



## **OPEN SESSION**

### **REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS MUTUAL BOARD OF DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, July 16, 2024 - 9:30 a.m.  
Laguna Woods Village Community Center  
Board Room/Virtual Meeting  
24351 El Toro Road  
Laguna Woods, California**

#### **NOTICE AND AGENDA**

The purpose of this meeting is to conduct the regular Third Mutual Board Meeting in accordance with *Civil Code §4930* and was hereby noticed in accordance with *Civil Code §4920*

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- 1. Call Meeting to Order / Establish Quorum – President Laws**
- 2. Pledge of Allegiance – Director Park**
- 3. Approval of the Agenda**
- 4. Approval of the Minutes**
  - a. June 18, 2024 – Regular Board Meeting
  - b. July 5, 2024 – Agenda Prep Meeting
- 5. Report of the Chair**
- 6. Open Forum (Three Minutes per Speaker)** - *At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The board reserves the right to limit the total amount of time allotted for the Open Forum to thirty minutes. A member may speak only once during the forum. Speakers may not give their time to other people, no audio or video recording by attendees, and no rude or threatening comments. Members can attend the meeting by joining the Zoom link <https://zoom.us/j/94899806730> or call 1-(669) 900-6833 or email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) to have your message read during the Open Forum.*
- 7. Responses to Open Forum Speakers**
- 8. CEO Report**
- 9. Consent Calendar** - *All matters listed under the Consent Calendar are recommended for action by Committees and will be enacted by the Board by one motion. In the event an item is removed from the Consent Calendar by members of the Board, such item(s) shall be the subject of further discussion and action by the Board.*
  - a. Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual preliminary financials for the month of May 2024, and

by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

- b. Recommendations from the Finance Committee - None**
- c. Recommendations from the Landscape Committee - None**
- d. Recommendation from the Architectural Controls and Standards Committee:**  
**(1) Recommendation to Approve the Variance Request to Replace Window Sliding Glass Door and Paver Patio on Common Area at Manor 5367-C Algarrobo**

## **10. Unfinished Business**

- a. Entertain a Motion to Approve Revision to Standard 6: Block Walls (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**
- b. Entertain a Motion to Approve the 2025 Collection and Lien Enforcement Policy (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**
- c. Entertain a Motion to Approve the Passive Business Policy and Application (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**
- d. Entertain a Motion to Approve the Rules for Board Meetings (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**
- e. Entertain a Motion to Approve the Financial Qualifications for Purchasing in Third Mutual (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**

## **11. New Business**

- a. Entertain a Motion to Approve the Revision to Third Laguna Hills Mutual Traffic Rules and Regulations (July initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**
- b. Entertain a Motion to Approve the Revision to Standard 18: Gutters and Downspouts (July initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**
- c. Entertain a Motion to Approve the Revision to Standard 34: Windows & Window Attachments (July initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**
- d. Entertain a Motion to Approve Building 3101 Walkway Realignment**
- e. Entertain a Motion to Approve Updated Committee Assignments**

## **12. Third Mutual Committee Reports**

- a.** Report of the Finance Committee / Financial Report – Director Veeneman. The committee met on June 4, 2024; next meeting August 6, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
  - (1) Treasurer’s Report
  - (2) Third Finance Committee Report
- b.** Report of the Architectural Controls and Standards Committee – Director Cook. The committee met July 8, 2024; next meeting August 12, 2024, at 9:30 a.m. in the Board Room and as a virtual meeting.
- c.** Report of the Maintenance and Construction Committee – Director Karimi. The committee met on July 1, 2024; next meeting September 9, 2024 at 9:30 a.m. in the Board Room and as a virtual meeting.
- d.** Report of the Landscape Committee – Director Laws. The committee met on July 11, 2024; next meeting August 1, 2024 at 9:30 a.m. in the Board Room and as a virtual meeting. Draft
- e.** Report of the Water Conservation Committee – Director Zalon. The committee met on April 25, 2024; next meeting is July 25, 2024, at 2 p.m. in the Board Room.
- f.** Report of the Resident Policy and Compliance Committee – Director Prince. The committee met on June 25, 2024; next meeting July 23, 2024 at 9:30 a.m. in the Board Room and as a virtual meeting.

## **13. GRF Committee Highlights**

- a.** GRF Community Activities Committee – Director Park. This committee met on July 11, 2024; the next meeting is August 8, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
- b.** GRF Finance Committee – Director Veeneman. The committee met on June 19, 2024; next meeting August 21, 2024, at 1:30 p.m. in the Board Room and as a virtual meeting.
- c.** GRF Security and Community Access Committee – Director Karimi. The committee last met on June 26, 2024, and the next meeting is August 28, 2024, at 1:30 p.m. in the Board Room and as a virtual meeting.
- d.** GRF Media and Communications Committee – Director Laws. The committee met on July 15, 2024; the next meeting is October 21, 2024 at 1:30 p.m. in the Board Room.
- e.** Report of the Laguna Woods Village Traffic Hearings – Director Park. The closed hearings were held on June 19, 2024; next meeting July 17, 2024 at 9:00 a.m. in the Board Room.

- f. Information Technology Advisory Committee – Director Park. This closed committee last met on June 28, 2024; next meeting is July 26, 2024 at 1:30 p.m. virtually.
  - g. The following GRF Committees have not met since the last Third Board Meeting of June 18, 2024:
    - i. Disaster Preparedness Task Force – Director Park. The task force met on May 28, 2024; the next meeting is July 30, 2024, at 9:30 a.m. in the Board Room.
    - ii. GRF Mobility and Vehicles Committee – Director Park. This committee met on May 15, 2024; the next meeting is August 7, 2024 at 1:30 p.m. in the Board Room.
    - iii. GRF Landscape Committee – Director Karimi. This committee met on May 8, 2024; the next meeting is August 14, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
    - iv. GRF Maintenance & Construction Committee – Director Rinehart. The committee met on June 12, 2024; next meeting August 14, 2024, at 9:30 a.m. in the Board Room and as a virtual meeting.
    - v. GRF Broadband Ad Hoc Committee – Director Cook. This closed committee last met on May 8, 2024; the next meeting is TBD.
    - vi. Space Planning Ad Hoc Committee – Director Karimi. This Ad Hoc committee last met on May 1, 2024; the next meeting TBD.
- 14. Future Agenda Items--** *All matters listed under Future Agenda Items are Resolutions that may be on 28-day public review or items for a future Board Meeting. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*
- *Entertain a Motion to Approve the Revision to Third Laguna Hills Mutual Traffic Rules and Regulations*
  - *Entertain a Motion to Approve the Revision to Standard 18: Gutters and Downspouts*
  - *Entertain a Motion to Approve the Revision to Standard 34: Windows & Window Attachments*
  - *Revision to Standard 41: Solar Panels, 1 Story Buildings*
  - *Revision to Standard 41A: Solar Panels, 2 Story Buildings*
- 15. Directors' Comments**
- 16. Recess** - *At this time the Meeting will recess for lunch and reconvene to Executive Session with the Executive Committee to discuss the following matters per California Civil Code §4935.*

**Closed Executive Committee Session Agenda**

*Approval of Agenda*

*Approval of the Minutes*

*(a) June 18, 2024 – Regular Closed Executive Committee Meeting*

*Discuss and Consider Member Matters*

*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Litigation Matters*

**17. Adjourn**



**OPEN SESSION**

**MINUTES OF THE REGULAR OPEN MEETING OF THE  
THIRD LAGUNA HILLS MUTUAL BOARD OF  
DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, June 18, 2024 - 9:30 a.m.  
Laguna Woods Village Community Center  
Board Room/Virtual Meeting  
24351 El Toro Road  
Laguna Woods, California**

**Directors Present:** Mark Laws, S.K. Park, Jim Cook, N. Cris Prince, Moon G. Yun, Reza Karimi, Brad Rinehart, Nathaniel Ira Lewis, David Veeneman, Andrew Ginocchio (entered meeting at 10:25 a.m.)

**Directors Absent:** Jules Zalon (Not Noticed)

**Staff Present:** Siobhan Foster-CEO, Makayla Schwietert, Paul Nguyen, Eric Nunez, Bart Mejia, Ian Barnette, Kurt Wiemann, Blessilda Wright, Jeff Spies, David Rudge, Alan Grimshaw, Steve Hormuth, Tom Siviglia, Dan Hoxie, Catherine Laster

**Others Present:** VMS – Jim Glassman  
GRF – None  
United – None  
VMS – None

**1. Call meeting to order / Establish Quorum – President Laws, Chair**

President Laws called the meeting to order at 9:30 a.m. and established that a quorum was present.

**2. Pledge of Allegiance**

Director Cook led the Pledge of Allegiance.

**3. Approval of Agenda**

President Laws asked for a motion to approve the Agenda.

Director Lewis made a motion to approve the Agenda. Director Karimi seconded.

Hearing no further changes or objections, the agenda was approved by consent.

**4. Approval of Minutes**

- a. May 21, 2024 – Regular Open Meeting
- b. May 31, 2024 – Special Board Meeting
- c. June 7, 2024 – Agenda Prep Meeting

Director Veeneman made a motion to approve the minutes of May 21, 2024 – Regular Open Meeting, May 31, 2024 – Special Board Meeting and the June 7, 2024 – Agenda Prep Meeting. Director Lewis seconded.

Hearing no further changes or objections, the minutes were approved by consent.

## **5. Report of the Chair**

President Laws commented on the following:

- Reminded that there are 3 open available positions to fill at the upcoming annual Third Election
- Applications are due back on July 3, 2024, at 5:00 p.m.
- If there are more than 3 applicants, then there will be an election. If there are 3 or less, then those applicants will become directors by acclamation

## **6. Open Forum (Three Minutes per Speaker)**

- A member commented on the work of the Foundation of Laguna Woods Village
- Multiple members commented on their displeasure with the recall of two GRF Directors by the Third Board
- A member commented on the joint property insurance with United Mutual
- A member commented on a continuous problem with drainage pipe over their kitchen and requesting that there is an annual check on the pipes

## **7. Responses to Open Forum Speakers**

- President Laws made a brief comment on the recall
- President Laws commented that he will get back to the member regarding the clogged pipes

## **8. CEO Report**

CEO Siobhan Foster reported on:

- 2025 Budget Meetings – Ver. 2, Beyond
- CH1 Beautification Progress
- Resident Services Enhancements
- Resident Services Communication Enhancements
- Website Transformation Progress
- Recreation Update
- Security Services Update
- SCE Ticket Management Update
- Third Strategic Maintenance Summary
- Where to Report Lighting Issues
- VMS Strategic Planning
- VMS Strategic Planning – Next Steps

CEO Foster answered questions from the Board.

**9. Consent Calendar** - *All matters listed under the Consent Calendar were recommended for action by committees and were enacted by the Board by one motion. Items removed from the Consent Calendar by members of the Board were moved for further discussion and action by the Board.*

President Laws asked for a motion to approve the Consent Calendar as presented.

Director Veeneman made a motion to approve the Consent Calendar. Director Yun seconded the motion.

Director Cook recused himself from item 9d (1).

Hearing no changes or objections, the motion to approve the Consent Calendar was approved by consent.

- a. Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual preliminary financials for the month of April 2024, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.
- b. **Recommendations from the Finance Committee**
  - (1) Recommendation to Approve a Resolution got Recording a Lien Against Member ID #934-900-63

**RESOLUTION 03-24-59**

**Recording of a Lien**

**WHEREAS**, Member ID 934-900-63; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-900- 63 and;

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

- (2) Recommendation to Approve a Resolution got Recording a Lien Against Member ID #932-792-09

**RESOLUTION 03-24-60**

### **Recording of a Lien**

**WHEREAS**, Member ID 932-792-09; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-792- 09 and;

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

- (3) Recommendation to Approve a Resolution got Recording a Lien Against Member ID #932-600-80

### **RESOLUTION 03-24-61**

### **Recording of a Lien**

**WHEREAS**, Member ID 932-600-80; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-600- 80 and;

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

- (4) Recommendation to Approve a Resolution got Recording a Lien Against Member ID #931-510-18

### **RESOLUTION 03-24-62**



## Recording of a Lien

**WHEREAS**, Member ID 931-510-18; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-510- 18 and;

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**c. Recommendations from the Landscape Committee**

- (1) Recommendation to Deny the Request for stepping stones next to the stairs at Manor 2195-C Via Mariposa

### **RESOLUTION 03-24-63**

#### **Deny the Request for Stepping Stones Next to the Stairs Located at 2195-C Via Mariposa**

**WHEREAS**, on June 6, 2024, the Landscape Committee reviewed a request for a landscape alteration from the Member at 2195-C to place stepping stones next to the stairs at the front entryway; and

**WHEREAS**, the resident requested permission to place stepping stones next to the stairs at the front entryway to create a ramp so her husband does not have to use the stairs; and

**WHEREAS**, this request is placing Mutual at liability as it would create a ramp that does not meet ADA guidelines; and

**WHEREAS**, the Committee recommends that the request to alter the landscape and place stepping stones at 2195-C Via Mariposa according to the plans provided by the resident be denied; and

**WHEREAS**, the Committee recommends the issue be reviewed by the Architectural and Control and Standards Committee;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, the Board of Directors denies the request for the approval of the landscape alteration at 2195-C Via

Mariposa; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**d. Recommendations from the Architectural Controls and Standards Committee**

- (1) Recommendation to Approve the Variance Request to Install Pavers on Common Area for Golf Car at Manor 2173-A Via Mariposa East

**RESOLUTION 03-24-64**

**Variance Request**

**WHEREAS**, Member located at 2173-A Via Mariposa East, a Monterey style manor, requests Architectural Control and Standards Committee approval of a variance to install pavers on Common Area for Golf Car; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Members of affected units notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Control and Standards Committee or in person at the Architectural Control and Standards Committee Meeting on June 10, 2024; and

**WHEREAS**, the Architectural Control and Standards Committee reviewed the variance and moved for approval of the variance to install pavers on Common Area for Golf Car;

**NOW THEREFORE BE IT RESOLVED**, on June 18, 2024, the Third Laguna Hills Mutual Board hereby approves the request to install pavers on Common Area for Golf Car; and

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 2173-A Via Mariposa East and all future Mutual Members at 2173-A Via Mariposa East; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

- (2) Recommendation to Approve the Variance Request to Install Fence to Enclose Common Area at Entry at Manor 3282-B San Amadeo

**RESOLUTION 03-24-65**

**Variance Request**

**WHEREAS**, Member located at 3282-B San Amadeo, a La Reina style manor, requests Architectural Control and Standards Committee approval of a variance to install a fence to enclose Common Area at entry; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Members of affected units notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Control and Standards Committee or in person at the Architectural Control and Standards Committee Meeting on June 10, 2024; and

**WHEREAS**, the Architectural Control and Standards Committee reviewed the variance and moved for approval of the variance to install a fence to enclose Common Area at entry;

**NOW THEREFORE BE IT RESOLVED**, on June 18, 2024, the Third Laguna Hills Mutual Board hereby approves the request to install a fence to enclose Common Area at entry; and

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 3282-B San Amadeo and all future Mutual Members at 3282-B San Amadeo; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

- (3) Recommendation to Approve the Variance Request to Install Acorn Stairlift in Common Area at Manor 2269-P Via Puerta

**RESOLUTION 03-24-66**

**Variance Request**

**WHEREAS**, Member located at 2269-P Via Puerta, a Castilla style manor, requests Architectural Control and Standards Committee approval of a variance to install an Acorn stairlift in Common Area; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Members of affected units notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Control and Standards Committee or in person at the Architectural Control and Standards Committee Meeting on June 10, 2024; and

**WHEREAS**, the Architectural Control and Standards Committee reviewed the variance and moved for approval of the variance to install an Acorn stairlift in Common Area;

**NOW THEREFORE BE IT RESOLVED**, on June 18, 2024, the Third Laguna Hills Mutual Board hereby approves the request to install an Acorn stairlift in Common Area; and

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 2269-P Via Puerta and all future Mutual Members at 2269-P Via Puerta; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

## 10. Unfinished Business

- a. **Entertain a Motion to Approve the Revision to Standard 47: Bathroom Splits (May initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**

Board Secretary read the following resolution:

### **RESOLUTION 03-24-67**

#### **Revise Standard 47: Bathroom Splits**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 47: Bathroom Splits;

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 47: Bathroom Splits as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-18-22 adopted February 20, 2018, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Prince made a motion to approve Revised Standard 47: Bathroom Splits. Director Yun seconded.

Discussion ensued among the Board.

Alan Grimshaw, Buildings and Permits Inspection Manager, answered questions from the Board.

A member commented on the item.

Hearing no changes, the motion was called to a vote and passed unanimously.

**11. New Business**

**a. Entertain a Motion to Approve Revision to Standard 6: Block Walls (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

Mr. Grimshaw gave a highlight of the staff report and answered questions from the Board.

**RESOLUTION 03-24-XX**

**Revise Standard 6: Concrete Block Walls**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 6: Block Walls;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 6: Concrete Block Walls as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-18-14 adopted January 19, 2018, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Cook made a motion to approve the revised standard 6: block walls for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Veeneman seconded.

Hearing no changes, the motion was called to a vote and passed 7-2-0. President Laws and Director Lewis opposed.

**b. Entertain a Motion to Approve the Revision to Standard 41: Solar Panels, 1 Story Buildings (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

**RESOLUTION 03-24-XX**

**Revise Standard 41: Solar Panels, 1 Story Buildings**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 41: Solar Panels, 1 Story Buildings;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 41: Solar Panels, 1 Story Buildings as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-23-51 adopted May 16, 2023, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Cook made a motion to approve the revised standard 41: solar panels, 1 story buildings for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Veeneman seconded.

Director Lewis requested that this item be sent to legal counsel during the 28-day review process.

Hearing no changes, the motion was called to a vote and passed 4-3-2. Director Lewis, Director Veeneman, and President Laws opposed. Director Park and Director Prince abstained.

- c. **Entertain a Motion to Approve the Revision to Standard 41A: Solar Panels, 2 Story Buildings (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

**RESOLUTION 03-24-XX**

**Revise Standard 41A: Solar Panels, 2 Story Buildings**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 41A: Solar Panels, 2 Story Buildings;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 41A: Solar Panels, 2 Story Buildings as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-23-76 adopted July 18, 2023, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Cook made a motion to approve the revised standard 41A: solar panels, 2 story buildings for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Veeneman seconded.

Hearing no changes, the motion was called to a vote and failed 4-5-1. Director Park abstained. Director Rinehart, Director Cook, Director Ginocchio, and Director Karimi voted in favor.

- d. Entertain a Motion to Approve the 2025 Collection and Lien Enforcement Policy (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

**RESOLUTION 03-24-XX**

**2025 Collection and Lien Enforcement Policy**

**WHEREAS**, in accordance with California Civil Code, Third Laguna Hills Mutual maintains a collection and lien enforcement policy that outlines the procedures, policies and practices employed by the Mutual in enforcing lien rights or other legal remedies for default in payment of assessments; and

**WHEREAS**, legal counsel has reviewed the existing Collection and Lien Enforcement Policy and determined that the updated policy complies with Civil Code requirements and reflects current practices for collection of Mutual delinquencies;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors hereby adopts the 2025 Third Laguna Hills Mutual Collection and Lien Enforcement Policy as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, the policy statement is provided pursuant to the requirements of California Civil Code section 5310(a)(7) and will be distributed to members in November 2024 as part of the Annual Policy Statement; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Lewis made a motion to approve the 2025 collection and lien enforcement policy for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Prince seconded.

Hearing no changes, the motion was called to a vote and passed unanimously.

- e. Entertain a Motion to Approve the Passive Business Policy and Application (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

**RESOLUTION 03-24-XX**

**Revised Policy Regulating Passive Home Businesses**

**WHEREAS**, Third Mutual's governing documents state that members shall use their

units as a private dwelling, and for no other purpose; and

**WHEREAS**, Third Mutual recognized the need to establish restricted conditions under which a passive business may be conducted, and on August 21, 2001, the Board adopted its Policy Regulating Home Occupations; and

**WHEREAS**, it is necessary to update the current policy by removing any reference to Laguna Woods Mutual No. Fifty, make clarifying statements that the Mutual's intent of the policy is to prescribe a reasonable standard that allows certain businesses to operate in a member's unit without negatively affecting the neighbors and/or the community, and to make other scrivener administrative updates by making language consistent throughout the policy;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors of this corporation hereby adopts the revised Policy Regulating Passive Home Businesses as attached to the official meeting minutes of this corporation; and

**RESOLVED FURTHER**, that any violations of said policy can result in suspension of the use of GRF facilities and voting privileges, and a monetary penalty of up to \$500; and

**RESOLVED FURTHER**, that Resolution M3-01-38 adopted August 21, 2001 is hereby superseded and cancelled; and

**RESOLVED FURTHER**, that the officers and agents of this corporation are hereby authorized on behalf of the corporation to carry out the purpose of this resolution.

Director Veeneman made a motion to approve the passive business policy and application for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Prince seconded.

Hearing no changes, the motion was called to a vote and passed unanimously.

- f. Entertain a Motion to Approve the Rules for Board Meetings (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

#### **RESOLUTION 03-24-XX**

#### **Rules for Board Meetings**

**WHEREAS**, each Owner Member of Laguna Woods Village has an ongoing interest and right under California law to participate in the governance of their community; and

**WHEREAS**, the Board of Directors of the Third Laguna Hills Mutual has an equal interest and duty under law to ensure that the management of the community's affairs is carried out professionally and in adherence with the provisions of the Davis-Stirling Act; and



**WHEREAS**, the Board of Directors wishes to promote order and regulate meeting time in an even and consistent fashion;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors of this Corporation hereby approves the attached revised Rules for Board Meetings; and

**RESOLVED FURTHER**, that Resolution 03-22-134 adopted December 20, 2022 is hereby superseded and cancelled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Prince made a motion to approve the rules for board meetings for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Karimi seconded.

Director Prince had some corrections to the item in which staff has already been alerted to.

Hearing no changes, the motion was called to a vote and passed unanimously.

**g. Entertain a Motion to Approve the Financial Qualifications for Purchasing in Third Mutual (June initial notification – 28-day notification for member review and comments to comply with Civil Code §4360)**

Jeff Spies, Community Services Manager, spoke on the item.

**RESOLUTION 03-24-XX**

**Revised Guidelines for Financial Qualifications**

**WHEREAS**, Third Laguna Hills Mutual (Third) is formed to manage, operate and maintain housing at Laguna Woods Village; and

**WHEREAS**, Third desires to protect the financial integrity of the Corporation; and

**WHEREAS**, Third has expressed the need to revise its Guidelines for Financial Qualifications by increasing the minimum net worth and minimum annual income requirements in light of inflationary pressures;

**NOW, THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby amends its Guidelines for Financial Qualifications by increasing the minimum net worth and minimum annual income requirements, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that said adjustments shall be effective January 1, 2025; and

**RESOLVED FURTHER**, that Resolution 03-22-80, adopted July 19, 2022, is hereby

superseded and canceled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of this corporation to carry out the purpose of this resolution.

Director Cook made a motion to approve the financial qualifications for purchasing in third mutual for discussion purposes and to postpone the final vote for 28-days per Civil Code §4360. Director Lewis seconded.

A member commented on the item.

Hearing no changes, the motion was called to a vote and passed 9-1-0. Director Rinehart opposed.

**h. Entertain a Motion to Update Third Mutual Purchasing Policy**

Steve Hormuth, Finance Director, spoke on the update to Third Purchasing Policy.

Director Lewis made a motion to approve the updated Third Mutual Purchasing Policy. Director Karimi seconded.

Discussion ensued among the Board.

A member commented on the item.

Director Lewis withdrew his initial motion.

Director Lewis made a motion to create a task force to identify what changes Third Mutual needs, to work with staff, meld that into the current purchasing policy, and bring this back to the Third Finance Committee. Director Karimi seconded.

