



OPEN MEETING

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL
RESIDENT POLICY AND COMPLIANCE COMMITTEE**

**Tuesday, December 27, 2022 – 9:30 A.M.
24351 El Toro Road, Laguna Woods, CA 92637
Board Room and Virtual with Zoom**

Laguna Woods Village owner/residents are welcome to participate in committee meetings in-person and virtually. To submit comments or questions virtually for committee meetings, please using one of following options:

1. Join the Committee meeting via Zoom at: <https://us06web.zoom.us/j/83335600279> or by dialing 669-900-6833 Access Code: 833 3560 0279
2. Via email to meeting@vmsinc.org any time before the meeting is scheduled to begin or during the meeting. Please use the name of the committee in the subject line of the email. Name and manor number must be included.

NOTICE AND AGENDA

This Meeting May Be Recorded

1. Call Meeting to Order
2. Approval of the Agenda
3. Approval of the Meeting Report for November 22, 2022
4. Remarks of the Chair
5. Member Comments (Items Not in the Agenda)
6. Response to Member Comments
7. Department Head Update
8. Items for Discussion and Consideration:
 - a. Care & Maintenance of Patios, Balconies, Breezeways & Walkways (03-16-117)
 - b. Pet Policy
 - c. Appeal Policy
 - d. Resident Policy and Compliance Committee Charter
 - e. Discuss Noise Problems in multi-Story Buildings
9. Items for Future Agendas: *All matters listed under Future Agenda Items are items for a future committee meeting. No action will be taken by the committee on these agenda items at this meeting.*
 - Social Media Use Policy
 - Barbeque Rules and Regulations
10. Committee Member Comments
11. Date of Next Meeting – Tuesday, January 24, 2023 at 9:30 a.m.
12. Adjournment

*A quorum of the Third Board or more may also be present at the meeting.



**REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS MUTUAL
RESIDENT POLICY AND COMPLIANCE COMMITTEE**

Tuesday, November 22, 2022– 9:30 A.M.
Board Room/Virtual Meeting
Laguna Woods Village Community Center
24351 El Toro Road, Laguna Woods, CA 92637

MEMBERS PRESENT: Mark Laws - Chair, Cris Prince, Nathaniel Lewis, Cush Bhada
(Via Zoom) and Jules Zalon

MEMBERS ABSENT: None

ADVISORS PRESENT: Stuart Hack and Theresa Keegan (Via Zoom)

ADVISORS ABSENT: None

STAFF PRESENT: Jacob Huanosto and Ruby Rojas

1. Call to Order

Mark Laws - Chair, called the meeting to order at 9:32 a.m.

2. Approval of Agenda

Director Lewis made a motion to approve the agenda as presented. Director Prince seconded the motion.

By way of consensus, the motion passed.

3. Approval of Meeting Report

Director Zalon made a motion to approve the October 25, 2022 meeting report. Director Lewis seconded the motion.

By way of consensus, the motion passed.

4. Chairman's Remarks

None

5. Members Comments (Items Not on Agenda)

Mr. Andre Torng of 3129-Q discussed allegations made against him by United Laguna Woods Mutual and suggested that the Disciplinary Process be changed.

6. Response to Members Comments

Director Zalon responded to Mr. Torng's comments.

7. Department Head Update

None

8. Items for Discussion and Consideration

a. Care & Maintenance of Patios, Balconies, Breezeways & Walkways

The Committee reviewed and commented on the Care & Maintenance of Patios, Balconies, Breezeways & Walkways Policy. The Committee commented and asked questions.

Chair Laws will work with staff and bring the policy back to the Committee for review.

b. Director Zalon's Proposed Members' Bill of Rights

Director Zalon presented the proposed Members' Bill of Rights. The Committee commented and asked questions.

Mr. Andre Torng of 3129-Q discussed allegations made against him by United Laguna Woods Mutual and suggested that the Disciplinary Process be changed.

Without objection, the Committee will discuss the proposed Members' Bill of Rights with the full Board and legal counsel.

c. Nuisance Policy

Chair Laws presented the Nuisance Policy for discussion. The Committee discussed the matter.

Mr. Andre Torng of 3129-Q discussed allegations made against him by United Laguna Woods Mutual and suggested that the Disciplinary Process be changed.

Director Prince motioned to send the "Red-Line" version of the policy to the Board for approval. Director Lewis seconded the motion.

Director Zalon proposed to amend the motion to state that allegations will not be considered a nuisance if a reporting-parties complaint is baseless. The amendment died for lack of a second.

The motion to send the red-line version of the policy to the Board for approval passed by way of unanimous vote.

d. Appeal Policy

The Committee reviewed and discussed the Appeal Policy.

The committee tabled the matter and directed staff to make changes to the Appeal Policy and bring the policy back to the Committee for review.

e. Pet Policy

The Committee reviewed and discussed the Pet Policy.

Director Prince will work with the Chair and bring the policy back to the Committee for review.

9. Items for Future Agendas

- Pre-Hearing Approval Process
- Social Media Use Policy
- Barbeque Rules and Regulations

10. Committee Member Comments

None

11. Date of Next Meeting

Tuesday, December 27, 2022 at 9:30 a.m.

12. Adjournment

With no further business before the Committee, the meeting was adjourned at 12:01 p.m.

Mark W. Laws

Mark W. Laws (Dec 15, 2022 09:17 PST)

Mark Laws, Chair
Third Laguna Hills Mutual



STAFF REPORT

DATE: November 22, 2022
FOR: Resident Policy and Compliance Committee
SUBJECT: Care & Maintenance of Patios, Balconies, Breezeways & Walkways

RECOMMENDATION

Receive and file.

BACKGROUND

On November 18, 2016, the Board approved the Care & Maintenance of Patios, Balconies, Breezeways & Walkways for management and care of “common areas” and “limited common areas” (Resolution 03-16-117). The policy also defines that the walkway, breezeway, patio and balcony areas are “common areas” or “limited common areas” in conjunction with the by-laws and CC&Rs.

