Policy. All policies should then be posted and made available from the site.

Form Follows Function

Community association web sites are great tools for finding out what's happening within an association or to conduct association related business when the need arises. Don't obscure these two primary functions with "Recipe Postings" or other silly stuff. You'll lose the true value of having a web site as residents try to wade through the "fluff" to get to the gold.

Three Clicks or You're Out!

Nothing will sink all your efforts faster than a web site that is cumbersome to navigate, overly complicated, or one where residents can't find what they are looking for. If a resident can't find the information they are seeking within three clicks, then they won't come back and they'll resort to their old habits of phoning.

Avoid site designs where you're forced to continually click to reach information buried within category after category. The display of information should allow for easy skimming with links to more detail if the reader is interested.

Important Note: no matter how well-designed and organized your web site, given the unpredictable quantity – a comprehensive site search is an essential web site feature to ensure that they find what they are looking for.

Ask the Experts

Seek out an association web site service provider that specializes within the community association industry. They can save you tremendous time and expense in setting up a web site to meet your community's needs. After all, you wouldn't build your own word processor, so why build your own web site from scratch.

Association web site service providers have been there and will be able to guide you through the process from start to finish, as well as offer their insight into what works and what to avoid. They can also pro-

Why Go Online?
- Save time and money
- Improve management and Board productivity
- Reduce calls!
- Improve communications
- Residents may "demand" it as a convenience
- The most up-to-date information available 24/7
- Broadcast e-mails for special issues/events
- Increase property values
- Enhance image of the community
- Make info available to prospective purchasers

vide you with references to other associations similar to your own from which you can get ideas.

You can find web site development companies specializing in the industry by visiting the Service Directory on the WMCCAI Chapter's web site, www.caidc.org.

Good Looks Count

An amateur looking site will receive amateur ratings. A well designed site with professional quality images will not only foster pride in the community, but can also serve to help sell the community to prospective buyers.

An outdated looking site can also negatively reflect on the community, its management, and the board. After all, if the site looks like it was built in the dawn of the Internet age, why wouldn't everyone think that your association is behind the curve as well. Stay away from sites that use Frames (e.g., where the menu scrolls independent of the rest of the page) – it's an outdated design that people don't prefer and limits search engines from listing your site properly.

If you're considering an association web site provider, make sure their sites look current with the latest technology and at least on par with the major Internet sites – it's a basic gauge in determining their overall company health, technical skill, and the ease of use of the Web site.

Get the Word Out!

"If you build it, they will come." Or will they? Don't expect that just because YOU know that your association's web site is useful that other people will as well. You must continually promote your association's web site to your residents. Make sure all existing newsletters and printed material reference your web site. Update your voice mail message, as well as signature line of faxes, letters, and e-mail to include: "Be sure to check out www.YourAssociationsWeb.com to access important associa-

association members in that same place and those association members who attended could use those machines to see the exchange between the board members on a large screen television. The board then exchanged chat messages and made a decision based on a vote of the board members. A record of the chat was placed in the minutes. Walks like a duck, quacks like a duck. Sure looks like a meeting.

Now let's make one change. We'll take out everything, but the chat between the board members. Now an otherwise efficient use of time can look like a closed meeting or hidden work session and that may violate the open meeting requirements of the Property Owners Association Act and the Condominium Act.

Until the courts have a chance to clarify this issue, it makes sense for community associations to consult with their management agents and attorneys to develop a set of procedures for using electronic mail, instant messaging, and electronic chat when conferring among board members. **Q**

Jeffrey M. Summers, Esquire, is an associate attorney in the Fairfax office of Chadwick, Washington, Moriarty, Elmore & Bunn, P.C. and is a member of the WMCCAI Publications Committee. Jeff provides counsel and advice regarding collections, community association law and civil litigation. He combines his long experience with technology and his knowledge of the law to advise associations on how they may best benefit from automation.

[1] 267 Va. 482, 593 S.E.2d 195 (2004)
[2] § 2.2-3700, and following, of the Virginia Code

To Be or Not To Be.... On the Web....

tion information any time of day or night."

Parting Words

So does it make sense for your community? If you do your homework, weigh the costs versus the benefits, and take note of the "Other Things to Know," you'll be able to easily navigate what was once a difficult terrain. **Q**

Drew Regitz is a national technology educator and a Co-Founder of AssociationVoice, an association web site service provider to the community associations Industry.
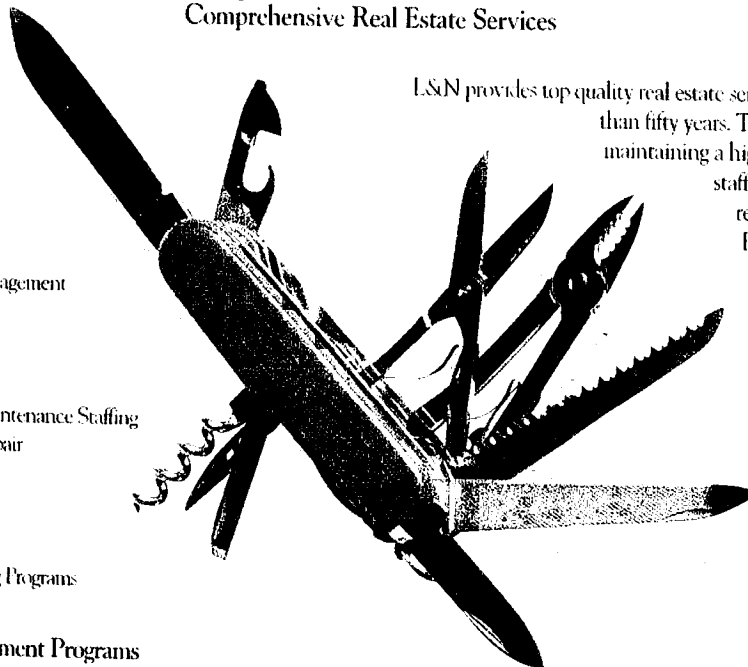
Lucia Anna Trigiani, Attorney at Law, is a partner in the law firm of Troutman Sanders, LLP, located in Tysons Corner. Her practice focus is in the representation of common interest community associations. She also has extensive experience in representing real estate developers of common interest condominium communities, large mixed-use planned communities, condominiums and time-share regimes. Ms. Trigiani served as president of the Washington Metropolitan Chapter Community Associations Institute in 2000. Pia chairs the WMCCAI Chapter's Legislative Council and is a member of the Virginia Legislative Committee.

Bruce Fonoroff is a technology management consultant and a shareholder in the Promenade Towers Mutual Housing Corporation (a luxury high-rise cooperative in Bethesda, Maryland).