Hearing no changes, the revised motion was called to a vote and passed unanimously. Director Park was not present for the vote.

**i. Entertain a Motion to Approve the Executive Hearings Committee Charter**

**RESOLUTION 03-24-68**

**Executive Hearings Committee Charter**

**WHEREAS**, the Third Laguna Hills Mutual (Third) Board of Directors (Board) recognizes the need to address disciplinary matters with adequate time to review and enforce Third's Governing Documents each month; and

**WHEREAS**, that pursuant to Bylaws, Article 7, Section 7.1, the Board determined to establish the Executive Hearings Committee (Committee) as a standing committee of this Corporation for the purpose of hearing disciplinary hearing matters, as well as for determining responsibilities for damage reimbursement situations; and

**NOW THEREFORE BE IT RESOLVED**, June 18, 2024, that the Board of Directors of this Corporation hereby amends the Members and Responsibilities information for the Committee as follows:

**I. Committee Members**

1. The Board shall appoint either the Board President or the Board First Vice President as the Committee Chair.
2. The Committee shall consist of 3 Board Directors and 2 alternate Board Directors, all will be voting members appointed by the Board upon recommendation of the Committee Chair.
3. A Committee Member absent from 3 consecutive, regularly scheduled meetings shall no longer qualify for the Committee, unless excused by the Chair.
4. This Committee shall serve at the direction of and at the pleasure of the Board.

**II. Responsibilities**

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. The Committee shall, pursuant to Bylaws Article 4, Section 4.5, hold disciplinary hearings on matters submitted to the Committee by the Compliance Division.
2. The Committee may, pursuant to Bylaws Article 4, Section 4.5.2, take disciplinary action against any Member, Qualifying Resident, Co-occupant, Tenant, and their Guests for breach of the Bylaws, CC&Rs, and other Governing Documents.
3. The Committee shall have full autonomy for the purpose of hearing and acting on Disciplinary Hearing cases.
1. The Committee shall have full autonomy for the purpose of hearing and acting on Common Area Damage Reimbursement cases.
2. The Committee shall have full autonomy for the purpose of hearing and acting on Member Requested Hearing cases an alternative to Meet and Confers/Internal Dispute Resolution.
3. Consult, as appropriate and upon Committee approval, with Third Counsel.
4. Function in accordance with the Governing Documents and federal, state, and local laws.
5. 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.

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

**RESOLVED FURTHER**, Resolution 03-23-50 adopted May 16, 2023 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.

Director Veeneman made a motion to approve the executive hearings committee charter. Director Prince seconded.

Discussion ensued among the Board.

Hearing no changes, the motion was called to a vote and passed unanimously.

**j. Election of Officer: Treasurer**

President Laws made a motion to open nominations for board officers.

President Laws opened the floor for nominations of Treasurer.

Director Cook nominated David Veeneman for the position of Treasurer. Director Veeneman accepted the nomination.

Hearing no other nominations, Director Veeneman was elected Treasurer by acclamation.

The Board Secretary read the following resolution:

**RESOLUTION 03-24-69**

**APPOINTMENT OF OFFICERS**

**RESOLVED**, on June 18, 2024, pursuant to Third Laguna Hills Mutual Bylaws Article 9 which sets guidelines, terms and responsibilities for the election of Officers to this Corporation the following persons are hereby elected to the office indicated next to their names to serve:

Mark Laws	President
Jim Cook	1 <sup>st</sup> Vice President
S.K. Park	2 <sup>nd</sup> Vice President

N. Cris Prince                      Secretary  
David Veeneman                      Treasurer

**RESOLVED FURTHER**, that the following Staff person is hereby appointed as ex Officio officer of this Corporation:

Siobhan Foster                      Vice President ex Officio  
Carlos Rojas                      Assistant Secretary ex Officio  
Steve Hormuth                      Assistant Treasurer ex Officio

**RESOLVED FURTHER**, that Resolution 03-22-117, adopted October 5, 2023, is hereby superseded and cancelled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are directed on behalf of the Corporation to carry out this resolution.

Director Lewis made a motion to approve the updated appointment of officers. Director Yun seconded.

Hearing no changes, the motion was called to a vote and passed unanimously.

**k. Entertain a Motion to Approve Updated Committee Assignments**

**RESOLUTION 03-24-70**

**Third Mutual Committee Appointments**

**RESOLVED**, June 18, 2024, that the following persons are hereby appointed to serve on the committees and services of this Corporation;

**RESOLVED FURTHER**, that each committee chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

**Finance Committee** (meets every other month)

~~Andy Gineocchio, Chair~~  
David Veeneman, Chair  
Moon Yun  
Brad Rinehart  
SK Park  
Nathaniel Ira Lewis  
Reza Karimi, Alternate

**Architectural Control and Standards Committee** (meets monthly)

James Cook, Chair

Brad Rinehart

Nathaniel Ira Lewis

Reza Karimi

David Veeneman

~~Andy Ginocchio, Alternate~~

Non-Voting Advisors: Mike Butler, Mike Plean, Lisa Mills

**Landscape Committee** (meets monthly)

Mark Laws, Chair

SK Park

Brad Rinehart

Reza Karimi

David Veeneman

Moon Yun, Alternate

~~Non-Voting Advisors: Patricia Bailey, Diane Bonar, Mark Brenner, PhD, Krystal Meier~~

**Maintenance and Construction Committee** (meets every other month)

Brad Rinehart, Chair

James Cook

Moon Yun

SK Park

Reza Karimi

~~Andy Ginocchio, Alternate~~

**Resident Policy and Compliance Committee** (meets monthly)

Mark Laws, Chair

Cris Prince

Nathaniel Ira Lewis

Moon Yun

~~Andy Ginocchio~~

Reza Karimi

SK Park, Alternate

Non-Voting Advisors: Stuart Hack, Theresa Keegan

**Executive Hearings Committee** (meets monthly)

Mark Laws, Chair

Jim Cook

Cris Prince

~~Andy Ginocchio, Alternate~~

David Veeneman, Alternate

SK Park, Alternate

**Water Conservation Committee** (meets quarterly)

Jules Zalon, Chair

Reza Karimi

Brad Rinehart

Nathaniel Ira Lewis  
David Veeneman

**Executive Committee** (can attend Closed Meetings / Executive Sessions)

Mark Laws  
Jim Cook  
~~Andy Ginocchio~~  
Cris Prince  
Reza Karimi  
Nathaniel Ira Lewis  
Moon Yun  
SK Park  
Brad Rinehart  
David Veeneman

**Garden Villa Recreation Room Committee** (meets thrice yearly)

SK Park, Chair  
Moon Yun  
David Veeneman  
Voting Advisors: Stuart Hack, Lynn Jarrett  
Non-Voting Advisors: Lorna Seung

**RESOLVED FURTHER**, that Resolution 03-24-55, adopted May 31, 2024, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**RESOLUTION 03-24-71**

**GRF Committee Appointments**

**RESOLVED**, June 18, 2024, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

**Community Activities Committee** (meets monthly)

SK Park (Third)  
~~Andy Ginocchio (Third)~~  
Reza Karimi, ~~Alternate~~ (Third)  
Moon Yun, Alternate (Third)

**Finance Committee** (meets every other month)

~~Andy Ginocchio (Third)~~  
David Veeneman (Third)  
Nathaniel Ira Lewis (Third)  
Moon Yun, Alternate (Third)

**Landscape Committee** (meets every three months)

~~Nathaniel Ira Lewis (Third)~~

SK Park (Third)

Reza Karimi, ~~Alternate~~ (Third)

**Maintenance & Construction Committee** (meets every other month)

SK Park (Third)

Brad Rinehart (Third)

Reza Karimi, Alternate (Third)

**Media and Communications** (meets every other month)

Jim Cook (Third)

Cris Prince, (Third)

Moon Yun, Alternate (Third)

**Broadband Ad Hoc Committee** (meets every month)

Cris Prince (Third)

Jim Cook (Third)

Reza Karimi, Alternate (Third)

**Mobility & Vehicles Committee** (meets as scheduled)

SK Park (Third)

Moon Yun (Third)

Reza Karimi, Alternate (Third)

**Security and Community Access Committee** (meets every other month)

SK Park (Third)

Reza Karimi (Third)

David Veeneman, Alternate (Third)

**Disaster Preparedness Task Force** (meets every other month)

SK Park (Third)

Moon Yun (Third)

David Veeneman, Alternate (Third)

**Laguna Woods Village Traffic Hearings** (meets every month)

SK Park (Third)

David Veeneman, Alternate (Third)

**Information Technology Advisory Committee (ITAC)** (meets monthly)

Mark Laws (Third)

SK Park (Third)

**Space Planning Ad Hoc Committee** (meets as scheduled)

Reza Karimi (Third)

~~Andy Ginocchio (Third)~~

SK Park (Third)

**Select Audit Committee** (meets as scheduled)

David Veeneman (Third)



**RESOLVED FURTHER**, that Resolution 03-24-56, adopted May 31, 2024, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Lewis made a motion to approve the updated committee assignments. Director Cook seconded.

Hearing no changes, the motion was called to a vote and passed unanimously.

## **12. Third Mutual Committee Reports**

- a.** Report of the Finance Committee / Financial Report – Director Ginocchio. The committee met on June 4, 2024; next meeting August 6, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
  - (1)** Treasurer’s Report
  - (2)** Third Finance Committee Report
- b.** Report of the Architectural Controls and Standards Committee – Director Cook. The committee met June 10, 2024; next meeting July 8, 2024, at 1:30 p.m. in the Board Room and as a virtual meeting.
- c.** Report of the Maintenance and Construction Committee – Director Rinehart. The committee met on May 6, 2024; next meeting July 1, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
- d.** Report of the Landscape Committee – President Laws. The committee met on June 6, 2024 and June 17, 2024; next meeting July 11, 2024 at 9:30 a.m. in the Board Room and as a virtual meeting.
- e.** The Report of the Water Conservation Committee was not given in light of Director Zalon’s absence. The committee met on April 25, 2024; next meeting is July 25, 2024, at 2 p.m. in the Board Room.
- f.** Report of the Resident Policy and Compliance Committee – President Laws. The committee met on May 29, 2024; next meeting June 25, 2024 at 9:30 a.m. in the Board Room and as a virtual meeting.

## **13. GRF Committee Highlights**

- a.** GRF Community Activities Committee – Director Karimi. This committee met on June 13, 2024; the next meeting is July 11, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
- b.** Disaster Preparedness Task Force – Director Park. The task force met on May 28, 2024; the next meeting is July 30, 2024, at 9:30 a.m. in the Board Room.

- c. GRF Maintenance & Construction Committee – Director Rinehart. The committee met on June 12, 2024; next meeting August 14, 2024, at 9:30 a.m. in the Board Room and as a virtual meeting.
- d. Report of the Laguna Woods Village Traffic Hearings – Director Park. The closed hearings were held on May 15, 2024; next meeting June 19, 2024 at 9:00 a.m. in the Board Room.
- e. Information Technology Advisory Committee – President Laws. This closed committee last met on May 31, 2024; next meeting is June 28, 2024 at 1:30 p.m. virtually.
- f. The following GRF Committees have not met since the last Third Board Meeting of May 21, 2024:
  - i. GRF Finance Committee – Director Veeneman. The committee met on April 17, 2024; next meeting June 19, 2024, at 1:30 p.m. in the Board Room and as a virtual meeting.
  - ii. GRF Security and Community Access Committee – Directors Karimi. The committee last met on April 24, 2024, and the next meeting is June 26, 2024, at 1:30 p.m. in the Board Room and as a virtual meeting.
  - iii. GRF Media and Communications Committee – Director Cook. The committee met on April 15, 2024; the next meeting is July 15, 2024 at 1:30 p.m. in the Board Room.
  - iv. GRF Mobility and Vehicles Committee – Director Park. This committee met on May 15, 2024; the next meeting is August 7, 2024 at 1:30 p.m. in the Board Room.
  - v. GRF Landscape Committee – Director Karimi. This committee met on May 8, 2024; the next meeting is August 14, 2024 at 1:30 p.m. in the Board Room and as a virtual meeting.
  - vi. GRF Broadband Ad Hoc Committee – Director Cook. This closed committee last met on May 8, 2024; the next meeting is TBD.
  - vii. Space Planning Ad Hoc Committee – Director Ginocchio. This Ad Hoc committee last met on May 1, 2024; the next meeting TBA.

**14. Future Agenda Items--** *All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meeting. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

- *Revision to Standard 6: Block Walls*
- *Revision to Standard 41: Solar Panels, 1 Story Buildings*
- *Revision to Standard 41A: Solar Panels, 2 Story Buildings*
- *2025 Collection and Lien Enforcement Policy*
- *Passive Business Policy and Application*
- *Rules for Board Meetings*
- *Financial Qualifications for Purchasing in Third Mutual*

**15. Directors' Comments**

- Multiple Directors thanked Director Ginocchio for his work on the Third Board as treasurer

- Director Ginocchio thanked the Board for allowing him to serve

**16. Recess** - *At this time, the meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

The meeting was recessed into closed session at 12:15 p.m.

**Closed Session Agenda**

*Approval of Agenda*

*Approval of the Minutes*

*(a) May 21, 2024 – Regular Closed Executive Committee Meeting*

*(b) May 30, 2024 – Special Closed Executive Committee Meeting*

*(c) May 31, 2024 – Special Closed Executive Committee Meeting*

*Discuss and Consider Member Matters*

*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Litigation Matters*

**17. Adjournment**

The meeting was adjourned at 3:39 p.m.

DocuSigned by:  
*N. Cris Prince*  
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N. Cris Prince, Secretary of the Board  
Third Laguna Hills Mutual

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**OPEN SESSION**

**MINUTES OF THE AGENDA PREP MEETING OF THE THIRD LAGUNA HILLS  
MUTUAL BOARD OF DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT  
CORPORATION**

**Friday, July 05, 2024 – 9:30 a.m.  
Willow Room/Virtual Meeting  
24351 El Toro Road  
Laguna Woods, California**

The purpose of this meeting was to discuss agenda items for the Third Board Regular Meeting  
Civil Code §4930

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Directors present: Mark Laws, N. Cris Prince, S.K. Park, Nathaniel Ira Lewis, Reza Karimi, Andy Ginocchio, Brad Rinehart, David Veeneman, Jules Zalon

Directors absent: Jim Cook (Noticed), Moon G. Yun (Not noticed)

Staff present: CEO Siobhan Foster, Catherine Laster, Makayla Schwietert, Paul Nguyen

Others present: None

**1. Call Meeting to Order / Establish Quorum**

President Laws called the meeting to order at 9:30 a.m. and established that a quorum was present.

**2. Approval of the Agenda**

President Laws asked for a motion to approve the Agenda.

Director Park made a motion to approve the Agenda. Director Veeneman seconded.

Hearing no changes or objections, the Agenda was approved by consent.

**3. Discuss and Consider Items to be placed on the Third Board Regular Meeting Agenda (open & closed session) on July 16, 2024**

Discussion ensued among the Board, and changes were made to the Open and Closed meeting Agendas.

President Laws asked for a motion to approve the amended Open and Closed meeting Agendas.

Director Prince made a motion to approve the Open and Closed Meeting Agendas, as amended. Director Karimi seconded.

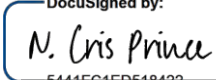
Hearing no objections, the July 16, 2024 amended Open and Closed Meeting Agendas were approved by consent.

**4. Directors' Comments**

- Director Ginocchio reminded the Board that it was his last day as a Director, and thanked the Board.

**5. Adjournment**

The meeting was adjourned at 10:04 a.m.

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\_\_\_\_\_  
N. Cris Prince, Secretary of the Board  
Third Laguna Hills Mutual



## **RESOLUTION 03-24-XX**

### **Variance Request**

**WHEREAS**, Member located at 5367-C Algarrobo, a La Princesa style manor, requests Architectural Control and Standards Committee approval of a variance to replace window with sliding glass door and paver patio on Common Area; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Members of affected units notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Control and Standards Committee or in person at the Architectural Control and Standards Committee Meeting on July 8, 2024; and

**WHEREAS**, the Architectural Control and Standards Committee reviewed the variance and moved for approval of the variance to replace window with sliding glass door and paver patio on Common Area;

**NOW THEREFORE BE IT RESOLVED**, on July 16, 2024, the Third Laguna Hills Mutual Board hereby approves the request to replace window with sliding glass door and paver patio on Common Area; and

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 5367-C Algarrobo and all future Mutual Members at 5367-C Algarrobo; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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Third Laguna Hills Mutual  
Architectural Control and Standards Committee  
June 10, 2024

**ENDORSEMENT (to Board)**

**Revision to Standard No. 6 – Block Walls**

Alan Grimshaw, Manor Alterations Manager, presented the staff report and answered questions from the committee.

A motion was made and carried unanimously to recommend that the Board of Directors approve the revisions to Standard 6 – Block Walls.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Revision to Standard 6: Block Walls

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### **RECOMMENDATION**

Approve a resolution to revise Standard 6: Concrete Block Walls.

### **BACKGROUND**

The ACSC initiated a review of the current Standard 6: Block Walls (Attachment 1) and proposed revisions to the Standard intended to bring it up to current industry standards and improved designs. Standard 6 was last enacted in January 2018, via Resolution 03-18-14 (Attachment 2).

### **DISCUSSION**

The suggested modifications to this standard are recommended in order to allow for clarification of where modifications can take place; the type of materials and finishes used and maintenance responsibilities.

On June 10, 2024 the ACSC voted unanimously to recommend that the Board of Directors approve the revisions to Standard 6.

### **FINANCIAL ANALYSIS**

There is no financial impact to the mutual for the recommended action.

**Prepared By:** Alan Grimshaw, Manor Alterations Manager

**Reviewed By:** Baltazar Mejia, Maintenance & Construction Assistant Director  
Gavin Fogg, Manor Alterations Supervisor

### **ATTACHMENT(S)**

Attachment 1: Current Standard 6: Block Walls  
Attachment 2: Current Resolution 03-18-14  
Attachment 3: Redlined Revised Standard 6: Concrete Block Walls  
Attachment 4: Final Draft Standard 6: Concrete Block Walls  
Attachment 5: Proposed Resolution 03-24-XX

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## **SECTION 6 BLOCK WALLS**

JANUARY 1989  
REVISED MAY 1996, RESOLUTION M3-96-28  
GENERAL REQUIREMENTS REVISED 2011, RESOLUTION 03-11-49  
REVISED JULY 2013, RESOLUTION 03-13-73  
REVISED JANUARY 2018, RESOLUTION 03-18-14

### **1.0 GENERAL REQUIREMENTS**

See Alteration Standard Section 1.0 General Requirements

### **2.0 APPLICATIONS**

- 2.1** All walls shall be of slumpstone block 4x4x16, 4x6x16, or 6x6x16 slumpstone or block to match existing wall only may be used.
- 2.2** Block will be painted to match the color of the building. Excess mortar will be removed. Weepholes of the proper size and location shall be used provided as needed.
- 2.3** No wall shall be over 5 feet in height nor under 12 inches in height.
- 2.4** Walls may have decorative blocks (not on the cap providing they make up less than 1/3 of the total surface and meet with the Permits and Inspections office.
- 2.5** Wrought iron fencing may be installed as approved by the Permits and Inspections office.
- 2.6** Walls may be covered with stucco to match building or have brick caps. Openings for gates are permissible.
- 2.7** All walls built will be on or bordering the patio slab. If the patio slab may be extended, the block wall may be at those dimensions. Planting areas between the wall and slab are acceptable in those cases.

- 2.8 Walls existing may be lowered depending on their location as determined by the Permits and Inspections office.
- 2.9 Block walls with wrought iron fencing may be installed between the existing entry columns, and between an entry column and an adjacent wall, of single story manors. Common Area Agreements will be required when the Condominium Plan designates the location of the alteration as Mutual Common Area.

### **3.0 RECONSTRUCTED WALLS**

- 3.1 A wall which is existing and is constructed of wood or wrought iron may be replaced with a block wall at the same height as the wall it is replacing.

### **4.0 PLANTER WALLS**

- 4.1 Planter walls shall be defined as any masonry items set in concrete, held together with mortar, or more than one course in height, and shall be subject to the requirements set forth in the following sections.
- 4.2 Placement of planter walls will be adjacent to the building walls, walks, and patios. Planter walls shall be within 48" of such areas and will begin and end connected to the aforementioned construction items.
- 4.3 Planter walls shall be no higher than 12" as constructed along level surfaces. In areas where irregularities in the grounds exist, additional courses may add to the height of the wall to maintain a level running height.
- 4.4 A 4" concrete mowing strip shall be poured along side the planter wall in all cases where grass abuts the wall. (4" minimum thickness is required.)
- 4.5 Planter walls shall not be built on the berm or crest of any bank or in yard areas that will create new planting areas not already designated as such.
- 4.6 In all cases, a drawing will be provided to the Permits and Inspections office for review and adjustments to meet the intent of this section.
- 4.7 Areas designated as planters around trees may have a planter wall depending on the type of tree existing due to its growth, root, and

maintenance characteristics. In each case, the Landscape Division will be consulted concerning trunk coverage and dirt banking at the base of the tree to insure that it will not be damaged.

- 4.8 Applications for planters along building walls will be denied where the grade or dirt level will be increased up the footing to the stucco screed or bottom sill plate. The building code requirement of 6" clearance between plate and grade will be maintained.

**5.0 SPRINKLER REVISIONS**

- 5.1 Sprinklers will be revised only by the managing agent's Landscape crews, the cost of such revisions shall be borne by the resident owner of that unit.
- 5.2 No sprinklers will be placed inside any patio area by the managing agent's Landscape crews, and any systems added shall not be connected to the Mutual-owned system.

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**RESOLUTION 03-18-14**  
**Revise Standard Section 6 – Block Walls**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard Section 6 Block Walls.

**NOW THEREFORE BE IT RESOLVED**, January 19, 2018, that the Board of Directors of this Corporation hereby introduces the following section of Standard Section 6;

**SECTION 6 BLOCK WALL**

**2.7** All walls built shall be constructed within the approved patio dimensions. Patio slabs shall not be extended without written approval of the Board. All walls shall be constructed on structurally adequate footings. Planting areas between the wall and slab are acceptable.

**RESOLVED FURTHER**, that the General Requirements of all Alteration Standards will be modified to reflect the changes; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized, on behalf of the Corporation, to carry out this resolution as written.

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## **SECTION STANDARD 6: CONCRETE BLOCK WALLS**

JANUARY 1989

REVISED MAY 1996, RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED 2011, RESOLUTION 03-11-49

REVISED JULY 2013, RESOLUTION 03-13-73

REVISED JANUARY 2018, RESOLUTION 03-18-14

REVISED [DATE], RESOLUTION 03-24-XX

### **1.0 GENERAL REQUIREMENTS**

See ~~Alteration Standard 1: Section 1.0~~ General Requirements

### **2.0 DEFINITIONS**

- 2.1** CMU (Concrete masonry unit): Any type and style of standard-size concrete block of a uniform size. Also known as cinder block.
- 2.2** Slump-stone: A concrete block unit that is removed from the mold before it has a chance to completely set. This causes the concrete block to keep a slumped appearance resembling the look of an adobe brick.
- 2.3** Decorative block: A type of precast building material that adds both structural and aesthetic appeal. They are designed with decorative patterns and shapes to enhance visual interest.
- 2.4** Stucco: A construction material made of aggregates, a binder and water; applied wet and hardens to a very dense solid, grey in color. Requires painting.
- 2.5** Wrought iron fencing: A metal material used mainly for decorative fencing purposes that is composed entirely of iron.
- 2.6** Concrete mow strip: A type of concrete curb installed at the lawn perimeter where it intersects with a different surface allowing for easier lawn maintenance.
- 2.7** Stucco screed: A type of flashing installed at the base of an exterior stucco wall.
- 2.8** Sill plate: The bottom horizontal member of a wall or building to which vertical members are attached.