Additionally, the policy establishes that common areas are for the use and enjoyment of all residents and while limited common areas permit exclusive use of the area, it is essential that all residents be aware of the need for the safety, attractiveness and the prevention of damage to the building by items placed by the residents in or on the common or limited common areas of multistory buildings and where applicable to other residential buildings.

Furthermore, the policy addresses items including, but not limited to: plants, the growing of vegetables, the placement of items, statues, furniture, placement of potting supplies and gardening equipment, placement of nails, screws or hooks, etc. (Attachment 1).

DISCUSSION

The Committee requested review of the policy as it was brought to the attention of the Board that portions are vague and that some members are taking advantage of this lack of clarity to store more items in their breezeways and walkways than might have been intended when the policy was passed.

FINANCIAL ANALYSIS

None.

Prepared By: Jacob M. Huanosto, Interim Compliance Supervisor

Reviewed By: Francis Gomez, Operations Manager

ATTACHMENT(S)

Attachment 1: Resolution 03-16-117, Care & Maintenance of Patios, Balconies, Breezeways & Walkways

Attachment 2: Care & Maintenance of Patios, Balconies, Breezeways & Walkways Red Line Version



CARE & MAINTENANCE OF PATIOS, BALCONIES, BREEZEWAYS & WALKWAYS

Resolution 03-16-117 – Revised November 18, 2016

The walkway, breezeway, patio and balcony areas are “common areas” or “limited common areas” with by-laws and CC&R provisions for their management and care under the direction of the Third Laguna Hills Mutual Board (TLHM).

Common areas are for the use and enjoyment of all residents and while limited common areas permit exclusive use of the area, it is essential that all residents be aware of the need for the safety, attractiveness and the prevention of damage to the building by items placed by the residents in or on the common or limited common areas of the Mutual’s multistory buildings and where applicable to other residential buildings.

The following rules for residents address the safety, attractiveness and prevention of damage issues. Residents should take whatever corrective action is necessary to manage those items they have placed outside their manor. The TLHM Board of Directors is authorized to take disciplinary action against a Member found to be in violation of this policy. The Board of Directors has the authority to impose monetary fines, suspend Member privileges, and/or bring forth legal action. Refer to the Member Disciplinary Process for further information.

1. All plants must be suitably potted with adequately sized saucers to collect excess water and elevated by substantial caster or sturdy platforms with casters. Care must be used to control the amount of water given to these plants so as not to run over the saucer and collect on the floor surface or fall to a lower level of the building on people, windows, or other objects belonging to neighbors.
2. Plantings and growing of herbs, tomatoes, vegetables, or any other crops in the patios, balconies, breezeways, and walkways is prohibited; whether in pots or planted in the ground.
3. Planting of Fruit trees must be of a dwarf variety and adhere to the Landscape “Yellow Stake” program.
4. Items, including plants, statues, furniture, etc., may be placed outside a manor’s front door on the floor and shall be limited. Adequate clearance is required to allow for easy walkway access along the area (at least in number and size to allow for a 48-inch clearance as required by law).
5. Potting supplies and gardening equipment such as garden tools, empty pots, dirt, fertilizer, etc., must not be stored on breezeways. They must be kept inside the Manor or their storage area.
6. Plants, etc., must adhere to the “Plants and Limited Common Area Walls Policy”

7. Nail, screw or hook must be checked to be sure that they are not rusting and are solidly mounted and cannot cause dry rot.
8. In 3-Story Buildings, hanging plants must have sturdy mounts and cables. There must not be any danger that they may fall and cause injury or damage to the next level. Hanging plants or hanging objects are prohibited in breezeway and walkways. Wind chimes are prohibited.
9. Furniture and items designed for indoor use are not allowed.
10. All plants shall be maintained by the resident in a healthy, well cared for condition, properly watered and pruned. Non-plant items shall be maintained clean and in good repair.
11. Potted plants are not to be placed on railings in common or limited common areas.
12. Items that constitute a nuisance to one's neighbors should not be placed in common areas or limited common areas. Examples are intrusive wind chimes, food or water, which will attract birds, insects, or other animals. Residents are encouraged to resolve amicably differences or disputes involving such items. Wind chimes are prohibited at all 3-Story Buildings.
13. A resident's balcony and patio area adjoining a manor is limited common area. This area needs the same care and protection as our walkways and breezeways to prevent dry rot, decay and mold of surfaces. Therefore only a limited number of potted plants on the balconies of multistory buildings is allowed, without the prior approval of the Third Mutual Board. No more than 15% of the total floor area of a balcony may be used for potted plants.
14. Landscape crews will not care for a resident's personal items placed in common areas unless arranged through the Resident Services Department as a chargeable service.

Any building, by majority decision, may establish additional rules for its own use, providing the rules are not in conflict with the above guidelines. The TLHM Board of Directors shall resolve any disputes or misunderstandings relating to common areas and limited common areas.

We ask each resident to read these guidelines and take whatever corrective action is necessary for the care and protection of property where plants and items have been placed outside manors.

**THIRD LAGUNA HILLS MUTUAL
CARE AND MAINTENANCE OF PATIOS,
BALCONIES, BREEZEWAYS AND WALKWAYS POLICY
RESOLUTION XX-XX-XXXX**

I. Purpose

The purpose of this Care and Maintenance of Patios, Balconies, Breezeways and Walkways Policy (Policy) is to set out the rules for the management of some of the common areas / limited common areas within Third Laguna Hills Mutual (Third Mutual).

The walkway, breezeway, patio, and balcony areas are “common areas” or “limited common areas” with by-laws and CC&R provisions for their management and care under the direction of the Third Mutual Board of Directors (Board).

Common areas are for the use and enjoyment of all residents and while limited common areas permit exclusive use of the area, it is essential that all residents be aware of the need for the safety, attractiveness, and the prevention of damage to the building by items placed by the residents in or on the common or limited common areas of the Third Mutual’s ~~multistory~~ buildings and where applicable to other residential buildings.