### 3.0 BLOCK WALLS

3.1 New walls shall be a maximum of 5 feet high.

A. Exception: Walls adjacent to or adjoining existing walls can match their height and finish.

B. A site plan indicating new wall locations and or tie-in to existing wall locations will be required.

3.2 All new walls shall be of slump-stone style concrete block 4"x4"x16", 4"x6"x16", or 6"x6"x16". All wall extensions or tie-in to existing, shall match existing style and finish.

A. Alternate: Stucco over CMU may also be used. Stucco texture and finish to match building stucco.

B. Block walls to be painted to conform to the Third Mutual exterior color schemes 1 thru 10, corresponding to their particular geographical location.

3.3 Walls may have decorative block inserts (excluding cap) providing they make up less than 1/3 of the total surface and conform to the rest of the mutual standard requirements.

3.4 Wrought iron fencing sections may be inserted into slump wall framing. See Standard 13: Fences, Wrought Iron.

A. Gate openings are also permissible with the following conditions:

1. A gate that opens into an existing walkway or through way for egress is allowed.

2. A gate that opens into a Common Area is not allowed.

B. Wrought iron fencing sections may also be inserted between the existing entry columns as well as between an entry column and an adjacent wall of a single-story manor.

### 4.0 PLANTER WALLS

4.1 Planter walls shall be defined as any masonry items set in concrete, held together with mortar, or more than one course of a masonry item in height, and shall be subject to the requirements set forth in the following sections.

4.2 Planter walls shall be no higher than 12" as constructed along level surfaces. In areas where irregularities in the grounds exist, additional courses may add to the height of the wall to maintain a level running height.

4.3 Placement of planter walls will be parallel to building walls, walkways, and patios. Planter walls shall not extend out more than 48" from the construction area it abuts.

A. Where a planter adjoins a building wall, the dirt top fill level of a planter cannot be higher than 6 inches below the bottom of a stucco screed or bottom sill plate.

4.4 A 4-inch-wide by 4-inch-deep concrete mowing strip will be required alongside the planter wall in all cases where grass abuts the wall.

4.5 Planter walls shall not be built on the berm or crest of any bank or in yard areas that will create new planting areas not already designated as such.

4.6 Areas designated as planters around trees may have a planter wall depending on the type of tree existing due to its growth, root, and maintenance characteristics. In each case, the Landscape Division will be consulted concerning trunk coverage and dirt banking at the base of the tree to ensure that it will not be damaged.

## **2.05.0 APPLICATIONS**

5.1 All walls shall be of slumpstone block 4x4x16, 4x6x16, or 6x6x16—slumpstone or block to match existing wall only may be used. This standard applies to a manor's exclusive use Common Area.

5.2 In all cases, detailed plans must be submitted to Manor Alterations for compliance review with mutual standards and subsequent approval.

5.3 All new walls cannot encroach on or into Common Area.

5.4 Modifications to existing walls may be subject to review by Manor Alterations and satisfactory completion of Neighborhood Awareness Guidelines.

5.5 Excess mortar at all block joints to be removed.

5.6 Weep (or drainage) holes of the proper size and location to be provided in walls as needed.

**2.1**

2.2 Block will be painted to match the color of the building. Excess mortar will be removed. Weepholes of the proper size and location shall be used provided as needed.

2.3 No wall shall be over 5 feet in height nor under 12 inches in height.

2.4 Walls may have decorative blocks (not on the cap) providing they make up less than 1/3 of the total surface and meet with the Permits and Inspections office.

2.5 Wrought iron fencing may be installed as approved by the Permits and Inspections office.

2.6 Walls may be covered with stucco to match building or have brick caps. Openings for gates are permissible.

2.7 All walls built will be on or bordering the patio slab. If the patio slab may be extended, the block wall may be at those dimensions. Planting areas

~~between the wall and slab are acceptable in those cases.~~

~~2.8 Walls existing may be lowered depending on their location as determined by the Permits and Inspections office.~~

~~5.7 Block walls with wrought iron fencing may be installed between the existing entry columns, and between an entry column and an adjacent wall, of single story manors. Common Area Agreements will be required when the Condominium Plan designates the location of the alteration as Mutual Common Area.~~

### 3.06.0 SPRINKLERS RECONSTRUCTED WALLS

~~3.1 A wall which is existing and is constructed of wood or wrought iron may be replaced with a block wall at the same height as the wall it is replacing.~~

~~6.1 Any modifications to mutual's existing sprinkler systems as a result of new wall additions are only to be done by the mutual's landscape crews. The member is responsible for any and all costs associated with these modifications.~~

~~6.2 Any sprinkler systems added within the exclusive use Common Area are the sole responsibility of the member and cannot be connected to the Mutual's landscape systems.~~

### 4.07.0 MAINTENANCE PLANTER WALLS

~~7.1 Planter walls shall be defined as any masonry items set in concrete, held together with mortar, or more than one course in height, and shall be subject to the requirements set forth in the following sections. The member is responsible for all ongoing maintenance, upkeep and appearance. The mutual may take further action if necessary to maintain safety and appearance concerns. The member is responsible for any and all costs associated with these modifications.~~

~~7.2 Should it become necessary to remove improvements for required maintenance of mutual properties, the member will be responsible for removal and replacement of said improvements~~

#### ~~4.1~~

~~4.2 Placement of planter walls will be adjacent to the building walls, walks, and patios. Planter walls shall be within 48" of such areas and will begin and end connected to the aforementioned construction items.~~

~~4.3 Planter walls shall be no higher than 12" as constructed along level surfaces. In areas where irregularities in the grounds exist, additional courses may add to the height of the wall to maintain a level running height.~~

~~4.4 A 4" concrete mowing strip shall be poured along side the planter wall in all cases where grass abuts the wall. (4" minimum thickness required.)~~

- ~~4.5~~ Planter walls shall not be built on the berm or crest of any bank or in yard areas that will create new planting areas not already designated as such.
- ~~4.6~~ In all cases, a drawing will be provided to the Permits and Inspections office for review and adjustments to meet the intent of this section.
- ~~4.7~~ Areas designated as planters around trees may have a planter wall depending on the type of tree existing due to its growth, root, and maintenance characteristics. In each case, the Landscape Division will be consulted concerning trunk coverage and dirt banking at the base of the tree to insure that it will not be damaged.
- ~~4.8~~ Applications for planters along building walls will be denied where the grade or dirt level will be increased up the footing to the stucco screed or bottom sill plate. The building code requirement of 6" clearance between plate and grade will be maintained.
- ~~5.0~~ **SPRINKLER REVISIONS**
- ~~5.1~~ Sprinklers will be revised only by the managing agent's Landscape crews, the cost of such revisions shall be borne by the resident owner of that unit.
- ~~5.27.3~~ No sprinklers will be placed inside any patio area by the managing agent's Landscape crews, and any systems added shall not be connected to the Mutual-owned system.

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## **STANDARD 6: CONCRETE BLOCK WALLS**

JANUARY 1989

REVISED MAY 1996, RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED 2011, RESOLUTION 03-11-49

REVISED JULY 2013, RESOLUTION 03-13-73

REVISED JANUARY 2018, RESOLUTION 03-18-14

REVISED [DATE], RESOLUTION 03-24-XX

### **1.0 GENERAL REQUIREMENTS**

See Standard 1: General Requirements

### **2.0 DEFINITIONS**

- 2.1** CMU (Concrete masonry unit): Any type and style of standard-size concrete block of a uniform size. Also known as cinder block.
- 2.2** Slump-stone: A concrete block unit that is removed from the mold before it has a chance to completely set. This causes the concrete block to keep a slumped appearance resembling the look of an adobe brick.
- 2.3** Decorative block: A type of precast building material that adds both structural and aesthetic appeal. They are designed with decorative patterns and shapes to enhance visual interest.
- 2.4** Stucco: A construction material made of aggregates, a binder and water; applied wet and hardens to a very dense solid, grey in color. Requires painting.
- 2.5** Wrought iron fencing: A metal material used mainly for decorative fencing purposes that is composed entirely of iron.
- 2.6** Concrete mow strip: A type of concrete curb installed at the lawn perimeter where it intersects with a different surface allowing for easier lawn maintenance.
- 2.7** Stucco screed: A type of flashing installed at the base of an exterior stucco wall.
- 2.8** Sill plate: The bottom horizontal member of a wall or building to which vertical members are attached.

### 3.0 **BLOCK WALLS**

- 3.1** New walls shall be a maximum of 5 feet high.
- A. Exception: Walls adjacent to or adjoining existing walls can match their height and finish.
  - B. A site plan indicating new wall locations and or tie-in to existing wall locations will be required.
- 3.2** All new walls shall be of slump-stone style concrete block 4"x4"x16", 4"x6"x16", or 6"x6"x16". All wall extensions or tie-in to existing, shall match existing style and finish.
- A. Alternate: Stucco over CMU may also be used. Stucco texture and finish to match building stucco.
  - B. Block walls to be painted to conform to the Third Mutual exterior color schemes 1 thru 10, corresponding to their particular geographical location.
- 3.3** Walls may have decorative block inserts (excluding cap) providing they make up less than 1/3 of the total surface and conform to the rest of the mutual standard requirements.
- 3.4** Wrought iron fencing sections may be inserted into slump wall framing. See Standard 13: Fences, Wrought Iron.
- A. Gate openings are also permissible with the following conditions:
    1. A gate that opens into an existing walkway or through way for egress is allowed.
    2. A gate that opens into a Common Area is not allowed.
  - B. Wrought iron fencing sections may also be inserted between the existing entry columns as well as between an entry column and an adjacent wall of a single-story manor.

### 4.0 **PLANTER WALLS**

- 4.1** Planter walls shall be defined as any masonry items set in concrete, held together with mortar, or more than one course of a masonry item in height, and shall be subject to the requirements set forth in the following sections.
- 4.2** Planter walls shall be no higher than 12" as constructed along level surfaces. In areas where irregularities in the grounds exist, additional courses may add to the height of the wall to maintain a level running height.
- 4.3** Placement of planter walls will be parallel to building walls, walkways

and patios. Planter walls shall not extend out more than 48" from the construction area it abuts.

A. Where a planter adjoins a building wall, the dirt top fill level of a planter cannot be higher than 6 inches below the bottom of a stucco screed or bottom sill plate.

**4.4** A 4-inch-wide by 4-inch-deep concrete mowing strip will be required alongside the planter wall in all cases where grass abuts the wall.

**4.5** Planter walls shall not be built on the berm or crest of any bank or in yard areas that will create new planting areas not already designated as such.

**4.6** Areas designated as planters around trees may have a planter wall depending on the type of tree existing due to its growth, root, and maintenance characteristics. In each case, the Landscape Division will be consulted concerning trunk coverage and dirt banking at the base of the tree to ensure that it will not be damaged.

## **5.0 APPLICATIONS**

**5.1** This standard applies to a manor's exclusive use Common Area.

**5.2** In all cases, detailed plans must be submitted to Manor Alterations for compliance review with mutual standards and subsequent approval.

**5.3** All new walls cannot encroach on or into Common Area.

**5.4** Modifications to existing walls may be subject to review by Manor Alterations and satisfactory completion of Neighborhood Awareness Guidelines.

**5.5** Excess mortar at all block joints to be removed.

**5.6** Weep (or drainage) holes of the proper size and location to be provided in walls as needed.

## **6.0 SPRINKLERS**

**6.1** Any modifications to mutual's existing sprinkler systems as a result of new wall additions are only to be done by the mutual's landscape crews. The member is responsible for any and all costs associated with these modifications.

**6.2** Any sprinkler systems added within the exclusive use Common Area are the sole responsibility of the member and cannot be connected to the Mutual's landscape systems.

**7.0 MAINTENANCE**

- 7.1** The member is responsible for all ongoing maintenance, upkeep and appearance. The mutual may take further action if necessary to maintain safety and appearance concerns. The member is responsible for any and all costs associated with these modifications.
- 7.2** Should it become necessary to remove improvements for required maintenance of mutual properties, the member will be responsible for removal and replacement of said improvements.



**RESOLUTION 03-24-XX**

**REVISE STANDARD 6: CONCRETE BLOCK WALLS**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 6: Block Walls;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 6: Concrete Block Walls as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-18-14 adopted January 19, 2018, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**JUNE INITIAL NOTIFICATION: 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied.**

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Third Laguna Hills Mutual  
Finance Committee  
June 4, 2024

**ENDORSEMENT (to board)**

**2025 Collections and Lien Enforcement Policy**

The 2024 Collection and Lien Enforcement Policy was submitted to legal counsel for review. Counsel confirmed that the Policy remains consistent with the 2024 version and required no modifications, aside from updating the title from “2024” to “2025” and editing the title of section 12, changing Thirty (30) Day Pre-Lien Notice to a simplified Pre-Lien Notice.

At the June 4, 2024 meeting of the Third Finance Committee, a motion was made by Director Park to accept and approve the 2025 Collections and Lien Enforcement Policy as provided by legal. Director Veeneman seconded, discussion ensued. The motion passed by a 4-0 vote (Director Rinehart was not present to cast vote).

This policy will be presented at the next board meeting and placed on the Consent Calendar inclusive of a 28-day notice.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** 2025 Collection and Lien Enforcement Policy

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### **RECOMMENDATION**

Staff Recommends approval of the proposed 2025 Collection and Lien Enforcement Policy (Attachment 1).

### **BACKGROUND**

Third Residents receive a copy of the upcoming year's Collection and Lien Enforcement Policy in accordance with Civil Code 5310(a)(6).

Within a 30 – 90 day before the end of its fiscal year, the board shall distribute an annual policy statement that provides member with information about association policies. The annual policy statement shall include all of the following information:

(6) The statement of assessment collections policies required by Section 5730

As part of the review of the Collection and Lien Enforcement Policy, it should be noted that Civil Code Section 5650(b)(1) regulates the amount an association may set for delinquent assessments. Specifically, late fees may not exceed 10% of the delinquent assessment.

### **DISCUSSION**

Per staff research and confirmation from legal counsel, there have been no law changes affecting assessment collection policies. Therefore, the content of the policy remains consistent with the 2024 Collection and Lien Enforcement Policy. Staff's only recommendation is to update the document title from 2024 to 2025 and a minor edit (Attachment 1) to the title of Section 12.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Erika Hernandez, Assistant Financial Analyst

**Reviewed By:** Steve Hormuth, Director of Financial Services

### **ATTACHMENT(S)**

Attachment 1: 2025 Collection and Lien Enforcement Policy (Redline)  
Attachment 2: 2025 Collection and Lien Enforcement Policy (Clean)  
Attachment 3: Resolution 03-24-XX

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**20242025 COLLECTION AND LIEN ENFORCEMENT POLICY AND  
PROCEDURES FOR ASSESSMENT DELINQUENCIES**

**PURPOSE STATEMENT**

The following is a statement of the specific procedures, policies, and practices (“Policy Statement”) employed by Third Laguna Hills Mutual, a California nonprofit mutual benefit corporation (the “Mutual”) in enforcing lien rights or other legal remedies for default in payment of its assessments against its owners (“Members”). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7).

The collection of delinquent assessments is of vital concern to **all** Members of the Mutual. Such efforts ensure that all Members pay their fair share of the costs of services and facilities provided and maintained by the Mutual. Members’ failure to pay assessments when due creates a cash-flow problem for the Mutual and causes those Members who make timely payment of their assessments to bear a disproportionate share of the community’s financial obligations. Special assessments must be received in a timely fashion in order to finance the needs for which said special assessments are imposed.

Accordingly, in order to reduce the amount and duration of delinquencies and to encourage the prompt and full payment of all assessments, the Mutual has been vested with certain enforcement rights and remedies which are in addition to those which exist generally for creditors. These rights and remedies are described in this Policy Statement.

**FAILURE TO MAKE TIMELY PAYMENTS CAN RESULT IN THE IMPOSITION OF LATE CHARGES, INTEREST, COSTS OF COLLECTION, POSSIBLE RESULTANT LEGAL ACTION AND MEMBERS AGREE THAT THEY CAN BE REQUIRED TO REIMBURSE THE MUTUAL FOR SUCH LEGAL COSTS, REGARDLESS OF WHETHER FORMAL LEGAL ACTION IS TAKEN. IT IS IN YOUR AND EVERY OTHER MEMBER’S BEST INTEREST FOR EACH OF YOU TO MAKE YOUR MONTHLY ASSESSMENT PAYMENTS ON TIME.**

**REGARDLESS OF WHETHER THE MUTUAL RECORDS A LIEN ON YOUR PROPERTY DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL MEMBERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.**

**BASIC POLICIES AND PROCEDURES**

Delinquency reports are prepared monthly by the Mutual’s managing agent to the Mutual’s Board of Directors (“Board”), identifying the delinquent Member, and the amount and length of time the assessments have been in arrears. The policies and practices outlined in this Policy Statement shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board, or unless the applicable statutory scheme changes, in which event, this Policy Statement shall be construed so as to be consistent with any newly adopted statutes or court decisions. In accordance with the Mutual’s governing documents (including, without limitation, the Articles of

Incorporation, the Bylaws, the recorded CC&Rs, rules and regulations, and written policies) (collectively, the “Governing Documents”) and the Civil Code, to ensure the prompt payment of monthly assessments, the Mutual employs the following collection and lien enforcement policies and procedures, including for the collection of assessments, late charges, interest, fees, and chargeable services charged against Members pursuant to the Governing Documents and current law:

### **1. Assessment Due Date**

Regular assessments (“Carrying Charges” as defined in Article 1, Section 8 of the CC&Rs) are due and payable to the Mutual, in advance, in equal monthly installments, on the first (1<sup>st</sup>) day of each month. It is each Member’s responsibility to pay assessments in full each month regardless of whether a billing statement is received. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the special assessment or in the ballot presenting the special assessment to the Members for approval. In no event shall a special assessment be due and payable earlier than thirty (30) days after notice of the special assessment is provided to Members.

### **2. Reminder Notice**

A monthly assessment becomes delinquent if it is not received by the Mutual on or before the close of business on the sixteenth (16<sup>th</sup>) day of the month (or, for special assessments, if it is not received by the Mutual on or before the close of business on the fifteenth (15<sup>th</sup>) day after it is due). A written reminder notice may be sent and emailed to the Member. It is each Member’s responsibility to pay assessments in full each month regardless of whether a reminder notice is received.

TO BE CONSIDERED TIMELY, PAYMENT MUST BE **RECEIVED** BY THE MUTUAL WITHIN THE FIFTEEN (15) DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS INSUFFICIENT.

IN ADDITION TO THE FOREGOING, CHARGEABLE SERVICES ARE LATE IF NOT PAID WITHIN TWENTY-FIVE (25) DAYS AFTER BECOMING DUE.

### **3. Administrative Collection Fee**

It is the policy of the Mutual not to routinely waive any duly imposed late charges, interest, or actually incurred “Costs of Collection.” “Costs of Collection” as used in this Policy Statement include, without limitation, an administrative collection fee, currently in the amount of five hundred dollars (\$500) (the “Administrative Collection Fee”), which is charged by the Mutual’s managing agent to cover staff’s costs to prepare files for delivery to the Mutual’s legal counsel and/or collection agent in order to carry out authorized legal and/or collection actions, as well as direct costs incurred in recording and/or mailing documents attendant to the legal and/or collection process.

The Administrative Collection Fee may be increased by majority vote of the Mutual’s Board and may be collected by the Mutual’s legal counsel and/or collection agent on its behalf, and remitted to the Mutual’s managing agent, or may be directly collected by the Mutual’s managing agent. Any change to the Administrative Collection Fee shall not be deemed a change to this Policy and shall not require rule change or member review period procedures to be undertaken by the Board.

#### **4. Late Charge**

IT IS THE MEMBER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THEY BECOME DELINQUENT.

Any notices or invoices for assessments and/or special assessments will be sent to Members by first-class and/or certified mail addressed to the Member at his/her/their/its address as shown on the books and records of the Mutual and/or by other delivery method required by Civil Code Section 4040 where applicable. However, it is the Member's responsibility to be aware of the assessment payment amounts and due dates and to advise the Mutual of any changes in the Member's mailing address, pursuant to Civil Code Section 4041.

A late payment charge for a delinquent assessment will be assessed in an amount equal to ten percent (10%) of the delinquent assessment or ten dollars (\$10), whichever is greater, and will be imposed on any assessment payment that is more than fifteen (15) days in arrears. Further, both Civil Code Section 5650 and the Mutual's Governing Documents provide for interest on all sums imposed in accordance with Section 5650, including on delinquent assessment, reasonable fees and costs of collection, and reasonable attorney's fees, which may be imposed thirty (30) days after the assessment is due, at an annual percentage rate of twelve percent (12%). Such interest may be imposed and collected regardless of whether the Member's delinquent account is referred to the Mutual's legal counsel and/or collection agent for handling. Non-assessment fines, fees, and chargeable services are also subject to a late fee and interest, in an amount determined by Board resolution.

#### **5. Demand Letter (aka Pre-Lien Notice)**

If full payment of the delinquent amount is not received by the close of business on the day which is fifteen (15) days after the date of a reminder notice, as described in Section 2 above, or if no reminder notice was sent, then within thirty (30) days after the date when the delinquent amount became due, then a demand letter pursuant to Civil Code Section 5660 (a "Pre-Lien Notice"), as detailed below, will be sent to the Member by Certified Mail. The Mutual, through its managing agent, may also attempt to contact the Member by telephone to remind the Member of the delinquency and determine when payment will be made. However, no assurances can be given that the Mutual will in fact reach the Member by telephone, and the Member is responsible to pay off the delinquency whether or not a reminder notice or telephone reminder is actually received by the Member.

#### **6. Alternate Means to Collect Delinquent Sums**

If full payment of the delinquent amount (such as a duly levied and imposed assessment, fine, fee, or chargeable service including associated late charges and interest) is not received by the close of business on the thirtieth (30<sup>th</sup>) day after the date of a demand letter for payment of same (and with respect to recording a lien against a Member's separate interest in the condominium project ("Manor"), on the forty-fifth (45<sup>th</sup>) day after mailing a Pre-Lien Notice) the Mutual may, at its option, in accordance with the requirements and conditions herein and applicable law, and based on the circumstances of the delinquency, including but not limited to, the total delinquent amount owing and the Member's payment history, undertake to collect the delinquency by: (1) recording a notice of delinquent assessment (lien); (2) suspending a Member's right (and that of the Resident or Tenant of that Member's Manor) to use Mutual or Golden Rain Foundation of Laguna Woods ("GRF") facilities; (3) termination of the delinquent Member's Membership in the Mutual as a result of any foreclosure; (4) legal actions,

discussed further below; or (5) other means permitted by law.

The Mutual may, after following appropriate procedures prescribed by law and the Mutual's Governing Documents, suspend a delinquent Member's right to use facilities or receive services provided by the Mutual, or both, until the delinquency is paid in full, including interest, late charges, and/or Costs of Collection, as may have been imposed or incurred in a particular instance. Failure to pay in full such amounts may also result in suspension of certain Membership rights and the ability to use the facilities or services provided by GRF or by this Mutual.

The Mutual may also take various legal actions to enforce the collection of delinquencies. **THESE ACTIONS MAY BE TAKEN SEPARATELY OR CONCURRENTLY.**

### **7. Small Claims Court**

A civil action in small claims court may be filed, with a management company representative or bookkeeper appearing and participating on behalf of the Mutual.

PLEASE NOTE THAT A SMALL CLAIMS COURT ACTION MAY BE PURSUED BASED ON A BOARD RESOLUTION EITHER BEFORE OR AFTER RECORDING A NOTICE OF DELINQUENT ASSESSMENT (LIEN), AND/OR AFTER A WRITE-OFF.