II. Rules

The following rules for residents address the safety, attractiveness, and prevention of damage issues. Residents should take whatever corrective action is necessary to manage those items they have placed outside their manor. The Board is authorized to take disciplinary action against a Member found to be in violation of this policy. The Board has the authority to interpret this policy and to impose monetary fines, suspend Member privileges, and/or bring forth legal action. Refer to the Member Disciplinary Process for further information.

1. All plants must be suitably potted with adequately sized saucers to collect excess water and elevated. ~~Pots too large to be moved by the owning member must be on by substantial-caster or sturdy-platforms-with~~ casters so that Staff can easily move them, as needed. Care must be used to control the amount of water given to these plants so as not to run over the saucer and collect on the floor surface or fall to a lower level of the building on people, windows, or other objects belonging to neighbors.
2. Plantings, and growing of herbs, tomatoes, vegetables, or any other crops in the patios, balconies, breezeways, and walkways are prohibited, whether in pots or planted in the ground.
- ~~3. Planting of Fruit trees must be of a dwarf variety and adhere to the Landscape “Yellow Stake” program.~~
3. Items, including plants, statues, furniture, etc., may be placed ~~right~~ outside a manor’s front door on the floor and shall be limited. Adequate clearance is required to allow for easy walkway access along the area (at least in number and size to allow for a 48-inch clearance as required by law).
4. Potting supplies and gardening equipment such as garden tools, empty pots, dirt, fertilizer, etc., must not be stored on breezeways. They must be kept inside the Manor or their storage area.
5. Plants, etc., must adhere to the “Plants and Limited Common Area Walls Policy”.
6. Nail, screw, or hook must be checked to be sure that they are not rusting and are solidly mounted and cannot cause dry rot.

7. In ~~3~~multi-Story Buildings, hanging plants must have sturdy mounts and cables. There must not be any danger that they may fall and cause injury or damage to the next level. Hanging plants or hanging objects are prohibited in breezeways and walkways. ~~Wind chimes are prohibited.~~
8. Furniture and items designed for indoor use are not allowed.
9. All plants shall be maintained by the resident in a healthy, well cared for condition, properly watered and pruned. Non-plant items shall be maintained clean and in good repair.
10. Potted plants are not to be placed on railings in common or limited common areas.
11. ~~No items are allowed to be stored under stairways in common areas.~~
12. Items that constitute a nuisance to one's neighbors should not be placed in common areas or limited common areas. Examples are intrusive wind chimes, food, or water, which will attract birds, insects, or other animals. Residents are encouraged to resolve amicably differences or disputes involving such items. ~~Wind chimes are prohibited at all 3-Story Buildings.~~
13. A resident's balcony and patio area adjoining a manor is limited common area. This area needs the same care and protection as our walkways and breezeways to prevent dry rot, decay and mold of surfaces. Therefore, only a limited number of potted plants on the balconies of multistory buildings is allowed, without the prior ~~written~~ approval of the Third Mutual Board. No more than 15% of the total floor area of a balcony may be used for potted plants.
14. Landscape crews will not care for a resident's personal items placed in common areas unless arranged through the Resident Services Department as a chargeable service.

Any building, by majority decision, may establish additional rules for its own use, providing the rules are not in conflict with the above guidelines. The Board shall resolve any disputes or misunderstandings relating to common areas and limited common areas. We ask each resident to read these guidelines and take whatever corrective action is necessary for the care and protection of property where plants and items have been placed outside manors.

Resolution 03-16-117 Revised November 18, 2016 is hereby superseded and cancelled.



STAFF REPORT

DATE: November 22, 2022
FOR: Resident Policy and Compliance Committee
SUBJECT: Resolution No. 509 Pet Restrictions

RECOMMENDATION

Receive and file.

BACKGROUND

The Resident Policy and Compliance Committee is tasked to review policy and processes for consistency, clarity, and efficiency.

On February 27, 1976, the Board adopted Pet Restrictions to provide guidelines for pet owners (Resolution 509). The resolution addresses, but is not limited to: dog barking, pets off-leash, leash size requirements, the cleaning of pet feces, pet access to common buildings, vicious animal, etc. (Attachment 1).

DISCUSSION

The Committee requested review of the Pet Restriction as it is seeking to discuss the possibility of adding clarifying language to certain provisions.

FINANCIAL ANALYSIS

None.

Prepared By: Jacob M. Huanosto, Interim Compliance Supervisor

Reviewed By: Francis Gomez, Operations Manager

ATTACHMENT(S)

Attachment 1: Resolution No. 509 Pet Restrictions

Attachment 2: Resolution No. 509 Pet Restrictions Revised Draft

Resolution No. 509

RESOLVED, that the following rules and regulations applicable to real property owned or managed by this corporation are hereby adopted:

1. No person shall keep, maintain or permit within any dwelling unit under his control, or within any other real property owned or managed by this corporation, any dog which by any sound or cry shall disturb the peace and comfort of the inhabitants of the neighborhood or interfere with any person in the reasonable and comfortable enjoyment of life or property.
2. No person owning or having charge of any dog shall permit the same to run at large within any real property owned or managed by this corporation, except as otherwise provided in these rules and regulations, unless such dog is restrained by a substantial leash not to exceed six (6) feet in length and is in the charge of a person competent to restrain such dog.
3. Any animal found running at large within any real property owned or managed by this corporation may be reported to the Poundmaster of the County of Orange for such action as he may deem appropriate according to law.
4. No person owning or having charge of any dog shall permit the same to enter or remain within any real property owned or managed by this corporation contrary to the provisions of any sign posted conspicuously thereon by the corporation, provided that appropriate exception, as the case of guide dogs for blind persons, may be noted upon any such sign.
5. No person owning or having charge of any dog shall permit any feces therefrom to remain within any real property owned or managed by this corporation except in trash containers.
6. Whenever any animal suspected of being vicious is reported to this corporation, the officers and agents shall report facts and circumstances thereof to the Poundmaster of the County of Orange for such action as he may deem appropriate according to law; and

RESOLVED FURTHER, that resolution No. 155 adopted on October 27, 1972 is hereby cancelled.

Adopted 02/27/1976

**THIRD LAGUNA HILLS MUTUAL
PET POLICY
RESOLUTION XX-XX-XXXX**

RESOLVED, that pursuant to the Bylaws, Article 2, Section 2.2.3, Third Laguna Hills Mutual (Third Mutual), has the power to adopt rules and regulations to carry out the purposes of this Corporation through its Board of Directors (Board) with regard to its Members.

RESOLVED FURTHER, *on this day* the Board hereby amends Third Mutual's Pet Policy (Policy) to include, but is not limited to the following:

I. Purpose

The purpose of this Policy is to set out the rules and regulations for the treatment and handling of pets within Third Mutual in accordance with the requirements of Third Mutual's including Bylaws, Amended and Restated Covenants, Conditions and Restrictions, and other governing documents (Governing Documents) and local, state and federal law.

II. Definitions

1. **Member** includes, for purposes of the Policy, Members, Owners, Qualifying Residents, Co-occupants, Tenants, and their Guests.
2. **Ordinance** refers to the Code of Ordinance City of Laguna Woods, California.
3. **Pet** means any domesticated bird, cat, dog, or aquatic animal kept within an aquarium. The Policy shall not prohibit a Member from continuing to keep any pet that the Member currently keeps in the Member's separate interest if the pet otherwise conforms with the previous rules or regulations relating to pets.
4. **Vicious animal** means: *[Can a cat be "vicious"? (since all of these points reference "dog" only)]*
 - a. Any dog, which, twice within a 12-month period, has physically harmed, bitten, attacked, or otherwise caused injury to a person engaged in lawful activity, without provocation; or
 - b. Any dog that when unprovoked inflicts bites or attacks a human being or domestic animal or in a vicious or terrorizing manner approaches any person in apparent attitude of attack in Third Mutual's common areas; or
 - c. Any dog with a known propensity, tendency, or disposition to attack unprovoked, to cause injury or to otherwise endanger the safety of human beings or domestic animals; or
 - d. Any dog which engages in or is found to have been trained to engage in, exhibitions of dog fighting; or
 - e. Any dog at large found to attack, menace, chase, display threatening or aggressive behavior or otherwise threaten or endanger the safety of any domestic animal or person.

III. Responsibilities

1. Number of Pets Permitted.

- a. maximum combination of three cats and dogs, no more than two of which can be dogs, are permitted in any dwelling unit within Third Mutual.
- b. Animals being fostered as a part of a not-for-profit organization/agency program shall not be included for the purpose of determining the number of animals in a dwelling unit. The foster program shall be registered with the City of Laguna Woods and an individual animal in the dwelling unit shall be fostered for a period of no more than six months. In no event shall the total number of Pets fostered and Pets owned exceed the number of Pets permitted in Section III.1.a above.
- c. If pets are brought in before the adoption of this Policy, the pets are automatically grandfathered and can remain.

2. Vaccination and License.

- a. Dogs four months of age or older shall be required to have been vaccinated for rabies. (Ordinance § 5.04.030, as may be amended.)
- b. Dogs four months of age or older shall be licensed in accordance with the regulations of the County of Orange and the City of Laguna Woods. Such dogs shall have attached to its collar current numbered metal tag as evidence of its license. (Ordinance § 5.04.010, as may be amended.)
- c. Cats over four months of age may be registered with the City of Laguna Woods in the same manner in which dogs are registered, and for the same fee. Cats must have a current rabies vaccination valid for the entire one-year registration period.

3. Care and Control.

- a. No Member owning or having charge of any dog shall permit the same to run at large within any real property owned or managed by Third Mutual, except as otherwise provided in these rules and regulations, unless such dog is restrained by a substantial leash not to exceed six (6) feet in length and is in the charge of a Member competent to restrain such dog. Retractable leashes exceeding six (6) feet are not permitted in Third Mutual.
- b. Any animal found running at large within any real property owned or managed by Third Mutual may be reported to Laguna Beach Animal Services at (949) 497-0701 for such action as deemed appropriate according to law.
- c. No Member owning or having charge of any dog shall permit the same to enter or remain within any real property owned or managed by Third Mutual contrary to the provisions of any sign posted conspicuously thereon by Third Mutual, provided that appropriate exception, as in the case of guide dogs for blind persons, may be noted upon any such sign.

- d. No Member owning or having charge, care or custody of any animal shall permit such animal to damage or destroy public property or the property of any person other than that of the owner of such animal.
- e. Any Member or person having charge, custody or control of any dog shall immediately remove and dispose of it in a sanitary manner, by depositing in a trash receptacle any feces deposited by such animal upon Third Mutual property. The Member or person having charge, custody or control of an animal shall have in possession a suitable wrapper, bag or container for the purpose of complying with the requirements of this section.

4. Noise.

No Member shall keep, maintain, or permit within any dwelling unit under his control, or within any other real property owned or managed by Third Mutual, any Pet which by any persistent sound or cry shall disturb the peace and comfort of the inhabitants of the neighborhood or interfere with any person in the reasonable and comfortable enjoyment of life or property.

5. Vicious Animal.

Whenever a Member owning or having charge, care, control, custody, or possession of any dog has knowledge that the dog has bitten a person, the Member shall report the facts of the incident to Laguna Beach Animal Services at (949) 497-0701 for such action as deemed appropriate according to law.

6. Violation of Pet Policy.

Third Mutual is authorized to take disciplinary action against any Member who may be found in violation of the Policy, or whose unit or Residents, tenants, or guests are found to be in violation of the Policy. When a complaint is lodged regarding the occurrence of a violation, the Board has a duty to investigate and impose, if appropriate, discipline as set forth in the Governing Documents. Discipline shall be imposed, if at all, after a duly noticed disciplinary hearing in accordance with the requirements of statute and the Governing Documents.