The amount that may be recovered in small claims court may not exceed the jurisdictional limits of the small claims court, and shall be the sum of the following: (a) the amount owed as of the date of filing of the complaint in the small claims court; and (b) in the discretion of the court, an additional amount equal to the amount owed for the period from the date the complaint is filed until satisfaction of the judgment, which total amount may include accruing unpaid assessments, fines, fees, or chargeable services, and any reasonable late charges, fees and Costs of Collection (including attorney's fees), and interest, all up to the jurisdictional limits of the small claims court.

Successive small claims court actions may be pursued, consistently with applicable laws, until the entire amount of the delinquency is recovered

### **8. Lien**

The Mutual may secure the delinquency by recording a notice of delinquent assessment (lien) on the owner's Manor with the Orange County recorder. The debt shall be a lien on the owner's Manor from and after the time the Mutual records a notice of delinquent assessment, which shall state: the amount of the assessment and other sums imposed in accordance with Civil Code Section 5650(b); a legal description of the owner's Manor; and the name of the record owner of the Manor.

An itemized statement of the debt owed by the owner, as described in Civil Code Section 5660(b), shall be recorded together with the notice of delinquent assessment. In order for the lien to be enforced by nonjudicial foreclosure as provided in Civil Code Sections 5700 to 5710, inclusive, the notice of delinquent assessment shall state the name and address of the trustee authorized by the Mutual to enforce the lien by sale of the Manor. The notice of delinquent assessment shall be signed by the person designated in the declaration or by the Mutual for that purpose, or if no one is designated, by the president of the Mutual. A copy of the recorded notice of delinquent assessment shall be mailed by certified mail

to every person whose name is shown as an owner of the Manor in the Mutual's records, and shall be mailed no later than ten (10) calendar days after recordation.

If it is determined that the Mutual has recorded a lien for a delinquent assessment in error, the Mutual shall promptly reverse all related late charges, fees, interest, attorney's fees, and Costs of Collection, and pay all costs incurred by the Mutual related to any internal dispute resolution (IDR) or alternative dispute resolution (ADR).

### **9. Foreclosure/ADR**

After thirty (30) days following the recording of a delinquent assessment lien, the lien may be enforced in any manner permitted by law. Once the amount of delinquent assessments (not including any late charges, fees, interest, or Costs of Collection), exceeds One Thousand Eight Hundred Dollars (\$1,800), OR any unpaid assessments are more than twelve (12) months delinquent, then, subject to the conditions specified below, the Mutual may initiate foreclosure proceedings to collect the amounts owed.

These conditions include that, prior to initiating a foreclosure, the Mutual shall offer the Member, and if so requested by the Member, the Mutual shall participate in dispute resolution pursuant to the Mutual's "meet and confer" program, or alternative dispute resolution (ADR). THE DECISION TO PURSUE DISPUTE RESOLUTION OR A PARTICULAR TYPE OF ADR SHALL BE THE CHOICE OF THE MEMBER, EXCEPT THAT BINDING ARBITRATION SHALL NOT BE AVAILABLE IF THE MUTUAL INTENDS TO INITIATE A JUDICIAL FORECLOSURE.

Civil Code Section 5965 requires the following statement to be included in this Policy Statement:

"Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

If any "meet and confer" session or ADR is engaged in by and between the Member and the Mutual (or any neutral third parties, as the case may be), and these efforts do not result in a payment plan, then, assuming the statutory minimum as to the delinquent amount or duration of the delinquency has been met, the Mutual may commence foreclosing the lien against the Member's Manor and sell the Manor at a private sale or by a judicial sale. If this occurs, the Member may lose title to his/her/their/its Manor.

### **10. Board Decision to Initiate Foreclosure**

The decision to initiate foreclosure of a validly recorded delinquent assessment lien shall be made **only** by the Board and may not be delegated to an agent of the Mutual. The Board shall approve the decision by a majority vote of the Board in an executive session. The vote must be recorded in the minutes of the next meeting of the Board open to all Members; however, the confidentiality of the delinquent Member shall be maintained by identifying the matter in the minutes only by the Parcel Number or account number, and not by the name of the delinquent Member. A Board vote to approve foreclosure of a lien shall take place at least thirty (30) days prior to any public sale or judicial foreclosure.

If the Board votes to foreclose upon an owner's Manor, the Board shall provide notice by personal service in accordance with the manner of service of summons to an owner of a Manor if the owner occupies the Manor or to their legal representative. For a non-occupying owner, the Board shall provide written notice by first-class mail, postage prepaid, at the most current address shown on the books of the Mutual. In the absence of written notification by a non-occupying owner to the Mutual, the address of the



owner's Manor may be treated as the owner's mailing address.

If a foreclosure action is prosecuted to judgment and the judgment is in favor of the Mutual, assets of the Member may be seized or a lien may be placed on such assets to satisfy the judgment. Pursuant to the provisions of California law, applicable regulations, and the Covenants, Conditions and Restrictions (CC&Rs), the delinquent amount, as well as late charges on the delinquent assessments and/or interest charges and/or Costs of Collection (including, but not limited to, attorney's fees, title company and foreclosure service company charges, charges imposed to defray the cost of preparing and mailing demand letters (such as the Administrative Collection Fee), recording costs and costs associated with small claims court actions) may be enforced as a lien against the Member's Manor.

Moreover, pursuant to California law, monetary penalties that have been imposed by the Mutual as a means of reimbursing the Mutual for costs incurred by the Mutual in the repair of damage to common areas and/or community facilities for which a Member or a Member's guests or tenants were responsible may also be enforced as a lien against the Member's Manor.

### **11. Non-Judicial Foreclosure/Right of Redemption**

A non-judicial foreclosure by the Mutual to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which the Manor may be redeemed from a foreclosure sale ends ninety (90) days after the sale, per Civil Code Section 5715.

### **12. Prerequisites to Recording a Lien: Offer of IDR/ADR and ~~Thirty (30) Day~~ Pre-Lien Notice**

Before a lien may be recorded against a Manor of a delinquent Member, the Mutual must offer the Member, and if so requested by the Member, the Mutual must participate in IDR pursuant to the Mutual's "meet and confer" program (per the requirements set forth in Article 2 commencing with section 5900 of Chapter 10) or ADR as set forth in Article 3 (commencing with Section 5925 of Chapter 10), both in the Civil Code.

Any choice by a Member to pursue IDR or any kind of ADR must be made by the Member's delivery of written notice of such choice to the Mutual's managing agent within thirty (30) days of any event which triggers a Member's right to pursue IDR/ADR, whether it is before a lien can be recorded (i.e., upon receipt of the certified Pre-Lien Notice), or prior to initiating a foreclosure action, or in any other situation for which the Davis-Stirling Common Interest Development Act or the Mutual's Governing Documents authorize or allow a Member to choose IDR/ADR. A Member's right to pursue IDR/ADR may be triggered by, among other things, a decision by the Board and/or Executive Hearing Committee, as applicable, following any right to appeal pursuant to the Mutual's Appeal Policy.

THE DECISION TO PURSUE IDR OR A PARTICULAR TYPE OF ADR SHALL BE THE CHOICE OF THE OWNER. However, binding arbitration is not available if the Mutual intends to initiate a judicial foreclosure.



### **13. Pre-Lien Notice**

Prior to recording a lien against a Member's Manor, the Mutual must send the Member a certified notice providing information regarding the sums claimed as being delinquent ("Pre-Lien Notice"). No lien can be recorded until forty-five (45) days after this Pre-Lien Notice has been given.

The Pre-Lien Notice must include the following information (per Civil Code Section 5660):

- (a) A general description of the collection and lien enforcement procedures of the Mutual and the method of calculation of the amount, a statement that the owner of the Manor has the right to inspect the association records pursuant to Section 5205, and the following statement in 14-point boldface type, if printed, or in capital letters, if typed;
 

"IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION."
- (b) An itemized statement of the charges owed by the owner, including items on the statement which indicate the amount of any delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any;
- (c) A statement that the owner shall not be liable to pay the charges, interest, and costs of collection, if it is determined the assessment was paid on time to the association;
- (d) The right to request a meeting with the Board as provided in Section 5665;
- (e) The right to dispute the assessment debt by submitting a written request for dispute resolution to the association pursuant to the association's "meet and confer" program required in Article 2 (commencing with Section 5900) of Chapter 10;
- (f) The right to request alternative dispute resolution with a neutral third party pursuant to Article 3 (commencing with Section 5925) of Chapter 10 before the association may initiate foreclosure against the owner's Manor, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure;

### **14. Member's Right to Request a Meeting with the Board, or IDR or ADR.**

Upon receipt of the certified Pre-Lien Notice described above, the noticed Member has several possible courses of action that can be taken at this point in the collection process, such as:

- (a) The Member has the right to dispute the assessment debt by submitting a written request for IDR to the Mutual pursuant to the Mutual's "meet and confer" program, which is required by Civil Code Sections 5900-5920;
- (b) The Member may exercise his/her/their/its right to participate in ADR with a neutral third party under Civil Code Sections 5925-5965 before the Mutual may initiate foreclosure against the owner's Manor, except that binding arbitration shall not be available if the Mutual intends to initiate a judicial foreclosure;

- (c) The Member has a right to submit a written request to meet with the Board to discuss a payment plan for the delinquent assessment, as long as the request for a meeting is made within fifteen (15) days following the postmark on the Mutual's Pre-Lien Notice to the Member. That meeting must take place within forty-five (45) days (calculated from the postmark on the Member's request) and must be conducted in executive session. When a Member has made a timely request for a meeting to discuss a payment plan, the Mutual must provide the requesting Member with the Mutual's standards for payment plans, if any standards have been adopted. There is no statutory authorization for the Board to delegate this meeting obligation to a property manager, but the Board may designate a committee of one or more directors to meet with the Member in a specially called executive session meeting that will occur within forty-five (45) days of the Member's request.

### **15. Payment Plan Requests**

Any Member who is unable to timely pay regular or special assessments is entitled to make a written request for a payment plan to the Mutual's Board. A Member may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the Pre-Lien Notice. The Mutual's Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans may not impede the Mutual's ability to record a lien on the Member's Manor to secure payment of delinquent assessments. Additional late fees shall not accrue during the payment plan period if the Member is in compliance with the terms of the payment plan. In the event of a default on any payment plan, the Mutual may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan. The Mutual reserves the right to impose reasonable conditions on any approvals for a payment plan and request that the delinquent Member provide disclosure of certain identifying information and other assets that may be used as additional security for the debt owed.

### **16. Application of Payments**

In accordance with state law payments received on delinquent assessments shall be applied to the Member's account in the following order of priority: assessments owed, then fees and costs of collection, attorney's fees, late charges, interest. Payments on account of principal shall be applied in reverse order so that the oldest arrearages are retired first. Interest shall continue to accrue on unpaid balances of principal, and other costs and charges imposed in accordance with Civil Code Section 5655.

### **17. Secondary Address**

Members have a right and obligation to identify in writing to the Mutual a secondary address for purposes of collection notices delivered pursuant to the Mutual's Policy Statement, and upon receipt of a proper written request from a Member identifying a secondary address that complies with Civil Code Section 4041 and the Governing Documents, the Mutual must send additional copies of specified notices to this secondary address. Pursuant to Civil Code Section 4041, Members must keep the Mutual updated with respect to any mailing or secondary address to which notices from the Mutual are to be delivered. If Members fail to provide such information to the Mutual, the Manor shall be deemed to be the address to which notices are to be delivered.

### **18. No Right of Offset**

There is no right of offset. This means that a Member may not withhold assessments and related charges owed to the Mutual on the alleged grounds that the Member would be entitled to recover money or damages from the Mutual based on some other obligation or some claim of another obligation.

### **19. Returned Checks**

The Mutual may charge the Member a twenty-five-dollar (\$25) fee for the first check tendered to the Mutual that is returned unpaid by the Member's bank, and thereafter, the Mutual may charge a thirty-five-dollar (\$35) fee for any subsequent check that is returned based on insufficient funds. If a Member's check cannot be negotiated for any reason, then the Mutual may also seek to recover damages of the greater of (a) one hundred dollars (\$100); or (b) three (3) times the amount of the check up to one thousand five hundred dollars (\$1,500) in accordance with Civil Code Section 1719.

### **20. Charges and Fees Subject to Change**

All charges and fees set forth in this Policy Statement are subject to change upon thirty (30) days prior written notice

### **21. Overnight Payments**

The mailing address for overnight payment of assessments is:

Third Laguna Hills Mutual  
Attn: Assessment Payments  
24351 El Toro Road  
Laguna Woods, CA 92637

### **22. Rights Reserved by Mutual**

Although the matters set forth above summarize the policies and practices ordinarily employed to collect delinquent assessments, the Mutual reserves the right to employ other or additional policies and practices as may be necessary or appropriate when the uniqueness of the circumstances or habitualness of the delinquency so requires.

### **23. Attachments**

Notice of Assessments and Foreclosure (pursuant to Civil Code Section 5730): Attachment A.

State Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act disclosures: Attachment B.

**BOARD OF DIRECTORS**

**THIRD LAGUNA HILLS MUTUAL**

**ATTACHMENT A**  
**NOTICE OF**  
**ASSESSMENTS AND FORECLOSURE**

*The following notice is provided pursuant to California Civil Code Section 5730*

**NOTICE ASSESSMENTS AND FORECLOSURE**

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

**ASSESSMENTS AND FORECLOSURE**

Assessments become delinquent fifteen (15) days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least thirty (30) days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within twenty-one (21) days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

### **PAYMENTS**

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

### **MEETINGS AND PAYMENT PLANS**

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

## ATTACHMENT B

*The following Disclosure is made pursuant to California Civil Code Sections 1812.700-1812.703.*

“The State Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or [www.ftc.gov](http://www.ftc.gov).”



## **2025 COLLECTION AND LIEN ENFORCEMENT POLICY AND PROCEDURES FOR ASSESSMENT DELINQUENCIES**

### **PURPOSE STATEMENT**

The following is a statement of the specific procedures, policies, and practices (“Policy Statement”) employed by Third Laguna Hills Mutual, a California nonprofit mutual benefit corporation (the “Mutual”) in enforcing lien rights or other legal remedies for default in payment of its assessments against its owners (“Members”). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7).

The collection of delinquent assessments is of vital concern to **all** Members of the Mutual. Such efforts ensure that all Members pay their fair share of the costs of services and facilities provided and maintained by the Mutual. Members’ failure to pay assessments when due creates a cash-flow problem for the Mutual and causes those Members who make timely payment of their assessments to bear a disproportionate share of the community’s financial obligations. Special assessments must be received in a timely fashion in order to finance the needs for which said special assessments are imposed.

Accordingly, in order to reduce the amount and duration of delinquencies and to encourage the prompt and full payment of all assessments, the Mutual has been vested with certain enforcement rights and remedies which are in addition to those which exist generally for creditors. These rights and remedies are described in this Policy Statement.

**FAILURE TO MAKE TIMELY PAYMENTS CAN RESULT IN THE IMPOSITION OF LATE CHARGES, INTEREST, COSTS OF COLLECTION, POSSIBLE RESULTANT LEGAL ACTION AND MEMBERS AGREE THAT THEY CAN BE REQUIRED TO REIMBURSE THE MUTUAL FOR SUCH LEGAL COSTS, REGARDLESS OF WHETHER FORMAL LEGAL ACTION IS TAKEN. IT IS IN YOUR AND EVERY OTHER MEMBER’S BEST INTEREST FOR EACH OF YOU TO MAKE YOUR MONTHLY ASSESSMENT PAYMENTS ON TIME.**

**REGARDLESS OF WHETHER THE MUTUAL RECORDS A LIEN ON YOUR PROPERTY DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL MEMBERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.**

### **BASIC POLICIES AND PROCEDURES**

Delinquency reports are prepared monthly by the Mutual’s managing agent to the Mutual’s Board of Directors (“Board”), identifying the delinquent Member, and the amount and length of time the assessments have been in arrears. The policies and practices outlined in this Policy Statement shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board, or unless the applicable statutory scheme changes, in which event, this Policy Statement shall be construed so as to be consistent with any newly adopted statutes or court decisions. In accordance with the Mutual’s governing documents (including, without limitation, the Articles of



Incorporation, the Bylaws, the recorded CC&Rs, rules and regulations, and written policies) (collectively, the “Governing Documents”) and the Civil Code, to ensure the prompt payment of monthly assessments, the Mutual employs the following collection and lien enforcement policies and procedures, including for the collection of assessments, late charges, interest, fees, and chargeable services charged against Members pursuant to the Governing Documents and current law:

### **1. Assessment Due Date**

Regular assessments (“Carrying Charges” as defined in Article 1, Section 8 of the CC&Rs) are due and payable to the Mutual, in advance, in equal monthly installments, on the first (1<sup>st</sup>) day of each month. It is each Member’s responsibility to pay assessments in full each month regardless of whether a billing statement is received. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the special assessment or in the ballot presenting the special assessment to the Members for approval. In no event shall a special assessment be due and payable earlier than thirty (30) days after notice of the special assessment is provided to Members.

### **2. Reminder Notice**

A monthly assessment becomes delinquent if it is not received by the Mutual on or before the close of business on the sixteenth (16<sup>th</sup>) day of the month (or, for special assessments, if it is not received by the Mutual on or before the close of business on the fifteenth (15<sup>th</sup>) day after it is due). A written reminder notice may be sent and emailed to the Member. It is each Member’s responsibility to pay assessments in full each month regardless of whether a reminder notice is received.

**TO BE CONSIDERED TIMELY, PAYMENT MUST BE RECEIVED BY THE MUTUAL WITHIN THE FIFTEEN (15) DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS INSUFFICIENT.**

**IN ADDITION TO THE FOREGOING, CHARGEABLE SERVICES ARE LATE IF NOT PAID WITHIN TWENTY-FIVE (25) DAYS AFTER BECOMING DUE.**

### **3. Administrative Collection Fee**

It is the policy of the Mutual not to routinely waive any duly imposed late charges, interest, or actually incurred “Costs of Collection.” “Costs of Collection” as used in this Policy Statement include, without limitation, an administrative collection fee, currently in the amount of five hundred dollars (\$500) (the “Administrative Collection Fee”), which is charged by the Mutual’s managing agent to cover staff’s costs to prepare files for delivery to the Mutual’s legal counsel and/or collection agent in order to carry out authorized legal and/or collection actions, as well as direct costs incurred in recording and/or mailing documents attendant to the legal and/or collection process.

The Administrative Collection Fee may be increased by majority vote of the Mutual’s Board and may be collected by the Mutual’s legal counsel and/or collection agent on its behalf, and remitted to the Mutual’s managing agent, or may be directly collected by the Mutual’s managing agent. Any change to the Administrative Collection Fee shall not be deemed a change to this Policy and shall not require rule change or member review period procedures to be undertaken by the Board.



**4. Late Charge**

IT IS THE MEMBER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THEY BECOME DELINQUENT.

Any notices or invoices for assessments and/or special assessments will be sent to Members by first-class and/or certified mail addressed to the Member at his/her/their/its address as shown on the books and records of the Mutual and/or by other delivery method required by Civil Code Section 4040 where applicable. However, it is the Member's responsibility to be aware of the assessment payment amounts and due dates and to advise the Mutual of any changes in the Member's mailing address, pursuant to Civil Code Section 4041.

A late payment charge for a delinquent assessment will be assessed in an amount equal to ten percent (10%) of the delinquent assessment or ten dollars (\$10), whichever is greater, and will be imposed on any assessment payment that is more than fifteen (15) days in arrears. Further, both Civil Code Section 5650 and the Mutual's Governing Documents provide for interest on all sums imposed in accordance with Section 5650, including on delinquent assessment, reasonable fees and costs of collection, and reasonable attorney's fees, which may be imposed thirty (30) days after the assessment is due, at an annual percentage rate of twelve percent (12%). Such interest may be imposed and collected regardless of whether the Member's delinquent account is referred to the Mutual's legal counsel and/or collection agent for handling. Non-assessment fines, fees, and chargeable services are also subject to a late fee and interest, in an amount determined by Board resolution.

**5. Demand Letter (aka Pre-Lien Notice)**

If full payment of the delinquent amount is not received by the close of business on the day which is fifteen (15) days after the date of a reminder notice, as described in Section 2 above, or if no reminder notice was sent, then within thirty (30) days after the date when the delinquent amount became due, then a demand letter pursuant to Civil Code Section 5660 (a "Pre-Lien Notice"), as detailed below, will be sent to the Member by Certified Mail. The Mutual, through its managing agent, may also attempt to contact the Member by telephone to remind the Member of the delinquency and determine when payment will be made. However, no assurances can be given that the Mutual will in fact reach the Member by telephone, and the Member is responsible to pay off the delinquency whether or not a reminder notice or telephone reminder is actually received by the Member.

**6. Alternate Means to Collect Delinquent Sums**

If full payment of the delinquent amount (such as a duly levied and imposed assessment, fine, fee, or chargeable service including associated late charges and interest) is not received by the close of business on the thirtieth (30<sup>th</sup>) day after the date of a demand letter for payment of same (and with respect to recording a lien against a Member's separate interest in the condominium project ("Manor"), on the forty-fifth (45<sup>th</sup>) day after mailing a Pre-Lien Notice) the Mutual may, at its option, in accordance with the requirements and conditions herein and applicable law, and based on the circumstances of the delinquency, including but not limited to, the total delinquent amount owing and the Member's payment history, undertake to collect the delinquency by: (1) recording a notice of delinquent assessment (lien); (2) suspending a Member's right (and that of the Resident or Tenant of that Member's Manor) to use Mutual or Golden Rain Foundation of Laguna Woods ("GRF") facilities; (3) termination of the

delinquent Member's Membership in the Mutual as a result of any foreclosure; (4) legal actions, discussed further below; or (5) other means permitted by law.

The Mutual may, after following appropriate procedures prescribed by law and the Mutual's Governing Documents, suspend a delinquent Member's right to use facilities or receive services provided by the Mutual, or both, until the delinquency is paid in full, including interest, late charges, and/or Costs of Collection, as may have been imposed or incurred in a particular instance. Failure to pay in full such amounts may also result in suspension of certain Membership rights and the ability to use the facilities or services provided by GRF or by this Mutual.

The Mutual may also take various legal actions to enforce the collection of delinquencies. **THESE ACTIONS MAY BE TAKEN SEPARATELY OR CONCURRENTLY.**

### **7. Small Claims Court**

A civil action in small claims court may be filed, with a management company representative or bookkeeper appearing and participating on behalf of the Mutual.

PLEASE NOTE THAT A SMALL CLAIMS COURT ACTION MAY BE PURSUED BASED ON A BOARD RESOLUTION EITHER BEFORE OR AFTER RECORDING A NOTICE OF DELINQUENT ASSESSMENT (LIEN), AND/OR AFTER A WRITE-OFF.

The amount that may be recovered in small claims court may not exceed the jurisdictional limits of the small claims court, and shall be the sum of the following: (a) the amount owed as of the date of filing of the complaint in the small claims court; and (b) in the discretion of the court, an additional amount equal to the amount owed for the period from the date the complaint is filed until satisfaction of the judgment, which total amount may include accruing unpaid assessments, fines, fees, or chargeable services, and any reasonable late charges, fees and Costs of Collection (including attorney's fees), and interest, all up to the jurisdictional limits of the small claims court.

Successive small claims court actions may be pursued, consistently with applicable laws, until the entire amount of the delinquency is recovered

### **8. Lien**

The Mutual may secure the delinquency by recording a notice of delinquent assessment (lien) on the owner's Manor with the Orange County recorder. The debt shall be a lien on the owner's Manor from and after the time the Mutual records a notice of delinquent assessment, which shall state: the amount of the assessment and other sums imposed in accordance with Civil Code Section 5650(b); a legal description of the owner's Manor; and the name of the record owner of the Manor.