RESOLVED FURTHER, that Resolution M3-76-509 adopted February 27, 1976, and Resolution M3-71-50 adopted July 23, 1971 are hereby superseded and cancelled.

RESOLVED FURTHER, that the officers and agenda of this Corporation are hereby authorized, on behalf of the Corporation, to take such action as they deem appropriate to carry out the purposes of this resolution as written.



STAFF REPORT

DATE: October 25, 2022
FOR: Resident Policy and Compliance Committee
SUBJECT: Appeal Policy

RECOMMENDATION

Receive and file.

BACKGROUND

Third Laguna Hills Mutual's ("Third") Governing Documents require a Member to seek approval from the Board of Directors ("Board") on various matters of Corporate business by way of the Committee structure for review of a question that may/will ultimately be determined by the Board. For example, a resident requesting an alteration variance or a landscape change is reviewed at the Committee level before it is brought before the Board for final decision.

Civil Code Section §4765 provides that decisions made by the Board or of a committee having the same composition as the Board relating to a member's architectural and/or landscape request that occur in an Open Session Board meeting in compliance with the requirements of Civil Code §4900 et seq. (the Open Meeting Act) may be final, without the right of a Member to appeal said decision.

On August 20, 2019, Third amended the Appeal Policy (Resolution 03-19-79) to conform with Civil Code §4765; allowing for Board decisions to be final. The policy also streamlined the process to provide guidelines for a member if they meet the criteria for an appeal. The policy amendment added further review stipulating that if new relevant information is brought to the Board's attention relating to a matter previously decided by the Board, the Board may, in its sole discretion, revisit such decision due to extraordinary circumstances, but it shall have no obligation to do so and no member shall be entitled to such reconsideration as a matter of right.

The purpose of the Appeal Policy is to set forth appeals of certain decisions by the Board, Committees, or Management on architectural and landscape matters, Lease Authorization Permits, Co-occupancy Applications, Caregiver Applications, non-escrow membership transfer applications and Resale related matters, as well as decisions made regarding Member discipline and reimbursement to Third by Members for expenses incurred by Third for which the Member is responsible, including without limitation when applicable, legal fees and costs. (Attachment 1)

DISCUSSION

The Committee requested review of the Appeal Policy.

FINANCIAL ANALYSIS

None.

Prepared By: Jacob M. Huanosto, Interim Compliance Supervisor

Agenda Item 8c

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Appeal Policy

October 25, 2022

Page 2

Reviewed By: Francis Gomez, Operations Manager

ATTACHMENT(S)

Attachment 1: Appeal Policy

Attachment 2: Appeal Policy Red Line Version



Appeal Policy
Resolution 03-19-79; Adopted August 20, 2019

I. Purpose

Third Laguna Hills Mutual (“Third”) requires a Member to seek approval from the Board of Directors (“Board”) on certain matters of Corporate business by way of the committee structure for review of a question that may ultimately be determined by the Board in Open session, including without limitation, certain architectural and landscape approvals, and variance requests, or in Executive Session, including without limitation, approvals for Lease Authorization Permits, Co-occupancy Applications, Caregiver Applications, non-escrow membership transfer applications and Resale, as well as decisions on discipline of members for governing document violations and reimbursement for expenses incurred by Third.

Depending on the circumstances and the powers granted to the Committee (as defined below), the Committee may either act to approve or deny a Member’s request, or, if such request requires Board consideration, forward the Committee’s recommendations regarding the Member’s request to the Board for its consideration and decision.

The purpose of this document is to set forth the Appeal Policy for appeals of certain decisions by the Board, Committees, or Management on architectural and landscape matters, Lease Authorization Permits, Co-occupancy Applications, Caregiver Applications, non-escrow membership transfer applications and Resale related matters, as well as decisions made regarding Member discipline and reimbursement to Third by Members for expenses incurred by Third for which the Member is responsible, including without limitation when applicable, legal fees and costs.

A decision made by a Committee or Management, within its powers, to deny a Member’s request shall be appealable to the Board if permitted by the Community Rules and/or required by statute. However, except as specifically provided in this Policy or otherwise in the Community Rules (as defined below), or as may otherwise be required by law, **all decisions, including other matters of Corporate business made by the Board, whether in an Open Meeting or in Executive Session, shall be final and not subject to additional review or a right of appeal by Third Members.**

II. Definitions

For the purposes of this Policy:

- a. **Committee** is a group of individuals appointed by the Board for a specific function. For example, the Architectural Control and Standards Committee and Landscape Committee review Member requests for nonstandard architectural or landscape changes and make recommendations to the Board for approval or denial.
- b. **Community Rules** shall mean and refer to the Articles of Incorporation and Bylaws of Third, the recorded Covenants, Conditions, and Restrictions ("CC&Rs"); and any rules and regulations adopted by Third. Any reference to the "**Governing Documents**" shall, for purposes of this Policy, be deemed a reference to the Community Rules set forth in this definition.
- c. **Executive Hearing Committee** is comprised of three (3) Directors and two (2) alternate Directors for the purpose of making decisions on disciplinary/confidential matters in Executive Session, including without limitation, discipline for Governing Document violations and decisions regarding the imposition of reimbursement assessments on Members for Common Area damage.
- d. **Executive Session** is defined as a closed meeting of the Board to address disciplinary/confidential matters as described in Civil Code Section 4935.
- e. **Management** shall mean and refer to Village Management Services, Inc., the managing agent for Third.
- f. **Member** is defined as any person who is an owner of a Unit in Third's development who has been approved for membership in Third.
- g. **Open Meeting** is defined as a meeting open to the Members of Third as provided in the Open Meeting Act as codified in the Civil Code at Section 4900 et seq. Per Civil Code Section 4765, decisions made by the Board relating to a Member's architectural and/or landscape request that occur in an Open Session meeting may be final.
- h. **Subject Matter Expert** ("SME") is defined as the Staff Member from Management with the highest level of expertise in the specialized job, task, or skill pertinent to a Member's appeal request.

III. Architectural and Landscape Decisions

As further described in the Community Rules, including without limitation, the Architectural Review Procedures, applications for Standard Plan alterations submitted to the Manor Alterations and Permits Division may typically be approved without Board review.

An application with plans not in conformance with the approved Standard Plan alterations or for which neighbor objections have been received are considered and reviewed by the Architectural Control and Standards Committee ("ACSC").

Applications that are not in conformance with Third's architectural standards may be recommended for denial by the ACSC.

Meanwhile, an application that may otherwise meet the application requirements, but with plans that do not conform to the approved Standard Plan alterations, requires the approval of a variance request, which must be submitted for review by the ACSC. The ACSC reviews the architectural application, variance request, and other documentation provided regarding the proposed alteration at its regularly scheduled meetings and makes a written recommendation to the Board as to whether the architectural/variance request should be granted or denied.

Similarly, requests by Members for landscape modification are submitted to the Landscape Division for review by Management and/or the Landscape Committee, which may approve standard landscape alterations without Board review. Nonstandard landscape requests will be reviewed by the Landscape Committee, who will then make a written recommendation to the Board as to whether the landscape modification should be approved or denied.

The recommendation from the ACSC or Landscape Committee, as may be applicable, on a matter to be ultimately determined by the Board is considered by the Board at the next regularly scheduled Open Meeting, at which time the Board will either approve (either with or without conditions) or deny the Member's architectural/variance or landscape modification request.

Such decisions made by the Board at an Open Meeting are not subject to appeal, in accordance with Civil Code Section 4765. Nor shall decisions made by the Board on such matters in Executive Session, as may be applicable, be subject to appeal.

Notwithstanding the foregoing, if new relevant information is brought to the Board's attention relating to a matter previously decided by the Board, the Board may, in its sole discretion, revisit such decision due to extraordinary circumstances, but it shall have no obligation to do so and no Member shall be entitled to such reconsideration as a matter of right.

The SME will review any request for reconsideration based on extraordinary circumstances if submitted in writing within thirty (30) days from the Board's determination or the discovery of such extraordinary circumstances; in no event, however, shall any reconsideration request be considered by the Board after one (1) year from the date of the original, final decision by the Board. Reconsideration of the Board's decision may be considered in the following circumstances: (1) the application or documentation provided had an error which would otherwise have resulted in approval; (2) the Board or recommending Committee misinterpreted provisions of the application or the requirements of law or the Community Rules in its decision; (3) an aberration from the review and approval procedures as laid out in the Community Rules is discovered; and (4) any other situation in which the Board, in its sole discretion, believes that an additional review is necessary to ensure the equal and fair treatment of all Members.

IV. Disciplinary Decisions

The Executive Hearing Committee makes decisions on disciplinary/confidential matters, including discipline for governing document violations and decisions regarding the imposition of reimbursement assessments on Members for Common Area damage, in Executive Session meetings, to which the Member has been invited to be heard, and issues written decisions to Members within fifteen (15) days from the date of the noticed hearing in accordance with the hearing and enforcement procedures in Third's Community Rules.

Within thirty (30) days of receipt of a written decision by the Executive Committee relating to Member discipline or a reimbursement by the Member to Third, made at an Executive Session meeting, the Member may appeal to the Board the Executive Committee's decision by providing an explanation, in writing, as to why the Member believes the Committee made an incorrect decision, along with any additional evidence or documentation pertinent to the Member's appeal.

Upon receipt of such appeal request, the information will be reviewed by the SME for consideration. If approved, a new hearing will be scheduled before the Board, at which the Board will consider the written appeal as well as any evidence or documentation previously provided, after which the Board will make a decision and provide notice of same in accordance with Third's Governing Documents and applicable statute.

No further appeals, other than as directly referenced above, will be granted upon reconsideration by the Board of the matter that was the subject of the initial hearing before the Executive Committee and a final determination by the Board. In addition, the decision on any such matter heard directly before the Board (rather than first being heard by the Executive Committee) shall be final and not subject to appeal.

V. Occupancy and Membership Decisions

Pursuant to Third's Lease Policy, Care Provider Policy, Resale Policy and the Governing Documents, a Member seeking authorization to occupy or obtain Membership must submit the required Permit application to the Community Services Division along with all required supporting documentation. The application is then reviewed by Management, who may either approve or deny the application based on the conformance of the application to the requirements in the Lease Policy, Care Provider Policy, Resale Policy, and the Governing Documents and ability of the Member to pursue such action as otherwise specified in the Community Rules and/or based on prior disciplinary action against the Member.

If Management denies the request within its authority (without consideration by the Board), the Member may appeal such decision to the Board upon written appeal by providing an explanation, in writing, as to why the Member believes Management made an incorrect decision, along with any additional documentation pertinent to the Member's appeal. Upon receipt of such appeal request, the information will be reviewed by the SME for consideration as well as any evidence or documentation previously provided, for consideration by the Board, which will make a final decision on the Member's application.

In some instances, Management may refer the approval/denial decision directly to the Board, and provide a recommendation for approval or denial of the application based on its review of the submitted application and documentation.

A decision on the approval or denial by the Board, whether in an Open Meeting or in Executive Session shall be final, and not subject to appeal or further review by the Member.

Notwithstanding the foregoing, if new relevant information is brought to the Board's attention relating to a matter previously decided by the Board, the Board may, in its sole discretion, revisit such decision due to extraordinary circumstances, but it shall have no obligation to do so and no Member shall be entitled to such reconsideration as a matter of right.

The SME will review any request for reconsideration based on extraordinary circumstances if submitted in writing within thirty (30) days from the Board's determination or the discovery of such extraordinary circumstances; in no event, however, shall any reconsideration request be considered by the Board after one (1) year from the date of the original, final decision by the Board. Reconsideration of the Board's decision may be considered in the following circumstances: (1) the application or documentation provided had an error which would otherwise have resulted in approval; (2) the Board or recommending Committee misinterpreted provisions of the application or the requirements of law or the Community Rules in its decision; (3) an aberration from the review and approval procedures as laid

out in the Community Rules is discovered; and (4) any other situation in which the Board, in its sole discretion, believes that an additional review is necessary to ensure the equal and fair treatment of all Members.