An itemized statement of the debt owed by the owner, as described in Civil Code Section 5660(b), shall be recorded together with the notice of delinquent assessment. In order for the lien to be enforced by nonjudicial foreclosure as provided in Civil Code Sections 5700 to 5710, inclusive, the notice of delinquent assessment shall state the name and address of the trustee authorized by the Mutual to enforce the lien by sale of the Manor. The notice of delinquent assessment shall be signed by the person designated in the declaration or by the Mutual for that purpose, or if no one is designated, by the president of the Mutual. A copy of the recorded notice of delinquent assessment shall be mailed by certified mail

to every person whose name is shown as an owner of the Manor in the Mutual's records, and shall be mailed no later than ten (10) calendar days after recordation.

If it is determined that the Mutual has recorded a lien for a delinquent assessment in error, the Mutual shall promptly reverse all related late charges, fees, interest, attorney's fees, and Costs of Collection, and pay all costs incurred by the Mutual related to any internal dispute resolution (IDR) or alternative dispute resolution (ADR).

### **9. Foreclosure/ADR**

After thirty (30) days following the recording of a delinquent assessment lien, the lien may be enforced in any manner permitted by law. Once the amount of delinquent assessments (not including any late charges, fees, interest, or Costs of Collection), exceeds One Thousand Eight Hundred Dollars (\$1,800), OR any unpaid assessments are more than twelve (12) months delinquent, then, subject to the conditions specified below, the Mutual may initiate foreclosure proceedings to collect the amounts owed.

These conditions include that, prior to initiating a foreclosure, the Mutual shall offer the Member, and if so requested by the Member, the Mutual shall participate in dispute resolution pursuant to the Mutual's "meet and confer" program, or alternative dispute resolution (ADR). THE DECISION TO PURSUE DISPUTE RESOLUTION OR A PARTICULAR TYPE OF ADR SHALL BE THE CHOICE OF THE MEMBER, EXCEPT THAT BINDING ARBITRATION SHALL NOT BE AVAILABLE IF THE MUTUAL INTENDS TO INITIATE A JUDICIAL FORECLOSURE.

Civil Code Section 5965 requires the following statement to be included in this Policy Statement:

"Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

If any "meet and confer" session or ADR is engaged in by and between the Member and the Mutual (or any neutral third parties, as the case may be), and these efforts do not result in a payment plan, then, assuming the statutory minimum as to the delinquent amount or duration of the delinquency has been met, the Mutual may commence foreclosing the lien against the Member's Manor and sell the Manor at a private sale or by a judicial sale. If this occurs, the Member may lose title to his/her/their/its Manor.

### **10. Board Decision to Initiate Foreclosure**

The decision to initiate foreclosure of a validly recorded delinquent assessment lien shall be made **only** by the Board and may not be delegated to an agent of the Mutual. The Board shall approve the decision by a majority vote of the Board in an executive session. The vote must be recorded in the minutes of the next meeting of the Board open to all Members; however, the confidentiality of the delinquent Member shall be maintained by identifying the matter in the minutes only by the Parcel Number or account number, and not by the name of the delinquent Member. A Board vote to approve foreclosure of a lien shall take place at least thirty (30) days prior to any public sale or judicial foreclosure.

If the Board votes to foreclose upon an owner's Manor, the Board shall provide notice by personal service in accordance with the manner of service of summons to an owner of a Manor if the owner occupies the Manor or to their legal representative. For a non-occupying owner, the Board shall provide written notice by first-class mail, postage prepaid, at the most current address shown on the books of the Mutual. In the absence of written notification by a non-occupying owner to the Mutual, the address of the

owner's Manor may be treated as the owner's mailing address.

If a foreclosure action is prosecuted to judgment and the judgment is in favor of the Mutual, assets of the Member may be seized or a lien may be placed on such assets to satisfy the judgment. Pursuant to the provisions of California law, applicable regulations, and the Covenants, Conditions and Restrictions (CC&Rs), the delinquent amount, as well as late charges on the delinquent assessments and/or interest charges and/or Costs of Collection (including, but not limited to, attorney's fees, title company and foreclosure service company charges, charges imposed to defray the cost of preparing and mailing demand letters (such as the Administrative Collection Fee), recording costs and costs associated with small claims court actions) may be enforced as a lien against the Member's Manor.

Moreover, pursuant to California law, monetary penalties that have been imposed by the Mutual as a means of reimbursing the Mutual for costs incurred by the Mutual in the repair of damage to common areas and/or community facilities for which a Member or a Member's guests or tenants were responsible may also be enforced as a lien against the Member's Manor.

### **11. Non-Judicial Foreclosure/Right of Redemption**

A non-judicial foreclosure by the Mutual to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which the Manor may be redeemed from a foreclosure sale ends ninety (90) days after the sale, per Civil Code Section 5715.

### **12. Prerequisites to Recording a Lien: Offer of IDR/ADR and Pre-Lien Notice**

Before a lien may be recorded against a Manor of a delinquent Member, the Mutual must offer the Member, and if so requested by the Member, the Mutual must participate in IDR pursuant to the Mutual's "meet and confer" program (per the requirements set forth in Article 2 commencing with section 5900 of Chapter 10) or ADR as set forth in Article 3 (commencing with Section 5925 of Chapter 10), both in the Civil Code.

Any choice by a Member to pursue IDR or any kind of ADR must be made by the Member's delivery of written notice of such choice to the Mutual's managing agent within thirty (30) days of any event which triggers a Member's right to pursue IDR/ADR, whether it is before a lien can be recorded (i.e., upon receipt of the certified Pre-Lien Notice), or prior to initiating a foreclosure action, or in any other situation for which the Davis-Stirling Common Interest Development Act or the Mutual's Governing Documents authorize or allow a Member to choose IDR/ADR. A Member's right to pursue IDR/ADR may be triggered by, among other things, a decision by the Board and/or Executive Hearing Committee, as applicable, following any right to appeal pursuant to the Mutual's Appeal Policy.

THE DECISION TO PURSUE IDR OR A PARTICULAR TYPE OF ADR SHALL BE THE CHOICE OF THE OWNER. However, binding arbitration is not available if the Mutual intends to initiate a judicial foreclosure.

**13. Pre-Lien Notice**

Prior to recording a lien against a Member's Manor, the Mutual must send the Member a certified notice providing information regarding the sums claimed as being delinquent ("Pre-Lien Notice"). No lien can be recorded until forty-five (45) days after this Pre-Lien Notice has been given.

The Pre-Lien Notice must include the following information (per Civil Code Section 5660):

- (a) A general description of the collection and lien enforcement procedures of the Mutual and the method of calculation of the amount, a statement that the owner of the Manor has the right to inspect the association records pursuant to Section 5205, and the following statement in 14-point boldface type, if printed, or in capital letters, if typed;
 

**“IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION.”**
- (b) An itemized statement of the charges owed by the owner, including items on the statement which indicate the amount of any delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any;
- (c) A statement that the owner shall not be liable to pay the charges, interest, and costs of collection, if it is determined the assessment was paid on time to the association;
- (d) The right to request a meeting with the Board as provided in Section 5665;
- (e) The right to dispute the assessment debt by submitting a written request for dispute resolution to the association pursuant to the association's "meet and confer" program required in Article 2 (commencing with Section 5900) of Chapter 10;
- (f) The right to request alternative dispute resolution with a neutral third party pursuant to Article 3 (commencing with Section 5925) of Chapter 10 before the association may initiate foreclosure against the owner's Manor, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure;

**14. Member's Right to Request a Meeting with the Board, or IDR or ADR.**

Upon receipt of the certified Pre-Lien Notice described above, the noticed Member has several possible courses of action that can be taken at this point in the collection process, such as:

- (a) The Member has the right to dispute the assessment debt by submitting a written request for IDR to the Mutual pursuant to the Mutual's "meet and confer" program, which is required by Civil Code Sections 5900-5920;
- (b) The Member may exercise his/her/their/its right to participate in ADR with a neutral third party under Civil Code Sections 5925-5965 before the Mutual may initiate foreclosure against the owner's Manor, except that binding arbitration shall not be available if the Mutual intends to initiate a judicial foreclosure;

- (c) The Member has a right to submit a written request to meet with the Board to discuss a payment plan for the delinquent assessment, as long as the request for a meeting is made within fifteen (15) days following the postmark on the Mutual's Pre-Lien Notice to the Member. That meeting must take place within forty-five (45) days (calculated from the postmark on the Member's request) and must be conducted in executive session. When a Member has made a timely request for a meeting to discuss a payment plan, the Mutual must provide the requesting Member with the Mutual's standards for payment plans, if any standards have been adopted. There is no statutory authorization for the Board to delegate this meeting obligation to a property manager, but the Board may designate a committee of one or more directors to meet with the Member in a specially called executive session meeting that will occur within forty-five (45) days of the Member's request.

### **15. Payment Plan Requests**

Any Member who is unable to timely pay regular or special assessments is entitled to make a written request for a payment plan to the Mutual's Board. A Member may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the Pre-Lien Notice. The Mutual's Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans may not impede the Mutual's ability to record a lien on the Member's Manor to secure payment of delinquent assessments. Additional late fees shall not accrue during the payment plan period if the Member is in compliance with the terms of the payment plan. In the event of a default on any payment plan, the Mutual may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan. The Mutual reserves the right to impose reasonable conditions on any approvals for a payment plan and request that the delinquent Member provide disclosure of certain identifying information and other assets that may be used as additional security for the debt owed.

### **16. Application of Payments**

In accordance with state law payments received on delinquent assessments shall be applied to the Member's account in the following order of priority: assessments owed, then fees and costs of collection, attorney's fees, late charges, interest. Payments on account of principal shall be applied in reverse order so that the oldest arrearages are retired first. Interest shall continue to accrue on unpaid balances of principal, and other costs and charges imposed in accordance with Civil Code Section 5655.

### **17. Secondary Address**

Members have a right and obligation to identify in writing to the Mutual a secondary address for purposes of collection notices delivered pursuant to the Mutual's Policy Statement, and upon receipt of a proper written request from a Member identifying a secondary address that complies with Civil Code Section 4041 and the Governing Documents, the Mutual must send additional copies of specified notices to this secondary address. Pursuant to Civil Code Section 4041, Members must keep the Mutual updated with respect to any mailing or secondary address to which notices from the Mutual are to be delivered. If Members fail to provide such information to the Mutual, the Manor shall be deemed to be the address to which notices are to be delivered.

**18. No Right of Offset**

There is no right of offset. This means that a Member may not withhold assessments and related charges owed to the Mutual on the alleged grounds that the Member would be entitled to recover money or damages from the Mutual based on some other obligation or some claim of another obligation.

**19. Returned Checks**

The Mutual may charge the Member a twenty-five-dollar (\$25) fee for the first check tendered to the Mutual that is returned unpaid by the Member's bank, and thereafter, the Mutual may charge a thirty-five-dollar (\$35) fee for any subsequent check that is returned based on insufficient funds. If a Member's check cannot be negotiated for any reason, then the Mutual may also seek to recover damages of the greater of (a) one hundred dollars (\$100); or (b) three (3) times the amount of the check up to one thousand five hundred dollars (\$1,500) in accordance with Civil Code Section 1719.

**20. Charges and Fees Subject to Change**

All charges and fees set forth in this Policy Statement are subject to change upon thirty (30) days prior written notice

**21. Overnight Payments**

The mailing address for overnight payment of assessments is:

Third Laguna Hills Mutual  
Attn: Assessment Payments  
24351 El Toro Road  
Laguna Woods, CA 92637

**22. Rights Reserved by Mutual**

Although the matters set forth above summarize the policies and practices ordinarily employed to collect delinquent assessments, the Mutual reserves the right to employ other or additional policies and practices as may be necessary or appropriate when the uniqueness of the circumstances or habitualness of the delinquency so requires.

**23. Attachments**

Notice of Assessments and Foreclosure (pursuant to Civil Code Section 5730): Attachment A.

State Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act disclosures: Attachment B.

**BOARD OF DIRECTORS**

**THIRD LAGUNA HILLS MUTUAL**

**ATTACHMENT A**

**NOTICE OF**

**ASSESSMENTS AND FORECLOSURE**

*The following notice is provided pursuant to California Civil Code Section 5730*

**NOTICE ASSESSMENTS AND FORECLOSURE**

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

**ASSESSMENTS AND FORECLOSURE**

Assessments become delinquent fifteen (15) days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least thirty (30) days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)



If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within twenty-one (21) days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

### **PAYMENTS**

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

### **MEETINGS AND PAYMENT PLANS**

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

**ATTACHMENT B**

*The following Disclosure is made pursuant to California Civil Code Sections 1812.700-1812.703.*

“The State Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or [www.ftc.gov](http://www.ftc.gov).”



**RESOLUTION 03-24-XX**

**2025 Collection and Lien Enforcement Policy**

**WHEREAS**, in accordance with California Civil Code, Third Laguna Hills Mutual maintains a collection and lien enforcement policy that outlines the procedures, policies and practices employed by the Mutual in enforcing lien rights or other legal remedies for default in payment of assessments; and

**WHEREAS**, legal counsel has reviewed the existing Collection and Lien Enforcement Policy and determined that the updated policy complies with Civil Code requirements and reflects current practices for collection of Mutual delinquencies;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors hereby adopts the 2025 Third Laguna Hills Mutual Collection and Lien Enforcement Policy as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, the policy statement is provided pursuant to the requirements of California Civil Code section 5310(a)(7) and will be distributed to members in November 2024 as part of the Annual Policy Statement; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**JUNE INITIAL NOTIFICATION: 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied.**

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Third Laguna Hills Mutual  
Resident Policy and Compliance Committee  
May 29, 2024

## **ENDORSEMENT (to Board)**

### **Entertain a Motion to consider Passive Home Business Policy and Application**

Third's governing documents state that members shall use their units as a private dwelling and for no other purpose. However, in order to accommodate the evolving needs of its members, Third Mutual established a policy to allow members to conduct select, administrative type businesses in their units. The purpose of the policy was to put in place reasonable standards that allow certain businesses to operate in a member's unit without negatively affecting neighbors and/or the community.

Third Mutual's Policy Regulating Home Occupations was established on August 21, 2001 by way of Resolution M3-01-38. Since the policy has not been revised since its inception, it is necessary to update the current policy by removing any reference to Laguna Woods Mutual No. Fifty, clarifying the Mutual's intent of establishing such policy, and to make other housekeeping changes by making language consistent throughout the policy (ATTs 2 and 3).

On May 29, 2024, the Resident Policy and Compliance Committee discussed the Passive Home Business Policy and Application, made further changes to the application.

Director Lewis elected to submit the administrative changes to the application forward to the Board for their consideration. Director Ginocchio seconded the motion.

By unanimous consent, the motion passed.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Third Mutual Policy Regulating Passive Home Businesses

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### **RECOMMENDATION**

Staff recommends that the Board of Directors approve administrative revisions to the Mutual's Policy Regulating Passive Home Businesses.

### **BACKGROUND**

Third's governing documents state that members shall use their units as a private dwelling and for no other purpose. However, in order to accommodate the evolving needs of its members, Third Mutual established a policy to allow members to conduct select, administrative type businesses in their units. The purpose of the policy was to put in place reasonable standards that allow certain businesses to operate in a member's unit without negatively affecting neighbors and/or the community.

### **DISCUSSION**

Third Mutual's Policy Regulating Home Occupations was established on August 21, 2001 by way of Resolution M3-01-38 (ATT 1). The same policy was also adopted by United Laguna Woods and Mutual Fifty in 2001 in order to make it a universal policy and application. Since the policy has not been revised since its inception, it is necessary to update the current policy by removing any reference to Laguna Woods Mutual No. Fifty, clarifying the Mutual's intent of establishing such policy, and to make other scrivener administrative updates by making language consistent throughout the policy (ATTs 2 and 3).

At the May 29, 2024 Third Resident Policy and Compliance Committee meeting, the committee reviewed the revised policy, made further changes to the application, and approved to forward it on to the Board.

It should be noted that the proposed revisions are administrative in nature and do not reflect any change in policy that requires the 28-day comment period.

This revised policy will also be brought forth to the United Governing Documents Review Committee for an endorsement to the United Board of Directors to adopt the same policy.

### **FINANCIAL ANALYSIS**

It is not anticipated that the passive home business policy revisions will have any financial impact.

**Prepared By:** Patty Kurzet, Membership Services Coordinator

**Reviewed By:** Jeff Spies, Community Services Manager

**ATTACHMENT(S)**

- Attachment 1: Current Policy Regulating Home Occupations
- Attachment 2: Policy Regulating Passive Home Businesses – red-line
- Attachment 3: Policy Regulating Passive Home Businesses - clean
- Attachment 4: Resolution 03-24-XX



## POLICY REGULATING HOME OCCUPATIONS

It is the current policy of the three housing corporations, that Members may use the dwelling unit for no other purpose than as a dwelling unit. The following rules and regulations were adopted by United Laguna Hills Mutual Resolution No. 82 – September 11, 2001; Third Laguna Hills Mutual Resolution No. 38 – August 21, 2001; Laguna Woods Mutual 50 Resolution No. 24 (a) – September 20, 2001.

The intent of the restriction is to preclude the use of the dwelling unit in any manner that creates a nuisance, has an adverse effect on the Mutual's insurance rates or has a negative impact on surrounding properties. Nuisance or negative impact can result from increased vehicular traffic, increased pedestrian traffic, noise, parking congestion, and other conditions that affect the other residents or properties in the surrounding area.

Further, it is the Mutual's intent to prescribe a reasonable standard which permit the conduct of certain businesses which do not have an adverse affect on the community.

### Limitations of Dwelling Use

1. The business shall not change the principal character of the dwelling as a residence;
2. The business shall not employ, either paid or unpaid, persons who are not bona fide residents of the dwelling;
3. The business shall be conducted only within the dwelling structure interior, and shall not operate in, or be conducted upon any common area, or limited use common area, including a garage, patio, balcony or carport;
4. The business shall not display any signage or other evidence of a business inside or on the exterior of the premises;
5. The business operator shall not utilize the dwelling address in any advertisement, on any business stationery, or business cards;
6. The business shall not occupy more than one room within the dwelling, or 25% of the gross floor area, whichever is less;
7. The business shall not produce, store, maintain on the site, or use in its operation any hazardous material (other than typical household cleaning materials in small quantities) which can affect the Mutual's insurance rates;
8. No tools, materials or any equipment used in the business may generate smoke, noise, dust, odors or vibration which are atypical of residential property use;
9. A business which uses telephone, computer or mail marketing may not ship, send or otherwise distribute, or receive delivery of business-related goods or merchandise at the dwelling;
10. Persons conducting home occupations are subject to the regulatory codes and ordinances of the jurisdiction(s) in which the dwelling is located.

Violations of this policy can result in suspension of the use of Mutual facilities, suspension of voting privileges, and a monetary penalty of up to \$500.



**Resolution M3-01-38  
Adopted August 21, 2001**

**Policy Regulating Home Occupations**

WHEREAS, in order to preclude activities which can be characterized as public nuisances, the Third Mutual governing documents strictly prohibit the conduct of any business from, or within a manor; and

WHEREAS, the Board has been requested to determine if strict administration of the existing restriction is possible and enforceable;

NOW THEREFORE BE IT RESOLVED, that on August 21, 2001, the board of directors of this corporation:

1. Adopts the attached Policy Regulating Home Occupations which states the limited conditions under which a passive business may be conducted within a residential unit;
2. Directs the Managing Agent to continue to seek compliance with the Mutual's Policy;
3. Confirms that non-compliance with this policy shall be cause for imposing monetary penalties under the category of nuisances;
4. Shall seek to amend the Mutual's governing documents in order to reflect the proposed policy at the earliest possible time;
- 5 Directs the Managing Agent to work with the City of Laguna Woods to develop an ordinance which is in substantial agreement with the Mutual's policy; and

RESOLVED FURTHER, that the officers and agents of this corporation are hereby authorized on behalf of the corporation to carry out the purpose of this resolution.

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## POLICY REGULATING PASSIVE HOME OCCUPATIONSBUSINESSES

~~It is the current policy. The governing documents of the three housing corporations, Third Laguna Hills Mutual and United Laguna Woods Mutual state that Members may members shall use their units as a private dwelling unit, and for no other purpose than as a dwelling unit. The following rules and regulations were. However, both mutuals recognize the need to establish restricted conditions under which a passive business may be conducted within a residential unit, and this policy regulating passive home businesses was adopted by United Laguna Hills Woods Mutual via Resolution No. U-01-82 on September 11, 2001; and by Third Laguna Hills Mutual via Resolution No. M3-01-38 on August 21, 2001; Laguna Woods Mutual 50 Resolution No. 24 (a) September 20, 2001.~~

The intent of the ~~restriction~~restrictions is to preclude the use of the dwelling unit in any manner that creates a nuisance, has an adverse effect on the ~~Mutual's~~mutual's insurance rates or has a negative impact on surrounding properties. ~~Nuisance~~A nuisance or negative impact can result from increased vehicular traffic, ~~increased~~ pedestrian traffic, noise, and parking congestion, ~~and~~as well as other conditions that affect ~~the~~ other residents or properties in the surrounding area.

Further, it is the ~~Mutual's~~mutual's intent to prescribe a reasonable standard ~~which permit the conduct of that~~allows certain businesses ~~which do not have an adverse affect onto~~operate without negatively affecting neighbors and/or the community.

### Limitations of Dwelling Use

- ~~II.1.~~ The business shall not change the principal character of the dwelling as a residence;.
- ~~III.2.~~ The business shall not employ, ~~either persons,~~ paid or unpaid, ~~persons~~ who are not bona fide residents of the dwelling;.
- ~~IV.3.~~ The business shall be conducted only within the dwelling structure interior, and shall not operate in, or be conducted upon any common area, or limited-use common area, including a garage, patio, balcony or carport;.
- ~~V.4.~~ The business shall not display any signage or other evidence of a business inside or on the exterior of the premises;.
- ~~VI.5.~~ The business operator shall not ~~utilize~~use the dwelling address in any advertisement, ~~or~~ on any business stationery, or business cards;.
- ~~VII.6.~~ The business shall not occupy more than one room within the dwelling, or 25% of the gross floor area, whichever is less;.
- ~~VIII.7.~~ The business shall not produce, store, maintain on the site, or use in its operation any hazardous material (other than typical household cleaning materials in small quantities) ~~which that~~ can affect the ~~Mutual's~~mutual's insurance rates;.
- ~~IX.8.~~ No tools, materials or any equipment used in the business may generate smoke, noise, dust, odors or vibration ~~which that~~ are atypical of residential property use;.
- ~~X.9.~~ A business ~~which that~~ uses telephone, computer or mail marketing may not ship, send or otherwise distribute, or receive delivery of business-related goods or merchandise, at the dwelling;.
- ~~XI.10.~~ Persons conducting home occupations businesses are subject to the regulatory codes and ordinances of the jurisdiction(s) in which the dwelling is located.

Violations of this policy can result in suspension of the use of ~~Mutual~~GRF facilities, ~~suspension of and~~ voting privileges, and a monetary penalty of up to \$500.

<b>APPLICATION FOR PERMIT TO CONDUCT A PASSIVE BUSINESS IN A MANOR</b>	MUTUAL <input type="checkbox"/> UNITED <input type="checkbox"/> THIRD <b>FIFTY</b>
<del>NAME OF</del> RESIDENT <u>NAME</u>	MANOR ADDRESS
DESCRIBE NATURE OF BUSINESS (SALES, COUNSELING, CONSULTING, <u>ADMINISTRATIVE</u> , ETC.)	
DESCRIBE WHERE AND HOW SERVICES WILL BE PROVIDED (IN CUSTOMER'S HOME, <u>OUTSIDEHOME</u> OFFICE, ETC.)	
<b><u>APPLICANT ACKNOWLEDGMENT BY APPLICANT</u></b>	
<p>I am applying for this permit <del>in order</del> to conduct a business in or from my Laguna Woods Village manor. I understand that the governing rules of my <del>Mutual homeowners</del> <u>mutual homeowners'</u> association prohibit the conduct of any business, commercial undertaking or other professional activity that can cause a nuisance to other residents or to the community at large.</p> <p>I attest that the <del>persons to whom I provide service will not visit my manor for purposes related to the business activity, and that all contacts with my clients shall be away from my manor. Further, I attest that the</del> business will not cause an increase in vehicular <u>and/or pedestrian</u> traffic, either from deliveries <u>of product for resale</u>, shipping or otherwise; that the business will not cause <del>an increase in pedestrian traffic</del> <u>excessive noise, parking congestion and other conditions that affect other residents or surrounding areas</u>; and that my manor address will not appear on my business stationery or business cards, or in any advertising that I may use to solicit business.</p> <p>I have read the <u>Mutual Policy Regulating Home Occupations</u> <del>mutual policy regulating passive home businesses</del> on the reverse side of this <u>Application</u> <del>application</del> form and agree to comply with all the restrictions and conditions therein.</p>	
<u>APPLICANT SIGNATURE OF APPLICANT</u>	DATE

ACTION BY MUTUAL BOARD OF DIRECTORS	
APPLICATION DENIED	APPLICATION APPROVED
The <del>Boardboard</del> of <del>Directors</del> <u>directors</u> of this <del>Mutual Corporation</del> <u>mutual corporation</u> has reviewed the <del>Application</del> <u>application</u> to <del>Conduct</del> <u>conduct</u> a <del>Passive Business</del> <u>passive business</u> . Based on the information provided, the <u>board of directors denies this</u> application <del>is denied</del> .	The <del>Boardboard</del> of <del>Directors</del> <u>directors</u> of this <del>Mutual Corporation</del> <u>mutual corporation</u> has reviewed the <del>Application</del> <u>application</u> to <del>Conduct</del> <u>conduct</u> a <del>Passive Business</del> <u>passive business</u> . Based on assurances provided by the applicant herein, the <del>Boardboard</del> of <del>Directors</del> <u>gives approval to</u> <del>directors</del> <u>approves</u> this application.
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
DATE	DATE



## **POLICY REGULATING PASSIVE HOME BUSINESSES**

The governing documents of Third Laguna Hills Mutual and United Laguna Woods Mutual state that members shall use their units as a private dwelling, and for no other purpose. However, both mutuals recognize the need to establish restricted conditions under which a passive business may be conducted within a residential unit, and this policy regulating passive home businesses was adopted by United Laguna Woods Mutual via Resolution U-01-82 on September 11, 2001, and by Third Laguna Hills Mutual via Resolution M3-01-38 on August 21, 2001.

The intent of the restrictions is to preclude the use of the dwelling unit in any manner that creates a nuisance, has an adverse effect on the mutual's insurance rates, or has a negative impact on surrounding properties. A nuisance or negative impact can result from increased vehicular traffic, pedestrian traffic, noise and parking congestion, as well as other conditions that affect other residents or properties in the surrounding area.

Further, it is the mutual's intent to prescribe a reasonable standard that allows certain businesses to operate without negatively affecting neighbors and/or the community.

### **Limitations of Dwelling Use**

1. The business shall not change the principal character of the dwelling as a residence.
2. The business shall not employ persons, paid or unpaid, who are not bona fide residents of the dwelling.
3. The business shall be conducted only within the dwelling structure interior and shall not operate in, or be conducted upon any common area or limited-use common area, including a garage, patio, balcony or carport.
4. The business shall not display any signage or other evidence of a business inside or on the exterior of the premises.
5. The business operator shall not use the dwelling address in any advertisement or on any business stationery or business cards.
6. The business shall not occupy more than one room within the dwelling, or 25% of the gross floor area, whichever is less.
7. The business shall not produce, store, maintain on the site or use in its operation any hazardous material (other than typical household cleaning materials in small quantities) that can affect the mutual's insurance rates.
8. No tools, materials or any equipment used in the business may generate smoke, noise, dust, odors or vibration that are atypical of residential property use.
9. A business that uses telephone, computer or mail marketing may not ship, send or otherwise distribute, or receive delivery of business-related goods or merchandise, at the dwelling.
10. Persons conducting home businesses are subject to the regulatory codes and ordinances of the jurisdiction(s) in which the dwelling is located.

Violations of this policy can result in suspension of the use of GRF facilities and voting privileges, and a monetary penalty of up to \$500.

<b>APPLICATION FOR PERMIT TO CONDUCT A PASSIVE BUSINESS IN A MANOR</b>	MUTUAL <input type="checkbox"/> UNITED <input type="checkbox"/> THIRD
RESIDENT NAME	MANOR ADDRESS
DESCRIBE NATURE OF BUSINESS (SALES, COUNSELING, CONSULTING, ADMINISTRATIVE, ETC.)	
DESCRIBE WHERE AND HOW SERVICES WILL BE PROVIDED (IN CUSTOMER'S HOME, HOME OFFICE, ETC.)	
<b>APPLICANT ACKNOWLEDGMENT</b>	
<p>I am applying for this permit to conduct a business in or from my Laguna Woods Village manor. I understand that the governing rules of my mutual homeowners' association prohibit the conduct of any business, commercial undertaking or other professional activity that can cause a nuisance to other residents or to the community at large.</p> <p>I attest that the business will not cause an increase in vehicular and/or pedestrian traffic, either from deliveries of product for resale, shipping or otherwise; that the business will not cause excessive noise, parking congestion and other conditions that affect other residents or surrounding areas; and that my manor address will not appear on my business stationery or business cards, or in any advertising that I may use to solicit business.</p> <p>I have read the mutual <b>policy regulating passive home businesses</b> on the reverse side of this application form and agree to comply with all the restrictions and conditions therein.</p>	
APPLICANT SIGNATURE	DATE

<b>ACTION BY MUTUAL BOARD OF DIRECTORS</b>	
<b>APPLICATION DENIED</b>	<b>APPLICATION APPROVED</b>
The board of directors of this mutual corporation has reviewed the application to conduct a passive business. Based on the information provided, the board of directors denies this application.	The board of directors of this mutual corporation has reviewed the application to conduct a passive business. Based on assurances provided by the applicant herein, the board of directors approves this application.
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
DATE	DATE





**RESOLUTION 03-24-XX**

**Revised Policy Regulating Passive Home Businesses**

**WHEREAS**, Third Mutual's governing documents state that members shall use their units as a private dwelling, and for no other purpose; and

**WHEREAS**, Third Mutual recognized the need to establish restricted conditions under which a passive business may be conducted, and on August 21, 2001, the Board adopted its Policy Regulating Home Occupations; and

**WHEREAS**, it is necessary to update the current policy by removing any reference to Laguna Woods Mutual No. Fifty, make clarifying statements that the Mutual's intent of the policy is to prescribe a reasonable standard that allows certain businesses to operate in a member's unit without negatively affecting the neighbors and/or the community, and to make other scrivener administrative updates by making language consistent throughout the policy;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors of this corporation hereby adopts the revised Policy Regulating Passive Home Businesses as attached to the official meeting minutes of this corporation; and

**RESOLVED FURTHER**, that any violations of said policy can result in suspension of the use of GRF facilities and voting privileges, and a monetary penalty of up to \$500; and

**RESOLVED FURTHER**, that Resolution M3-01-38 adopted August 21, 2001 is hereby superseded and cancelled; and

**RESOLVED FURTHER**, that the officers and agents of this corporation are hereby authorized on behalf of the corporation to carry out the purpose of this resolution.

**JUNE INITIAL NOTIFICATION: 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied.**

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**ENDORSEMENT (to Board)**

**Entertain a Motion to consider the Rules for Board Meetings**

On January 15, 2013, the Board established Rules for Board Meetings to ensure the management of the community's affairs are carried out professionally and in adherence with the provision of the Davis-Stirling Act (Resolution 03-13-04). Since the adoption, the Rules for Board Meetings has been revised three times (Resolution 03-14-04, January 21, 2014, Resolution 03-20-80, November 17, 2020 and Resolution 03-22-134, December 20, 2022).

On May 29, 2024, the Resident Policy and Compliance Committee reviewed the amended Rules for Board Meetings is updated to include Member Requested Hearings and Meet and Confer/Internal Dispute Resolutions (IDR) to the closed session portion of the policy.

Director Ginocchio elected to forward the amended policy with corrections for Board consideration. Director Yun seconded the motion.

By unanimous consent, the motion passed.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Rules for Board Meetings

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### **RECOMMENDATION**

Staff recommends amending the Rules for Board Meetings to include Member Requested Hearing and Meet and Confer/Internal Dispute Resolution (IDR).

### **BACKGROUND**

On January 15, 2013, the Board established Rules for Board Meetings to ensure the management of the community's affairs are carried out professionally and in adherence with the provision of the Davis-Stirling Act (Resolution 03-13-04). Since the adoption, the Rules for Board Meetings has been revised three times (Resolution 03-14-04, January 21, 2014, Resolution 03-20-80, November 17, 2020 and Resolution 03-22-134, December 20, 2022).

The Rules for Board Meetings Policy is to provide Directors and Members the rules and expectation for a successful, efficient and orderly Board meeting.

### **DISCUSSION**

Chair Laws addressed with Legal Counsel the creating of a Member Requested Hearing for a member seeking a decision from the Board for an exception to the governing documents or has a request that may not specifically be covered by the governing documents. Additionally, any decision made by the Executive Hearings Committee could be appealed to the full board. The Rules for Board Meetings is updated to include these meetings.

**Prepared By:** Blessilda Wright, Compliance Supervisor

**Reviewed By:** Francis Gomez, Operations Manager

### **ATTACHMENT(S)**

Attachment 1: Rules for Board Meetings – Redline  
Attachment 2: Rules for Board Meetings - Clean  
Attachment 3: Resolution 03-24-XX, Rules for Board Meetings

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**RULES FOR BOARD MEETINGS**  
**Resolution 03-24-XX; Amended [date]**

**I. INTRODUCTION**

Successful, efficient and orderly Board meetings benefit everyone in the community. Manor owners (“Members”) have the right to observe the open board meetings and are encouraged to attend, but meetings which are disorderly or too long can be discouraging.

These Rules inform both Director and non-Director as to what is expected of all attending Board meetings, and how meetings are conducted. The goal is orderly and efficient meetings, protection of Owners’ right to observe productive deliberations, and enhancement of the governance and the membership experience in Third Laguna Hills Mutual (“Third”).

**II. BOARD MEETINGS**

**A. Regular Board Meetings**

Notice of the date, time and location of regular Board meetings will be provided by posting in the Clubhouse kiosks and the community center bulletin board and on the web site a minimum of four days before the meeting is to take place. Board meetings are open to all Mutual Members to attend and observe. Non-Members may attend only at the discretion of the Board of Directors.

Normally, regular Board meetings are held in the morning on the third Tuesday of each month. However, four days posted advance notice is always given of all open Board meetings except in case of emergency. Regular Board meetings are normally held in the Board Room on the ground floor of the Community Center at 9:30 a.m., in accordance with Civil Code § 4920. Notice of Board Meetings.

**B. Special Meeting or Altering Location, Date or Time**

If a special Board meeting is called or if the location, date or time of a Board meeting is to be changed, all Members will be notified at least four days prior to the meeting by posting in the Clubhouse kiosks and the community center bulletin board and on the web site. In an emergency, the President or any two Directors may call for a Board meeting on shorter notice, in accordance with Civil Code § 4923. Emergency Board Meetings

**C. Attendance**

Members may attend Board meetings, but Executive Session meetings are

closed. **A “Member” is not a tenant, guest, family, or legal counsel of the Member.**

**D. Agendas**

1. **Preparation.** Agendas are prepared by the President<sup>1</sup>, in cooperation with management staff. At least one week prior to a Board meeting, the President will inquire if any Director requests inclusion of an agenda item. The Chair may also call a Board meeting for the purpose of setting the regular Board meeting agenda.
2. **Request for inclusion.** A Director may request an item be included in an agenda, by submitting the action requested and an explanation of the reason for the request. A Director requesting an agenda item is responsible to present that item to the Board with supporting information if the item is included in the agenda.
3. **Rejected agenda items.** The Chair with the assistance of Management Staff shall include a requested item in the agenda unless the item:
  1. Has no suggested action;
  2. Is redundant with an item already on the agenda or was addressed in a Board meeting in the previous three months;
  3. Must be discussed in Executive Session;
  4. Would make the agenda unduly lengthy (and so will be on the next agenda);
  5. Is sent first to a committee for recommendation; or
  - f) Is, based on the advice of legal counsel, proposing action barred by law.
4. **Board request for agenda item.** Notwithstanding the foregoing, if an agenda item is requested in writing or by electronic mail by at least six Directors, the Chair shall include it in the Agenda for the open meeting or the Executive Session meeting, depending upon the item.
5. **Member Request for Agenda Item.**
  - a) A Member may request the President in advance that a topic be added to the agenda, but the President with the assistance of Staff will determine whether a requested topic will be included in the agenda.
  - b) A topic will also be added to the agenda if at least one week prior to the scheduled Board meeting, the Chief Executive Officer (CEO) or Staff receives a petition signed by at least twenty-five different Members entitled to vote.
  - c) The requested agenda topic must still meet the standards of Rule IID.3 above.

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<sup>1</sup> Any action to be taken by the President may be taken by the First Vice President or the next officer in order as stated in the By-laws if the President is unable to attend or participate.



- d) A Member who has requested an agenda item which is placed on the agenda (“Requesting Member”), may speak to the item during Open Forum, or at the election of the Chair, may present the topic to the Board immediately before the Board begins its deliberation of the item (assuming there is a Motion from the Board after the Requesting Member speaks). The Requesting Member may speak on the matter for up to five minutes. Only one person may be considered the “Requesting Member” for the purpose of addressing the Board. The Board may by motion give the Requesting Member more time to speak.
6. **Publication, agenda packets.** Agendas will be published at least four days prior to any non-emergency Board meeting. The Board will receive a board packet (also referred to as “agenda package”), prepared by management staff, at least four days prior to the meeting, and may be transmitted electronically upon request. To make the meeting more efficient, Directors should read the board packet prior to arriving at the meeting.
7. **No discussion of matters not disclosed on agenda.** The Board may not discuss subjects which are not on the agenda unless the matter is determined by a majority of the Board to involve an emergency, or unless the matter arose prior to the meeting but after the agenda was published and at least eight Directors concur that the matter requires immediate action.

**Sample agenda.** The following is a typical Agenda:

1. Call Meeting to Order
2. Pledge of Allegiance
3. Approval of the Agenda
4. Approval of the Minutes
5. Report of the Chair
6. Update of VMS Board -
7. Open Forum (Three Minutes per Speaker)
8. Responses to Open Forum Speakers
9. CEO Report
10. Consent Calendar
11. Unfinished business
12. New Business
13. Third Mutual Committee Reports
14. GRF Committee Highlights
15. Future Agenda Items
16. Director’s Comments
17. Recess
18. Adjournment

**E. Committees: Reports, Meetings**

1. If the Bylaws provide for standing committees or if the Board from time to time establishes committees, committee reports may be submitted to the Board prior to the meeting for review. If the committee recommends any Board action, the report should also indicate the reasons it is recommended. If possible, the committee Chair or a Member of the committee should present the report.
2. A committee consisting of six or more Directors, or including at least six Directors in its roster, shall conduct its meetings in the same manner as a Board meeting, with agendas, minutes, Open Forum, and in compliance with all other requirements applicable to Board meetings.
3. A committee consisting of both Directors and non-Directors but which has less than six Directors may, but is not required to, conduct its meetings in the same manner as a Board meeting, but shall prepare and submit a report to the Board prior to the agenda publication, including any recommended action.
4. Any committee reports will be included in the board packets if they are timely submitted. Committee reports which do not contain a request for action will be noted in the minutes as “received.”
5. A committee request for action shall be placed by the Chair or staff on the agenda, so long as it complies with Rule D.3.
6. Directors, upon presentation of a committee report, may ask questions about the report, but may not deliberate about the report unless that subject was timely placed on the agenda for deliberation and possible action in that meeting.

**F. Open Forum**

The Open Meeting Act, Civil Code §§4900-4950, provides that Board meetings are open to Members. A “meeting” under the law is “a congregation of a majority of the Members of the board at the same time and place to hear, discuss, or deliberate upon any item of business that is within the authority of the board.” The Board thus may not exclude Members from attending, absent discipline imposed as provided herein. The only exception is for Executive Session as discussed further below.

1. **Time for Open Forum.** Open Forum will normally occur at the beginning of the Board meeting. The agenda may also provide for a second Open Forum time at the end of the agenda. The Board may by motion re-open Open Forum on a specific agenda item, or reschedule Open Forum within the agenda.

2. **Member's Right to Speak.** Open Forum is a valuable and legally required portion of every open Board meeting. Open Forum is the opportunity for the Member to inform the Board of matters which may not be known.
- a) During Open Forum, a Member may speak to the Board on any topic not on the agenda. The purpose of Open Forum is to inform the Board of viewpoints or information of which the Board may not be aware regarding Third. Therefore, although a Member may use their time to speak upon any topic of interest to the Member, Members are advised that the Board may not be as attentive to comments on matters outside the Board's jurisdiction.
  - b) At the time designated on the agenda for Open Forum, the Chair shall ask the Members present to raise their hand if they wish to speak in Open Forum or fill out a speaker card. In order to give all Members an opportunity to speak at meetings, and to control meeting length, each Member may speak for a maximum of three minutes. In the event more than ten Members indicate a desire to speak, the time limit per speaker shall be shortened to two minutes per speaker.
  - c) Open Forum is the time for Members to speak and provide additional opinions and viewpoints to the Board, and is not a time for the Board to speak. Directors will listen and not respond or otherwise interrupt a speaker at Open Forum, so long as the speaker is within these Rules and time limits. A response, if any, by a Director or staff to an Open Forum remark or question shall be after the close of Open Forum. The Chair may appoint a Director or Staff-person as timekeeper.
  - d) So long as the Open Forum comments comply with these Rules, neither staff, the Chair, nor other Director shall interrupt the speaker.
  - e) The statements made by Members in Open Forum are not the position of Third, and Third takes no responsibility as to the content of Open Forum comments. At the beginning of Open Forum, the Chair shall remind all attending as to these Rules regarding Open Forum.
3. **Open Forum During Agenda Item Discussions.**
- a) During the Board deliberations of a matter, and when the Chair at the Chair's sole discretion determines there has been sufficient discussion to inform the attendees in the audience of the issue, the Chair will inquire if any Members in the audience wish to speak to the motion at hand.
  - b) If the Chair sees any hands raised indicating a desire to speak or fill out a speaker card, Open Forum will be reopened on the issue, and the Members indicating a desire to speak to the topic may speak for up to three (3) minutes on the specific agenda item.
  - c) Off-topic commentary will not be permitted, but so long as the speaker complies with the Rules, neither the Chair nor any Director will

interject or otherwise interrupt during the speaker's remarks.

- d) The Chair in its sole discretion may reduce the time per speaker to two (2) minutes on an issue, if the Chair deems it necessary to insure that all who wish to speak have the opportunity to do so.
  - e) A Member (or co-Owner of a Member) shall only speak once on a given agenda item.
  - f) Once the Chair determines that all have spoken who wished to speak, or that no one has indicated a desire to speak, the Chair shall announce Open Forum is again closed, and the Board shall resume and conclude its deliberations on the item.
4. **Re-opening of Open Forum.** If an issue on the Agenda is deemed by the Board to require further Membership input, the Board may by majority vote re-open Open Forum, to allow Members to speak to the pending subject. If Open Forum is reopened, Members may speak for up to two minutes each. Upon completion of such Membership input, in compliance with Open Forum Rules, the Board will then close Open Forum and resume deliberating the subject.
  5. **Member Observation of Deliberations.** Except for Open Forum, Members may not speak to the Board, and shall quietly observe Board deliberations except for those in Executive Session. Members do not vote or make motions at Board meetings, as only Directors vote at Board meetings. Applause, boos, or other audible response to Board deliberations or decisions is out of order.
  6. **Addressing the Board During Open Forum.** When speaking, the Member will identify Member's name and Manor, and will stand at the speaker's podium if physically able to stand, and will address the Board, not the audience.

**G. Meeting Conduct**

Directors, Members and anyone else permitted to attend the meeting will conduct themselves in a reasonable manner. The following conduct is strictly prohibited:

1. Profane or obscene language;
2. Slurs involving race, religion, ethnicity, gender, sexual orientation, gender identity, or age;
3. Shouting or yelling;
4. Physical threats, including non-verbal communications such as gestures or using body language in such a way as to intimidate;
5. Pounding on table or throwing items; and
6. All other unreasonable and disruptive behavior which does not allow Members to peacefully observe the proceedings, or which otherwise impedes the ability

of the Board to peacefully conduct its deliberations and the Members to peacefully observe those deliberations.

Directors will also refrain from making comments which:

7. Divulge information from closed sessions;
8. Divulge attorney client privileged confidential advice; or
9. Maliciously malign any person, business or entity.

To create a positive atmosphere, all persons present will be seated (unless some handicap exists by which they cannot be seated) and will remain seated at all times when others are speaking, except when standing in line to speak for their turn in Open Forum. Neither Directors nor anyone addressing the Board will be allowed to speak while standing or hovering over someone else. All in attendance must behave in a professional and orderly manner. Directors shall refrain from interrupting each other or from making audible "sidebar" remarks while a fellow Director is speaking. Directors shall keep their microphones off except when they are addressing the Board.

#### **H. Violation of Rules**

Anyone (Member or Director) violating these Rules during a meeting may be:

1. First warned by the Chair,
2. Then warned by majority vote of the Board, and
3. Then by majority vote of the Board asked to leave the meeting.

In the event a person refuses to leave after the Board votes to eject the individual, the meeting shall be recessed until such time as security and/or law enforcement can be summoned to assist or until the person voluntarily leaves.

The Board may schedule a disciplinary hearing to determine whether a Member will as a result of violation of these Rules be suspended from attending one or more future Board meetings as well as any other appropriate disciplinary measures.

A non-Member who is permitted to attend but disrupts a Board meeting may be ejected by the Chair or upon majority Board vote without warning.

#### **I. Parliamentary Procedure**

Meetings will generally follow "Robert's Rules of Order." In brief, there should be no discussion on an item unless and until motion is made and there is a second to the motion. A motion is a proposal that the Board takes a stand or takes action on some issue. Only Directors can make motions.

The Resolution or motion recommended by a Committee report shall be considered as a motion and need not have a second for discussion to commence, so long as the recommendation has been stated on the agenda at

least four days in advance of the meeting, absent emergency.

The Chair, normally the President, may call for a motion or, if temporarily passing the gavel, may make a motion. If there is no second to a motion, the issue is dropped. If a motion receives a second, then the Chair will ask for debate and discussion. Fair play, courtesy and cooperative behavior is preferred over strict compliance with Robert's Rules.

**J. Recording of meetings: Minutes**

The proceedings of Board meetings shall not be electronically recorded, except by "Village TV". Any other recording devices (audio, video or photographic) at Board or committee meetings are forbidden. The proceedings of such meetings shall be recorded in the minutes of the meeting. Minutes of Board meetings are prepared by the Secretary or, if the Board directs, by a Recording Secretary who need not be a Director. Minutes shall record actions taken, but shall not record general commentary or statements by Directors, or comments during Open Forum.