Appeal Form
Compliance Division
PO BOX 2220, Laguna Hills, CA 92654; 949-268-CALL; compliance@vmsinc.org

If you disagree with the Determination Notice by the Third Laguna Hills Mutual (Third) Executive Hearings Committee, you may appeal the decision(s) to the Board of Directors by completing this form and explaining why you disagree. You must sign the form and return it to the Compliance Division. **YOU HAVE 30 DAYS FROM THE MAIL DATE OF THE DETERMINATION NOTICE TO FILE A TIMELY APPEAL.** The Subject Matter Expert (SME) will review the appeal request for consideration. If approved, a new hearing will be scheduled before the Board, in accordance with Resolution 03-19-79, Appeal Policy.

| Section I: Member(s) Information | | | |
|---|---------------|--------------------|---------------|
| Name: | Unit # | Telephone # | Email: |
| | | | |
| Name: | Unit # | Telephone # | Email: |
| | | | |
| Date of Disciplinary Hearing: | | | |
| | | | |

| Section II: Appeal Statement |
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| <p>PLEASE PRINT</p> <p>Explain the reason for your appeal and why you disagree with the decision(s). If required, attach additional pages to this form and write your name and unit on each page.</p> |
| |

FOR OFFICE USE ONLY

Action Taken By: _____

| | | |
|---|---|--------------|
| <input type="checkbox"/> Appeal Approved | <input type="checkbox"/> Appeal Denied | Date: |
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Appeal Policy
Resolution 03-19-79; Adopted August 20, 2019

I. Purpose

Third Laguna Hills Mutual ("Third") requires a Member to seek approval from the Board of Directors ("Board") on certain matters of Corporate business by way of the committee structure for review of a question that may ultimately be determined by the Board in Open session, including without limitation, certain architectural and landscape approvals, and variance requests, or in Executive Session, including without limitation, approvals for Lease Authorization Permits, Co-occupancy Applications, Caregiver Applications, non-escrow membership transfer applications and Resale, as well as decisions on discipline of members for governing document violations and reimbursement for expenses incurred by Third.

Depending on the circumstances and the powers granted to the Committee (as defined below), the Committee may either act to approve or deny a Member's request, or, if such request requires Board consideration, forward the Committee's recommendations regarding the Member's request to the Board for its consideration and decision.

The purpose of this document is to set forth the Appeal Policy for appeals of certain decisions by the Board, Committees, or Management on architectural and landscape matters, Lease Authorization Permits, Co-occupancy Applications, Caregiver Applications, non-escrow membership transfer applications and Resale related matters, as well as decisions made regarding Member discipline and reimbursement to Third by Members for expenses incurred by Third for which the Member is responsible, including without limitation when applicable, legal fees and costs.

A decision made by a Committee or Management, within its powers, to deny a Member's request shall be appealable to the Board if permitted by the Community Rules and/or required by statute. However, except as specifically provided in this Policy or otherwise in the Community Rules (as defined below), or as may otherwise be required by law, **all decisions, including other matters of Corporate business made by the Board, whether in an Open Meeting or in Executive Session, shall be final and not subject to additional review or a right of appeal by Third Members.**

Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

II. Definitions

For the purposes of this Policy:

- a. **Committee** is a group of individuals appointed by the Board for a specific function. For example, the Architectural Control and Standards Committee and Landscape Committee review Member requests for nonstandard architectural or landscape changes and make recommendations to the Board for approval or denial.
- b. **Community Rules** shall mean and refer to the Articles of Incorporation and Bylaws of Third, the recorded Covenants, Conditions, and Restrictions ("CC&Rs"); and any rules and regulations adopted by Third. Any reference to the "**Governing Documents**" shall, for purposes of this Policy, be deemed a reference to the Community Rules set forth in this definition.
- c. **Executive Hearing Committee** is comprised of three (3) Directors and two (2) alternate Directors for the purpose of making decisions on disciplinary/confidential matters in Executive Session, including without limitation, discipline for Governing Document violations and decisions regarding the imposition of reimbursement assessments on Members for Common Area damage.
- d. **Executive Session** is defined as a closed meeting of the Board to address disciplinary/confidential matters as described in Civil Code Section 4935.
- e. **Management** shall mean and refer to Village Management Services, Inc., the managing agent for Third.
- f. **Member** is defined as any person who is an owner of a Unit in Third's development who has been approved for membership in Third.
- g. **Open Meeting** is defined as a meeting open to the Members of Third as provided in the Open Meeting Act as codified in the Civil Code at Section 4900 et seq. Per Civil Code Section 4765, decisions made by the Board relating to a Member's architectural and/or landscape request that occur in an Open Session meeting may be final.
- h. ~~**Subject Matter Expert** ("SME") is defined as the Staff Member from Management with the highest level of expertise in the specialized job, task, or skill pertinent to a Member's appeal request.~~

Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

III. Architectural and Landscape Decisions

As further described in the Community Rules, including without limitation, the Architectural Review Procedures, applications for Standard Plan alterations submitted to the Manor Alterations and Permits Division may typically be approved without Board review.

An application with plans not in conformance with the approved Standard Plan alterations or for which neighbor objections have been received are considered and reviewed by the Architectural Control and Standards Committee ("ACSC").

Applications that are not in conformance with Third's architectural standards may be recommended for denial by the ACSC.

Meanwhile, an application that may otherwise meet the application requirements, but with plans that do not conform to the approved Standard Plan alterations, requires the approval of a variance request, which must be submitted for review by the ACSC. The ACSC reviews the architectural application, variance request, and other documentation provided regarding the proposed alteration at its regularly scheduled meetings and makes a written recommendation to the Board as to whether the architectural/variance request should be granted or denied.

Similarly, requests by Members for landscape modification are submitted to the Landscape Division for review by Management and/or the Landscape Committee, which may approve standard landscape alterations without Board review. Nonstandard landscape requests will be reviewed by the Landscape Committee, who will then make a written recommendation to the Board as to whether the landscape modification should be approved or denied.