**K. Board Deliberations**

1. Directors will deliberate topics only when on an agenda, except for emergency matters<sup>2</sup>, and when a motion has been made and seconded by a Director, Unless a Director is only asking a question, Directors will indicate at the beginning of their remarks if they speak for or against the pending motion.
2. Generally, the motion initiating discussion should be made by the Director requesting the item to be placed on the agenda.
3. Directors shall:
  - a) Cooperate to keep their remarks on the topic of a motion,
  - b) Speak to each other,
  - c) Not personally address the live audience or the television/virtual audience, and
  - d) Avoid repetition of points already made, or repeating their own previous remarks on a motion.
4. If a Director violates the standards set forth in these Rules, the Chair may remind the Director of the standard being violated, and will then request the Director to bring their comments into compliance. In the event a Director continues to violate these Rules, the Board may proceed pursuant to subpart H.II herein.
5. Motions may be amended in at least two ways:
  - a) A motion, after receiving a second, may be amended by a motion,

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<sup>2</sup> Emergency Defined. An emergency is defined as "circumstances that could not have been reasonably foreseen by the board, that require immediate attention and possible action by the board, and that, of necessity, make it impracticable to provide notice." (Civ. Code §4930(d)(1).)

which motion must also receive a second and a majority vote.

- b) A motion may also be amended by a “friendly amendment” in which the author of the original motion consents to a proposed amendment to the motion. If the second also consents, the motion is amended and deliberations continue on the motion as amended.

**L. Board Comments During Meetings**

1. The comments of Directors, staff, or Mutual consultants during Board or Committee Meetings are not comments of the Mutual, and only the speaker’s opinions.
2. The position of the Mutual is only that expressed in Motions or Resolutions which are adopted by the Board of Directors.

**M. Chair**

1. The Chair shall be the President of Third, if present at the meeting, unless the Chair passes the gavel temporarily to the First Vice President. If the First Vice President is unavailable, then the Second Vice President may serve as Chair. If neither the President, First or Second Vice President are in attendance, then the Secretary or Treasurer may serve as Chair.
2. The Chair may discuss and vote on any motion, unless the Chair recuses itself.
3. If the Chair wishes to make a motion, the Chair shall pass the gavel to the First Vice President or next Officer in succession until deliberation of the motion is concluded by a vote on the motion.
4. The Chair shall be entrusted with the orderly progress of the Board’s deliberations. In the event the Chair perceives that deliberations have ceased to move the discussion forward (either because unanimity already exists; debate has become repetitive or otherwise unduly lengthy; positions on a motion have become clear; or because the Board is not ready to decide on the matter), the Chair shall call for a motion to close debate, or a motion to table the matter.
5. The relationship between the Board and Chair should be one of mutual respect. The Board should give respect and deference to the Chair’s leadership in moving deliberations forward, while the Chair should give respect and not request a conclusion to deliberations of a matter if the Board majority wishes to continue deliberation of a topic.
6. Any Director also may move the previous question, which is not debatable, and requires a two-thirds vote to conclude deliberations so that the matter being deliberated may be voted upon.

**III. EXECUTIVE SESSION**

**A. Purpose of Executive Session**

Executive Session meetings allow the Board of Directors to address issues of sensitive nature, which may involve attorney client privilege or other privacy

rights. It is important that all information discussed and disclosed at these sessions remain private.

The Board may meet in Executive Session only on the following subjects:

1. Litigation or threatened litigation.
2. Contract negotiations.
3. Member disciplinary hearings (i.e.: imposing fines or other penalties).
4. Hearings on Mutual reimbursement claims against a Member
5. Member's proposal of a payment plan for delinquent assessments.
6. [Member Requested Hearing \(i.e. the member wants a decision from the Board for an exception to the governing documents\)](#)
7. [Meet and Confer/Internal Dispute Resolutions](#)
- ~~6-8.~~ Voting on the decision to foreclose upon an assessment lien.
- ~~7-9.~~ Personnel issues.

Subsequent Board minutes will contain a general note of the actions taken.

**B. Confidentiality Agreement**

To protect Third and its Members, each Director shall annually sign a confidentiality agreement before attending and participating in Executive Session meetings. A Director who refuses to do so will not be permitted to attend Executive Session meetings, and legal counsel will not copy that Director on confidential communications, nor participate in legal advice discussions with that Director present.

**C. Procedure for Setting**

The notice for a meeting which is solely an Executive Session meeting must be posted in the Clubhouse kiosks, community center bulletin board and on the website two days in advance, unless it is an emergency Executive Session meeting.

The notice should state that the only item of business to come before the Board will be held in Executive Session and that no issues will be discussed in open session.

**D. Agenda Packets**

Due to the sensitive nature of the subjects discussed in closed session, Directors will return their Executive Session agenda packets to management staff immediately upon adjournment of the meeting, or when they depart from the meeting, whichever occurs first. The Secretary, Treasurer and Committee Chair and Co-chair may retain the agenda packet. Executive session agenda packets will not be distributed to Directors in electronic form.

**IV. CLOSED SESSION HEARINGS**



The Mutual conducts its disciplinary hearings, ~~and~~ reimbursement claim hearings. [Member Requested Hearing and Meet and Confer/Internal Dispute Resolutions](#) in closed session. The following rules are to inform both Member(s) and Directors regarding how these hearings are conducted.

A. **Notification**

If the Mutual is considering discipline or pursuing a reimbursement claim against a Member, it will first provide written notification to the Member, of a hearing to be held by the Board to consider the matter, at least ten days after the date the notification is sent to the Member. The notification will inform the Member the nature of the alleged violation or reimbursement claim.

[If the Member submits a written request for Member Requested Hearing with the Mutual, a meeting will be scheduled. The purpose of a Member Requested Hearing is to allow the Member to request an exemption to the governing documents or has a request that may not specifically be covered by the governing documents. The Mutual will send written notification to the Member of a hearing to be held by the Board to consider the matter.](#)

B. **Attendance**

A Member being considered for discipline or a reimbursement claim may attend the hearing to address the Board regarding whether the Board should impose discipline or pursue reimbursement. The Member may bring written witness(es) statements. The Member may not bring legal counsel to Executive Hearings Committee meeting only the regular closed session Board meeting. At the discretion of the Chair the alleged party may attend the hearing. The Member being considered for discipline or reimbursement claim may not observe the Board's deliberation of the matter. A Member may provide a written statement as a substitute for personally appearing at the hearing.

A complaining Member may provide a written statement to the Board. The complaining Member will not be permitted to hear the Board's deliberation or the presentation by the Member being considered for discipline.

C. **Addressing the Board**

A Member being considered for discipline or reimbursement claim may speak to the Board for a maximum of five minutes of uninterrupted time. Then the Board will have five minutes to ask questions for a total of 10 minutes. If a Member brings supporting documentation, it is suggested the Member bring one copy for staff, one copy for Mutual legal counsel, and 11 copies for the Board. If a Member brings supporting witnesses and/or alleged party, an additional five minutes can be added to the Member's time.

Members addressing the Board should be prepared and organized for the hearing, to maximize their allotted time.

[At the Member Requested Hearing, the Member may speak to the Board for a maximum of 10 minutes of uninterrupted time. The Board will have 10 minutes to ask questions. Then the Member and Board will have a 10 minutes discussion on the Member's request for a total time of 30 minutes. If a Member brings supporting documentation, it is suggested the Member bring 11 copies.](#)

D. **The Board's Decision**

The Board will notify the Member being considered for discipline or reimbursement claim [or Member Requested Hearing](#) within fifteen (15) days of the hearing. The Board will not notify other Members of the Board's decision, which shall remain confidential.



**RULES FOR BOARD MEETINGS**  
**Resolution 03-24-XX; Amended [date]**

**I. INTRODUCTION**

Successful, efficient and orderly Board meetings benefit everyone in the community. Manor owners (“Members”) have the right to observe the open board meetings and are encouraged to attend, but meetings which are disorderly or too long can be discouraging.

These Rules inform both Director and non-Director as to what is expected of all attending Board meetings, and how meetings are conducted. The goal is orderly and efficient meetings, protection of Owners’ right to observe productive deliberations, and enhancement of the governance and the membership experience in Third Laguna Hills Mutual (“Third”).

**II. BOARD MEETINGS**

**A. Regular Board Meetings**

Notice of the date, time and location of regular Board meetings will be provided by posting in the Clubhouse kiosks and the community center bulletin board and on the web site a minimum of four days before the meeting is to take place. Board meetings are open to all Mutual Members to attend and observe. Non-Members may attend only at the discretion of the Board of Directors.

Normally, regular Board meetings are held in the morning on the third Tuesday of each month. However, four days posted advance notice is always given of all open Board meetings except in case of emergency. Regular Board meetings are normally held in the Board Room on the ground floor of the Community Center at 9:30 a.m., in accordance with Civil Code § 4920. Notice of Board Meetings.

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**C. Attendance**

Members may attend Board meetings, but Executive Session meetings are

closed. **A “Member” is not a tenant, guest, family, or legal counsel of the Member.**

**D. Agendas**

1. **Preparation.** Agendas are prepared by the President<sup>1</sup>, in cooperation with management staff. At least one week prior to a Board meeting, the President will inquire if any Director requests inclusion of an agenda item. The Chair may also call a Board meeting for the purpose of setting the regular Board meeting agenda.
2. **Request for inclusion.** A Director may request an item be included in an agenda, by submitting the action requested and an explanation of the reason for the request. A Director requesting an agenda item is responsible to present that item to the Board with supporting information if the item is included in the agenda.
3. **Rejected agenda items.** The Chair with the assistance of Management Staff shall include a requested item in the agenda unless the item:
  1. Has no suggested action;
  2. Is redundant with an item already on the agenda or was addressed in a Board meeting in the previous three months;
  3. Must be discussed in Executive Session;
  4. Would make the agenda unduly lengthy (and so will be on the next agenda);
  5. Is sent first to a committee for recommendation; or
  - f) Is, based on the advice of legal counsel, proposing action barred by law.
4. **Board request for agenda item.** Notwithstanding the foregoing, if an agenda item is requested in writing or by electronic mail by at least six Directors, the Chair shall include it in the Agenda for the open meeting or the Executive Session meeting, depending upon the item.
5. **Member Request for Agenda Item.**
  - a) A Member may request the President in advance that a topic be added to the agenda, but the President with the assistance of Staff will determine whether a requested topic will be included in the agenda.
  - b) A topic will also be added to the agenda if at least one week prior to the scheduled Board meeting, the Chief Executive Officer (CEO) or Staff receives a petition signed by at least twenty-five different Members entitled to vote.
  - c) The requested agenda topic must still meet the standards of Rule IID.3 above.

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<sup>1</sup> Any action to be taken by the President may be taken by the First Vice President or the next officer in order as stated in the By-laws if the President is unable to attend or participate.

- d) A Member who has requested an agenda item which is placed on the agenda (“Requesting Member”), may speak to the item during Open Forum, or at the election of the Chair, may present the topic to the Board immediately before the Board begins its deliberation of the item (assuming there is a Motion from the Board after the Requesting Member speaks). The Requesting Member may speak on the matter for up to five minutes. Only one person may be considered the “Requesting Member” for the purpose of addressing the Board. The Board may by motion give the Requesting Member more time to speak.
6. **Publication, agenda packets.** Agendas will be published at least four days prior to any non-emergency Board meeting. The Board will receive a board packet (also referred to as “agenda package”), prepared by management staff, at least four days prior to the meeting, and may be transmitted electronically upon request. To make the meeting more efficient, Directors should read the board packet prior to arriving at the meeting.
7. **No discussion of matters not disclosed on agenda.** The Board may not discuss subjects which are not on the agenda unless the matter is determined by a majority of the Board to involve an emergency, or unless the matter arose prior to the meeting but after the agenda was published and at least eight Directors concur that the matter requires immediate action.

**Sample agenda.** The following is a typical Agenda:

1. Call Meeting to Order
2. Pledge of Allegiance
3. Approval of the Agenda
4. Approval of the Minutes
5. Report of the Chair
6. Update of VMS Board -
7. Open Forum (Three Minutes per Speaker)
8. Responses to Open Forum Speakers
9. CEO Report
10. Consent Calendar
11. Unfinished business
12. New Business
13. Third Mutual Committee Reports
14. GRF Committee Highlights
15. Future Agenda Items
16. Director’s Comments
17. Recess
18. Adjournment

**E. Committees: Reports, Meetings**

1. If the Bylaws provide for standing committees or if the Board from time to time establishes committees, committee reports may be submitted to the Board prior to the meeting for review. If the committee recommends any Board action, the report should also indicate the reasons it is recommended. If possible, the committee Chair or a Member of the committee should present the report.
2. A committee consisting of six or more Directors, or including at least six Directors in its roster, shall conduct its meetings in the same manner as a Board meeting, with agendas, minutes, Open Forum, and in compliance with all other requirements applicable to Board meetings.
3. A committee consisting of both Directors and non-Directors but which has less than six Directors may, but is not required to, conduct its meetings in the same manner as a Board meeting, but shall prepare and submit a report to the Board prior to the agenda publication, including any recommended action.
4. Any committee reports will be included in the board packets if they are timely submitted. Committee reports which do not contain a request for action will be noted in the minutes as “received.”
5. A committee request for action shall be placed by the Chair or staff on the agenda, so long as it complies with Rule D.3.
6. Directors, upon presentation of a committee report, may ask questions about the report, but may not deliberate about the report unless that subject was timely placed on the agenda for deliberation and possible action in that meeting.

**F. Open Forum**

The Open Meeting Act, Civil Code §§4900-4950, provides that Board meetings are open to Members. A “meeting” under the law is “a congregation of a majority of the Members of the board at the same time and place to hear, discuss, or deliberate upon any item of business that is within the authority of the board.” The Board thus may not exclude Members from attending, absent discipline imposed as provided herein. The only exception is for Executive Session as discussed further below.

1. **Time for Open Forum.** Open Forum will normally occur at the beginning of the Board meeting. The agenda may also provide for a second Open Forum time at the end of the agenda. The Board may by motion re-open Open Forum on a specific agenda item, or reschedule Open Forum within the agenda.

2. **Member's Right to Speak.** Open Forum is a valuable and legally required portion of every open Board meeting. Open Forum is the opportunity for the Member to inform the Board of matters which may not be known.
- a) During Open Forum, a Member may speak to the Board on any topic not on the agenda. The purpose of Open Forum is to inform the Board of viewpoints or information of which the Board may not be aware regarding Third. Therefore, although a Member may use their time to speak upon any topic of interest to the Member, Members are advised that the Board may not be as attentive to comments on matters outside the Board's jurisdiction.
  - b) At the time designated on the agenda for Open Forum, the Chair shall ask the Members present to raise their hand if they wish to speak in Open Forum or fill out a speaker card. In order to give all Members an opportunity to speak at meetings, and to control meeting length, each Member may speak for a maximum of three minutes. In the event more than ten Members indicate a desire to speak, the time limit per speaker shall be shortened to two minutes per speaker.
  - c) Open Forum is the time for Members to speak and provide additional opinions and viewpoints to the Board, and is not a time for the Board to speak. Directors will listen and not respond or otherwise interrupt a speaker at Open Forum, so long as the speaker is within these Rules and time limits. A response, if any, by a Director or staff to an Open Forum remark or question shall be after the close of Open Forum. The Chair may appoint a Director or Staff-person as timekeeper.
  - d) So long as the Open Forum comments comply with these Rules, neither staff, the Chair, nor other Director shall interrupt the speaker.
  - e) The statements made by Members in Open Forum are not the position of Third, and Third takes no responsibility as to the content of Open Forum comments. At the beginning of Open Forum, the Chair shall remind all attending as to these Rules regarding Open Forum.
3. **Open Forum During Agenda Item Discussions.**
- a) During the Board deliberations of a matter, and when the Chair at the Chair's sole discretion determines there has been sufficient discussion to inform the attendees in the audience of the issue, the Chair will inquire if any Members in the audience wish to speak to the motion at hand.
  - b) If the Chair sees any hands raised indicating a desire to speak or fill out a speaker card, Open Forum will be reopened on the issue, and the Members indicating a desire to speak to the topic may speak for up to three (3) minutes on the specific agenda item.
  - c) Off-topic commentary will not be permitted, but so long as the speaker complies with the Rules, neither the Chair nor any Director will

interject or otherwise interrupt during the speaker's remarks.

- d) The Chair in its sole discretion may reduce the time per speaker to two (2) minutes on an issue, if the Chair deems it necessary to insure that all who wish to speak have the opportunity to do so.
  - e) A Member (or co-Owner of a Member) shall only speak once on a given agenda item.
  - f) Once the Chair determines that all have spoken who wished to speak, or that no one has indicated a desire to speak, the Chair shall announce Open Forum is again closed, and the Board shall resume and conclude its deliberations on the item.
4. **Re-opening of Open Forum.** If an issue on the Agenda is deemed by the Board to require further Membership input, the Board may by majority vote re-open Open Forum, to allow Members to speak to the pending subject. If Open Forum is reopened, Members may speak for up to two minutes each. Upon completion of such Membership input, in compliance with Open Forum Rules, the Board will then close Open Forum and resume deliberating the subject.
5. **Member Observation of Deliberations.** Except for Open Forum, Members may not speak to the Board, and shall quietly observe Board deliberations except for those in Executive Session. Members do not vote or make motions at Board meetings, as only Directors vote at Board meetings. Applause, boos, or other audible response to Board deliberations or decisions is out of order.
6. **Addressing the Board During Open Forum.** When speaking, the Member will identify Member's name and Manor, and will stand at the speaker's podium if physically able to stand, and will address the Board, not the audience.

**G. Meeting Conduct**

Directors, Members and anyone else permitted to attend the meeting will conduct themselves in a reasonable manner. The following conduct is strictly prohibited:

- 1. Profane or obscene language;
- 2. Slurs involving race, religion, ethnicity, gender, sexual orientation, gender identity, or age;
- 3. Shouting or yelling;
- 4. Physical threats, including non-verbal communications such as gestures or using body language in such a way as to intimidate;
- 5. Pounding on table or throwing items; and
- 6. All other unreasonable and disruptive behavior which does not allow Members to peacefully observe the proceedings, or which otherwise impedes the ability



of the Board to peacefully conduct its deliberations and the Members to peacefully observe those deliberations.

Directors will also refrain from making comments which:

7. Divulge information from closed sessions;
8. Divulge attorney client privileged confidential advice; or
9. Maliciously malign any person, business or entity.

To create a positive atmosphere, all persons present will be seated (unless some handicap exists by which they cannot be seated) and will remain seated at all times when others are speaking, except when standing in line to speak for their turn in Open Forum. Neither Directors nor anyone addressing the Board will be allowed to speak while standing or hovering over someone else. All in attendance must behave in a professional and orderly manner. Directors shall refrain from interrupting each other or from making audible "sidebar" remarks while a fellow Director is speaking. Directors shall keep their microphones off except when they are addressing the Board.

#### **H. Violation of Rules**

Anyone (Member or Director) violating these Rules during a meeting may be:

1. First warned by the Chair,
2. Then warned by majority vote of the Board, and
3. Then by majority vote of the Board asked to leave the meeting.

In the event a person refuses to leave after the Board votes to eject the individual, the meeting shall be recessed until such time as security and/or law enforcement can be summoned to assist or until the person voluntarily leaves.

The Board may schedule a disciplinary hearing to determine whether a Member will as a result of violation of these Rules be suspended from attending one or more future Board meetings as well as any other appropriate disciplinary measures.

A non-Member who is permitted to attend but disrupts a Board meeting may be ejected by the Chair or upon majority Board vote without warning.

#### **I. Parliamentary Procedure**

Meetings will generally follow "Robert's Rules of Order." In brief, there should be no discussion on an item unless and until motion is made and there is a second to the motion. A motion is a proposal that the Board takes a stand or takes action on some issue. Only Directors can make motions.

The Resolution or motion recommended by a Committee report shall be considered as a motion and need not have a second for discussion to commence, so long as the recommendation has been stated on the agenda at

least four days in advance of the meeting, absent emergency.

The Chair, normally the President, may call for a motion or, if temporarily passing the gavel, may make a motion. If there is no second to a motion, the issue is dropped. If a motion receives a second, then the Chair will ask for debate and discussion. Fair play, courtesy and cooperative behavior is preferred over strict compliance with Robert's Rules.

**J. Recording of meetings: Minutes**

The proceedings of Board meetings shall not be electronically recorded, except by "Village TV". Any other recording devices (audio, video or photographic) at Board or committee meetings are forbidden. The proceedings of such meetings shall be recorded in the minutes of the meeting. Minutes of Board meetings are prepared by the Secretary or, if the Board directs, by a Recording Secretary who need not be a Director. Minutes shall record actions taken, but shall not record general commentary or statements by Directors, or comments during Open Forum.

**K. Board Deliberations**

1. Directors will deliberate topics only when on an agenda, except for emergency matters<sup>2</sup>, and when a motion has been made and seconded by a Director, Unless a Director is only asking a question, Directors will indicate at the beginning of their remarks if they speak for or against the pending motion.
2. Generally, the motion initiating discussion should be made by the Director requesting the item to be placed on the agenda.
3. Directors shall:
  - a) Cooperate to keep their remarks on the topic of a motion,
  - b) Speak to each other,
  - c) Not personally address the live audience or the television/virtual audience, and
  - d) Avoid repetition of points already made, or repeating their own previous remarks on a motion.
4. If a Director violates the standards set forth in these Rules, the Chair may remind the Director of the standard being violated, and will then request the Director to bring their comments into compliance. In the event a Director continues to violate these Rules, the Board may proceed pursuant to subpart H.II herein.
5. Motions may be amended in at least two ways:
  - a) A motion, after receiving a second, may be amended by a motion,

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<sup>2</sup> Emergency Defined. An emergency is defined as "circumstances that could not have been reasonably foreseen by the board, that require immediate attention and possible action by the board, and that, of necessity, make it impracticable to provide notice." (Civ. Code §4930(d)(1).)

which motion must also receive a second and a majority vote.

- b) A motion may also be amended by a “friendly amendment” in which the author of the original motion consents to a proposed amendment to the motion. If the second also consents, the motion is amended and deliberations continue on the motion as amended.

**L. Board Comments During Meetings**

1. The comments of Directors, staff, or Mutual consultants during Board or Committee Meetings are not comments of the Mutual, and only the speaker’s opinions.
2. The position of the Mutual is only that expressed in Motions or Resolutions which are adopted by the Board of Directors.

**M. Chair**

1. The Chair shall be the President of Third, if present at the meeting, unless the Chair passes the gavel temporarily to the First Vice President. If the First Vice President is unavailable, then the Second Vice President may serve as Chair. If neither the President, First or Second Vice President are in attendance, then the Secretary or Treasurer may serve as Chair.
2. The Chair may discuss and vote on any motion, unless the Chair recuses itself.
3. If the Chair wishes to make a motion, the Chair shall pass the gavel to the First Vice President or next Officer in succession until deliberation of the motion is concluded by a vote on the motion.
4. The Chair shall be entrusted with the orderly progress of the Board’s deliberations. In the event the Chair perceives that deliberations have ceased to move the discussion forward (either because unanimity already exists; debate has become repetitive or otherwise unduly lengthy; positions on a motion have become clear; or because the Board is not ready to decide on the matter), the Chair shall call for a motion to close debate, or a motion to table the matter.
5. The relationship between the Board and Chair should be one of mutual respect. The Board should give respect and deference to the Chair’s leadership in moving deliberations forward, while the Chair should give respect and not request a conclusion to deliberations of a matter if the Board majority wishes to continue deliberation of a topic.
6. Any Director also may move the previous question, which is not debatable, and requires a two-thirds vote to conclude deliberations so that the matter being deliberated may be voted upon.

**III. EXECUTIVE SESSION**

**A. Purpose of Executive Session**

Executive Session meetings allow the Board of Directors to address issues of sensitive nature, which may involve attorney client privilege or other privacy

rights. It is important that all information discussed and disclosed at these sessions remain private.