The recommendation from the ACSC or Landscape Committee, as may be applicable, on a matter to be ultimately determined by the Board is considered by the Board at the next regularly scheduled Open Meeting, at which time the Board will either approve (either with or without conditions) or deny the Member's architectural/variance or landscape modification request.

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Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

Within thirty (30) days of receipt of a written decision by the Executive Hearing Committee, A Member who claims to have been harmed by the decision may appeal the decision directly to the Board by providing a statement in writing, explaining why the Member believes the Committee made an incorrect decision. The member may – but is not obliged to – provide such new evidence or documentation that the Member feels will aid the Member's appeal. However, no new evidence or documentation not provided within such 30-day period will be considered by the Board.

It is the stated policy that Members shall have the right to have their appeal considered – in person – by the Board, after which the Board will make a decision and provide notice of same in accordance with Third's Governing Documents and applicable statute.

~~The SME will review any request for reconsideration based on extraordinary circumstances if submitted in writing within thirty (30) days from the Board's determination or the discovery of such extraordinary circumstances; in no event, however, shall any reconsideration request be considered by the Board after one (1) year from the date of the original, final decision by the Board. Reconsideration of the Board's decision may be considered in the following circumstances: (1) the application or documentation provided had an error which would otherwise have resulted in approval; (2) the Board or recommending Committee misinterpreted provisions of the application or the requirements of law or the Community Rules in its decision; (3) an aberration from the review and approval procedures as laid out in the Community Rules is discovered; and (4) any other situation in which the Board, in its sole discretion, believes that an additional review is necessary to ensure the equal and fair treatment of all Members.~~

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Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

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Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

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Third Laguna Hills Mutual
Appeal Policy
Resolution 03-19-79

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Third Laguna Hills Mutual
Appeal Policy
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Compliance Division
PO BOX 2220, Laguna Hills, CA 92654; 949-268-CALL; compliance@vmsinc.org

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| Section I: Member(s) Information | | | |
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| Name: | Unit # | Telephone # | Email: |
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| Name: | Unit # | Telephone # | Email: |
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| Date of Disciplinary Hearing: | | | |
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| Section II: Appeal Statement |
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| <p>PLEASE PRINT</p> <p>Explain the reason for your appeal and why you disagree with the decision(s). If required, attach additional pages to this form and write your name and unit on each page.</p> |
| |

FOR OFFICE USE ONLY

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| Action Taken By: _____ | | |
| <input type="checkbox"/> Appeal Approved | <input type="checkbox"/> Appeal Denied | Date: _____ |



STAFF REPORT

DATE: December 27, 2022
FOR: Resident Policy and Compliance Committee
SUBJECT: Resident Policy and Compliance Committee Charter

RECOMMENDATION

Staff is seeking direction on any revisions, changes or corrections to the charter.

BACKGROUND

The Resident Policy and Compliance Committee is tasked to review policy and processes for consistency, clarity, and efficiency.

DISCUSSION

The Committee would like to discuss and consider the approval of the Resident Policy and Compliance Committee charter.

FINANCIAL ANALYSIS

None.

Prepared By: Jacob M. Huanosto, Interim Compliance Supervisor

Reviewed By: Francis Gomez, Operations Manager

ATTACHMENT(S)

Attachment 1: Resident Policy and Committee Charter

**THIRD LAGUNA HILLS MUTUAL
RESIDENT POLICY AND COMPLIANCE COMMITTEE CHARTER
RESOLUTION XX-XX-XXX**

RESOLVED, that pursuant to Bylaws, Article 7, Section 7.1, the Resident Policy and Compliance Committee (Committee) has been established as a standing committee of this Corporation for the purpose of reviewing the governing documents (Governing Documents) for Third Laguna Hills Mutual (Third Mutual) for clarity, legality and current applicability, and overseeing the processes used to manage discipline within this Corporation.

RESOLVED FURTHER, *on this date*, that the Board of Directors (Board) of this Corporation hereby amends the Members and Responsibilities information for the Committee as follows:

I. Committee Members

1. The Board shall appoint the Committee Chair upon recommendation of the Board President.
2. The Committee shall consist of no more than 5 Board Directors, all will be voting members appointed by the Board upon recommendation of the Committee Chair.
3. The Committee may include Resident Advisors, all who will be non-voting members appointed by the Board upon recommendation of the Committee Chair.
4. A Committee Member absent from 3 consecutive, regularly scheduled meetings shall no longer qualify for the Committee, unless excused by the Chair.

II. Responsibilities

This Committee shall serve at the direction of and at the pleasure of the Board. The primary responsibility of the Committee is to recommend general and specific actions related to the Governing Documents for the Board's approval and implementation, including but not limited to:

1. Ensure that the Governing Documents are consistent with the Bylaws, Amended and Restated Covenants, Conditions and Restrictions and other governing documents, as well as current federal, state and local laws.
2. Review all Governing Documents and make recommendations to the Board regarding proposed revisions to the Governing Documents.
3. Ensure that the processes used to manage adherence to the Governing Documents are clear, relevant, reflect kindly on members, and are fairly and consistently enforced.
4. Consult, as appropriate and upon Committee approval, with Corporate Counsel.
5. Function in accordance with the Governing Documents and federal, state, and local laws.
6. Perform such additional functions as may be assigned or referred to the Committee by the Board President as well as those that are necessary and prudent to fulfill the Committee's duties and responsibilities.

7. Function as an advisory and liaison body to the managing agent in matters pertaining to the Governing Document changes/implementation and coordinate these matters with other standing committees having related concerns.

RESOLVED FURTHER, that Resolution 03-XX-XXX, adopted MMMMMMM DD, YYYY is hereby superseded and cancelled.

RESOLVED FURTHER, that the officers and agenda of this Corporation are hereby authorized, on behalf of the Corporation, to take such action as they deem appropriate to carry out the purposes of this resolution as written.