The Board may meet in Executive Session only on the following subjects:

1. Litigation or threatened litigation.
2. Contract negotiations.
3. Member disciplinary hearings (i.e.: imposing fines or other penalties).
4. Hearings on Mutual reimbursement claims against a Member
5. Member's proposal of a payment plan for delinquent assessments.
6. Member Requested Hearing (i.e. the member wants a decision from the Board for an exception to the governing documents)
7. Meet and Confer/Internal Dispute Resolutions
8. Voting on the decision to foreclose upon an assessment lien.
9. Personnel issues.

Subsequent Board minutes will contain a general note of the actions taken.

**B. Confidentiality Agreement**

To protect Third and its Members, each Director shall annually sign a confidentiality agreement before attending and participating in Executive Session meetings. A Director who refuses to do so will not be permitted to attend Executive Session meetings, and legal counsel will not copy that Director on confidential communications, nor participate in legal advice discussions with that Director present.

**C. Procedure for Setting**

The notice for a meeting which is solely an Executive Session meeting must be posted in the Clubhouse kiosks, community center bulletin board and on the website two days in advance, unless it is an emergency Executive Session meeting.

The notice should state that the only item of business to come before the Board will be held in Executive Session and that no issues will be discussed in open session.

**D. Agenda Packets**

Due to the sensitive nature of the subjects discussed in closed session, Directors will return their Executive Session agenda packets to management staff immediately upon adjournment of the meeting, or when they depart from the meeting, whichever occurs first. The Secretary, Treasurer and Committee Chair and Co-chair may retain the agenda packet. Executive session agenda packets will not be distributed to Directors in electronic form.

## IV. CLOSED SESSION HEARINGS

The Mutual conducts its disciplinary hearings, reimbursement claim hearings, Member Requested Hearing and Meet and Confer/Internal Dispute Resolutions in closed session. The following rules are to inform both Member(s) and Directors regarding how these hearings are conducted.

A. **Notification**

If the Mutual is considering discipline or pursuing a reimbursement claim against a Member, it will first provide written notification to the Member, of a hearing to be held by the Board to consider the matter, at least ten days after the date the notification is sent to the Member. The notification will inform the Member the nature of the alleged violation or reimbursement claim.

If the Member submits a written request for Member Requested Hearing with the Mutual, a meeting will be scheduled. The purpose of a Member Requested Hearing is to allow the Member to request an exemption to the governing documents or has a request that may not specifically be covered by the governing documents. The Mutual will send written notification to the Member of a hearing to be held by the Board to consider the matter.

B. **Attendance**

A Member being considered for discipline or a reimbursement claim may attend the hearing to address the Board regarding whether the Board should impose discipline or pursue reimbursement. The Member may bring written witness(es) statements. The Member may not bring legal counsel to Executive Hearings Committee meeting only the regular closed session Board meeting. At the discretion of the Chair the alleged party may attend the hearing. The Member being considered for discipline or reimbursement claim may not observe the Board's deliberation of the matter. A Member may provide a written statement as a substitute for personally appearing at the hearing.

A complaining Member may provide a written statement to the Board. The complaining Member will not be permitted to hear the Board's deliberation or the presentation by the Member being considered for discipline.

C. **Addressing the Board**

A Member being considered for discipline or reimbursement claim may speak to the Board for a maximum of five minutes of uninterrupted time. Then the Board will have five minutes to ask questions for a total of 10 minutes. If a Member brings supporting documentation, it is suggested the Member bring one copy for staff, one copy for Mutual legal counsel, and 11 copies for the Board. If a Member brings supporting witnesses and/or alleged party, an additional five minutes can be added to the Member's time.

Members addressing the Board should be prepared and organized for the hearing, to maximize their allotted time.

At the Member Requested Hearing, the Member may speak to the Board for a maximum of 10 minutes of uninterrupted time. The Board will have 10 minutes to ask questions. Then the Member and Board will have a 10 minutes discussion on the Member's request for a total time of 30 minutes. If a Member brings supporting documentation, it is suggested the Member bring 11 copies.

D. **The Board's Decision**

The Board will notify the Member being considered for discipline or reimbursement claim or Member Requested Hearing within fifteen (15) days of the hearing. The Board will not notify other Members of the Board's decision, which shall remain confidential.



**RESOLUTION 03-24-XX**  
**Rules for Board Meetings**

**WHEREAS**, each Owner Member of Laguna Woods Village has an ongoing interest and right under California law to participate in the governance of their community; and

**WHEREAS**, the Board of Directors of the Third Laguna Hills Mutual has an equal interest and duty under law to ensure that the management of the community's affairs is carried out professionally and in adherence with the provisions of the Davis-Stirling Act; and

**WHEREAS**, the Board of Directors wishes to promote order and regulate meeting time in an even and consistent fashion;

**NOW THEREFORE BE IT RESOLVED**, July 16, 2024, that the Board of Directors of this Corporation hereby approves the attached revised Rules for Board Meetings; and

**RESOLVED FURTHER**, that Resolution 03-22-134 adopted December 20, 2022 is hereby superseded and cancelled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**JUNE INITIAL NOTIFICATION: S28-days notification for member review and comments to comply with Civil Code §4360 has been satisfied.**

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**ENDORSEMENT (to Board)**

**Entertain a Motion to consider Financial Qualifications for Purchasing in Third Mutual**

In late 2023, Community Services staff received an inquiry regarding the possibility of updating the Mutual's Guidelines for Financial Requirements. On March 27, 2024, staff presented its responses to the Resident Policy and Compliance Committee. The Committee directed staff to explore adjusting the minimum net worth and minimum annual income requirements in light of recent inflationary pressures.

Third Mutual's Guidelines for Financial Qualifications were last amended on July 19, 2022 by way of Resolution 03-22-80. However, the requirement that an applicant's net worth be greater than or equal to the sum of the purchase price of the unit plus \$125,000 in acceptable assets was last updated in 2005. The requirement that an applicant submit verification of an annual income that is greater than or equal to the sum total of the annual mortgage payment plus \$45,000 per year was last updated in 2016.

Numerous social and economic factors have evolved since the minimum income and asset requirements were updated: the inventory of affordable housing has dwindled (the median sales price for a single family home in California is \$843,340 according to the California Association of Realtors in September 2023); inflation has surged making some goods and services much less affordable; wages have stalled in some sectors of the economy; and the insurance markets in California have become more restrictive.

On May 29, 2024, the Resident Policy and Compliance Committee reviewed the data assessment history and agreed to round up the adjusted financial requirements, effective January 1, 2025.

Director Lewis made a motion to approve the Financial Qualification increases effective January 1, 2025 and forward the matter for Board consideration. Director Ginocchio seconded the motion.

By unanimous consent, the motion passed.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Revised Third Mutual Financial Qualifications

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### **RECOMMENDATION**

Staff recommends that the Board of Directors consider the Resident Policy and Compliance Committee recommendation and adjust the Mutual's minimum net worth and annual income requirements based on inflationary rates.

### **BACKGROUND**

In late 2023, Community Services staff received an inquiry regarding the possibility of updating the Mutual's Guidelines for Financial Qualifications. On March 27, 2024, staff presented its responses to the Resident Policy and Compliance Committee. The Committee directed staff to explore adjusting the minimum net worth and minimum annual income requirements in light of recent inflationary pressures.

On April 23, 2024 staff presented the adjusted amounts to the Committee who further directed staff to provide data assessment history from the previous five years.

On May 29, 2024 the Committee reviewed the data assessment history (ATT 1) and agreed to round up the adjusted financial requirements, effective January 1, 2025. The revised Guidelines for Financial Qualifications as approved by the Committee are attached (ATTs 3 and 4).

### **DISCUSSION**

Third Mutual's Guidelines for Financial Qualifications were last amended on July 19, 2022 by way of Resolution 03-22-80 (ATT 2). However, the requirement that an applicant's net worth be greater than or equal to the sum of the purchase price of the unit plus \$125,000 in acceptable assets was last updated in 2005. The requirement that an applicant submit verification of an annual income that is greater than or equal to the sum total of the annual mortgage payment plus \$45,000 per year was last updated in 2016.

Numerous social and economic factors have evolved since the minimum income and asset requirements were updated: the inventory of affordable housing has dwindled (the median sales price for a single family home in California is \$843,340 according to the California Association of Realtors in September 2023); inflation has surged making some goods and services much less affordable; wages have stalled in some sectors of the economy; and the insurance markets in California have become more restrictive.

Staff's observations for adjusting the Mutual's net worth and annual income requirements in light of inflationary factors are as follows:

Net Worth Requirements

An applicant’s net worth is impacted by current inflationary factors: today’s assets minus today’s debt equals today’s net worth. This valuation fluctuates with the current economy and is inherently dynamic. While it is expected that one’s assets exceed one’s debts, this is not always the case. In the event an applicant falls short of the Mutual’s net worth requirement, provisions exist for the applicant to obtain a guarantor or utilize “attributable income” as explained under Section III (b) of the Mutual’s financial guidelines. While Community Services staff acknowledged it did not see a need to adjust net worth requirements at this time, the adjusted amount to align with the rate of inflation since the fees were last adjusted is shown below:

Years	Current Requirement Amount	Sum of Inflationary Rates Over the Ensuing Years	Potential Net Worth Requirement
2005-2024	\$125,000	59.9 %	\$199,875

The Resident Policy and Compliance Committee considered the current \$125,000 requirement and unanimously agreed to round-up the net worth requirement to **\$200,000**.

Annual Income Requirements

An applicant’s annual income is calculated by adding all income reported on federal income tax forms together with certain unreported income sources (e.g., alimony, child support, life insurance death benefits). In the event an applicant falls short of the Mutual’s income requirement, provisions exist for the applicant to obtain a guarantor or utilize “attributable income”. Absent any accelerated bad debt expenses incurred by Third Mutual, Community Services staff did not see a need to adjust the annual income requirements at this time. However, the adjusted amount to accommodate inflationary rates since 2016 when the annual income requirement was last adjusted is shown below:

Years	Current Requirement Amount	Sum of Inflationary Rates Over the Ensuing Years	Potential Annual Income Requirement
2016-2024	\$45,000	30.1%	\$58,545

The Resident Policy and Compliance Committee considered the current \$45,000 requirement and unanimously agreed to round-up the annual income requirement to **\$60,000**.

The current minimum annual income and net worth requirements are believed to serve the Mutual’s interests effectively. Fee increases could be implemented for potential buyers without substantial financial benefit to the Mutual.

Guarantor and Multiple Unit Owner Requirements

In light of the adjustments above, the Guarantor and multiple unit owner requirements also need to be adjusted. The adjusted net worth and annual income increases to align with the rate of inflation since the fees were last adjusted are as follows:

Guarantor

	Years	Current Requirement	Sum of Inflationary Rates Over the Ensuing Years	Potential Requirement
Net Worth	2003-2024	\$200,000	69.7%	\$339,400

Annual Income	2020-2024	\$150,000	20.7%	\$181,050
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The Resident Policy and Compliance Committee considered the current \$200,000 net worth requirement and the current \$150,000 annual income requirement and unanimously agreed to round-up the amounts to **\$340,000** and **\$182,000** respectively.

Multiple Units – Net Worth

The requirements for applicants who wish to purchase more than one unit or already own at least one unit in another mutual shall submit verification of net worth and annual income.

Based on the Committee’s recommended adjustment above, the net worth requirement would be greater than or equal to the *sum* of the purchase price for each unit, *plus* \$200,000 in acceptable assets per unit as follows:

- Unit 1: purchase price for Unit 1 + 200,000
- Unit 2: purchase price for Unit 1 + 200,000 +  
purchase price for Unit 2 + 200,000
- Unit 3: purchase price for Unit 1 + 200,000 +  
purchase price for Unit 2 + 200,000 +  
purchase price for Unit 3 + 200,000

Multiple Units – Annual Income

Based on the Committee’s recommended adjustment above, the annual income requirement would be greater than or equal to the *sum* of the following: the total of the first unit’s annual mortgage payment *plus* sixty thousand dollars (\$60,000) per year *plus* the total of the second unit’s annual mortgage payment plus sixty thousand dollars (\$60,000) per year *plus* an additional thirty thousand dollars (\$30,000). The breakdown would be as follows:

- Unit 1: annual mortgage payment + \$60,000
- Unit 2: annual mortgage payment on Unit 1 + \$60,000 +  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000
- Unit 3: annual mortgage payment on Unit 1 + \$60,000 +  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000 +  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000 + \$30,000

**FINANCIAL ANALYSIS**

Any increase in Third Mutual’s financial requirements would have an immediate financial impact on the Mutual, including the potential loss or slowdown of sales to those who actually want to live in the community as well as those who choose to invest here.

A further consequence of increasing the minimum financial requirements would be the impact on multiple unit owners, which may prove to be a positive consequence.

**Prepared By:** Patty Kurzet, Membership Services Coordinator

**Reviewed By:** Jeff Spies, Community Services Manager

**ATTACHMENT(S)**

- Attachment 1: Data Assessment and Sale Histories
- Attachment 2: Current Guidelines for Financial Requirements
- Attachment 3: Revised Guidelines for Financial Requirements – red-line
- Attachment 4: Revised Guidelines for Financial Requirements - clean
- Attachment 5: Resolution 03-24-XX

**Assesments 2000 - 2024**

Year	Amount	% Change
2000	\$ 183.12	1.3%
2001	\$ 187.88	2.6%
2002	\$ 198.33	5.6%
2003	\$ 208.20	5.0%
2004	\$ 227.01	9.0%
2005	\$ 253.35	11.6%
2006	\$ 285.52	12.7%
2007	\$ 301.22	5.5%
2008	\$ 327.97	8.9%
2009	\$ 336.25	2.5%
2010	\$ 336.48	0.1%
2011	\$ 352.99	4.9%
2012	\$ 344.95	-2.3%
2013	\$ 370.93	7.5%
2014	\$ 383.63	3.4%
2015	\$ 414.85	8.1%
2016	\$ 426.12	2.7%
2017	\$ 426.25	0.0%
2018	\$ 429.85	0.8%
2019	\$ 434.39	1.1%
2020	\$ 446.62	2.8%
2021	\$ 466.62	4.5%
2022	\$ 559.62	19.9%
2023	\$ 559.62	0.0%
2024	\$ 587.60	5.0%

**Sales 2000 - 2023**

Year	Total Sales	Avg. Sale Price	% Change
2000	577	\$ 163,936	5.8%
2001	488	\$ 195,575	19.3%
2002	564	\$ 204,050	4.3%
2003	558	\$ 259,492	27.2%
2004	521	\$ 321,080	23.7%
2005	398	\$ 361,059	12.5%
2006	378	\$ 365,507	1.2%
2007	355	\$ 326,360	-10.7%
2008	271	\$ 299,475	-8.2%
2009	267	\$ 281,113	-6.1%
2010	330	\$ 246,737	-12.2%
2011	328	\$ 250,941	1.7%
2012	399	\$ 259,455	3.4%
2013	511	\$ 297,267	14.6%
2014	424	\$ 321,492	8.1%
2015	495	\$ 321,730	0.1%
2016	502	\$ 344,818	7.2%
2017	509	\$ 397,309	15.2%
2018	392	\$ 429,885	8.2%
2019	407	\$ 417,900	-2.8%
2020	339	\$ 418,349	0.1%
2021	495	\$ 463,423	10.8%
2022	415	\$ 523,751	13.0%
2023	368	\$ 556,635	6.3%

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## Guidelines for Financial Qualifications

Resolution 03-22-80  
Adopted July 19, 2022

The governing documents of Third Laguna Hills Mutual (“Mutual”) require each person seeking to acquire an ownership interest in a unit (“Applicant”) to obtain the **PRIOR** written approval of the Mutual’s Board of Directors (“Board”) before doing so. As a condition to obtaining such approval, each Applicant must provide to the Board documentation that conclusively establishes that Applicant satisfies certain financial requirements as set forth in the Mutual’s governing documents (“Application”). For the purposes of determining whether an Application will be approved or denied, the Board has adopted these Guidelines for Financial Qualifications (“Guidelines”), which shall remain in effect until such time as these Guidelines may be changed, modified, or amended by a duly adopted Board resolution.

### I. General Application Requirements.

- a. As a condition of approval, each Applicant must submit to the Mutual an Application with all of the following documentation provided in a form satisfactory to the Board:
  1. A federal income tax return for the most recent year that is signed, dated, and includes Schedules A, B and E, as applicable, as well as any other financial verification documents requested by the Board. By way of example, but without limitation, other verification documents may be required if any Applicant derives income from a business owned by the Applicant (personally or through a legal entity), in which case the applicable business tax schedule and profit and loss statement may also be required.
  2. Net worth verification pursuant to Section II of these Guidelines.
  3. Income verification pursuant to Section III of these Guidelines.
  4. A completed Financial Statement and Credit Information form.
  5. Verification of the Applicant’s identity, which must be a natural person, or a designated individual acting on behalf of a corporation, LLC or Trust.
  6. If the Applicant desires to have a Guarantor to enable the Applicant to Qualify to purchase a unit (as defined below), all documents required pursuant to Section IV of these Guidelines shall also apply to the Guarantor.
  7. If the Applicant desires to purchase more than one (1) unit or already owns at least one (1) unit at the Mutual, all documents required pursuant to Section V of these Guidelines shall be required for each unit application.
- b. The Board may deny any Application that does not include all of the documentation required herein, in a form consistent with these Guidelines and satisfactory to the Board, except as otherwise required by law.
- c. Any Application (including, without limitation, any document submitted in connection with said Application) that contains false or misleading information will be denied. If an Application was approved and it is later determined that such Application contained false

or misleading information and if escrow had not closed by the time such discovery was made the Board may immediately withdraw its approval without the Mutual suffering any liability whatsoever. If escrow, as referenced immediately above, has already closed when the discovery of the false and misleading documentation is discovered, the Applicant will be deemed an owner, not in good standing and will, after a noticed hearing before the Board, be denied the owner's amenity rights, held by an owner in the Mutual, unless such rights are suspended by the Board of Directors.

- d. Notwithstanding anything to the contrary contained herein, if more than one (1) Applicant will acquire an ownership interest or reside in any single unit, such Applicants' income and net worth may, in the Board's sole reasonable discretion, be calculated collectively.

## II. Net Worth Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of net worth that is greater than or equal to the sum of the purchase price of the unit plus one hundred twenty-five thousand dollars (\$125,000) in acceptable assets. NOTE: Applicants owning other properties having mortgage obligations shall provide satisfactory evidence of additional assets sufficient to offset the total mortgage balance(s).
- b. When computing net worth for the purposes of this Section, acceptable assets shall be limited to those assets that are considered, in the Board's sole discretion, to be liquid, marketable or income producing. Examples of acceptable assets include, without limitation, the following:
1. Equity in U.S. residential and income real estate.
  2. Savings accounts in U.S. banks and U.S. credit unions.
  3. Cash value life insurance.
  4. Certificates of deposit and money market accounts.
  5. IRA, SEP, 401(k), Profit Sharing and Keogh accounts.
  6. Federal, state, or municipal government bonds.
  7. U.S. traded investments (e.g., NYSE, Amex, OTC, Nasdaq, etc.) valued at current market prices.
  8. Mortgages and promissory notes; provided that the interest in such mortgages or promissory notes is reported on the Applicant's tax return.
- c. When computing net worth for the purposes of this Section, acceptable assets will not include, without limitation, the following:
1. Equity in mobile homes, recreational vehicles, boats, trailers, airplanes, automobiles, or other vehicles of any kind.
  2. Vacant or undeveloped real estate.
  3. Artwork, jewelry, or other collectibles (e.g., coins, dolls, stamps, etc.).
  4. Term life insurance.

5. Annuity funds that cannot be withdrawn in lump sum.
6. Anticipated bequests, devises or inheritances.
7. Mortgages and promissory notes where the interest in such mortgages or promissory notes is not reported on the Applicant's tax return.

### III. Income Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of annual income that is greater than or equal to the sum of the total of the unit's annual mortgage payment plus forty-five thousand dollars (\$45,000) per year.
- b. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:
  1. The mandatory annual distributions for the Applicant's retirement accounts; or
  2. The total amount of the Applicant's retirement accounts *multiplied* by eighty percent (80%), and then *dividing* this product by twenty-five (25) years, as follows:
 
$$\text{Attributable Income} = (\text{Total Retirement Account Assets} \times 80\%) \div 25$$
- c. Examples of acceptable income verifications include, without limitation, the following:
  1. Federal tax returns from the most recent year.
  2. W-2 forms or paycheck stubs.
  3. Bank, credit union, or investment account statements.
  4. Letters from bankers with verifiable first-hand knowledge of the Applicant's finances.
  5. Notices of annuities and social security payments.
  6. Credit reports.
- d. Examples of unacceptable income verifications include, without limitation, the following:
  1. Letters from employers, accountants, enrolled agents, investment counselors, or attorneys.
  2. Any income not reported on federal income tax returns.

### IV. Guarantors.

- a. In the event any Applicant is unable to satisfy the financial requirements set forth in the Mutual's governing documents (including, without limitation, these Guidelines), the Board may permit said Applicant to have a financial guarantor in accordance with this Section IV ("Guarantor").

- b. Each Applicant supported by a Guarantor shall submit proof that their primary residence is located in California, USA and satisfactory verification of a net worth of at least one hundred twenty-five thousand dollars (\$125,000) in acceptable assets, notwithstanding the requirements of Section II and Section III of these Guidelines.
- c. Each Guarantor shall enter into an agreement with the Mutual to become financially responsible, jointly and severally, for all expenses associated with the Applicant's ownership, residency and/or membership at the Mutual ("Assessment/Charges Guarantor Obligation Form"). A Assessment/Charges Guarantor Obligation Form is attached hereto as Exhibit "A" and incorporated in its entirety herein by this reference as if fully set forth in these Guidelines.
- d. Each Guarantor shall submit all of the following documentation in a form satisfactory to the Board:
  - 1. A fully executed and completed Assessment/Charges Guarantor Obligation Form.
  - 2. Proof that the Guarantor's primary residence is located in California, USA.
  - 3. Verification of net worth equal to the sum of the purchase price of the unit plus two hundred thousand dollars (\$200,000) in acceptable assets.
  - 4. Verification that the Guarantor's annual income is greater than or equal to the sum of the total of the unit's annual mortgage payment plus \$150,000 per year.
  - 5. A credit report.
- e. The Board may withhold its approval of any Guarantor for, without limitation, any the following reasons:
  - 1. A Guarantor or Applicant fails to provide all of the documentation as required by subsection (d), above, in a form consistent with these Guidelines and satisfactory to the Board.
  - 2. A Guarantor is subject to a bankruptcy proceeding that is pending or has not been discharged.
  - 3. Any foreclosure or short sale of any property owned by the Guarantor.
  - 4. Any outstanding balances, collection accounts, or judgments owed by the Guarantor.
  - 5. A Guarantor's credit score is lower than 680.
  - 6. A Guarantor resides in a primary residence outside of the State of California.
  - 7. A Guarantor's bank is located outside of the State of California.
  - 8. A Guarantor already guarantees (1) one or more units within Laguna Woods Village.
  - 9. A Guarantor provides any false or misleading information to the Board.
  - 10. Any other reasonable grounds that call into question a Guarantor's financial ability or fitness to serve in this capacity on an Applicant's behalf.

- f. Each Guarantor's assurances shall only apply to the Applicant(s) and unit expressly identified on the Assessment/Charges Guarantor Obligation Form. No Guarantor's assurances may be transferred to any other Applicant or unit.

**V. Multiple Units.** As a condition of approval, any Applicant who desires to purchase more than one (1) unit or already owns at least one (1) unit at Third Laguna Hills Mutual, Laguna Woods Mutual No. Fifty or United Laguna Woods Mutual shall submit satisfactory verification of annual income and net worth requirements pursuant to this Section V.

- a. **Net Worth Requirements.** The Applicant shall submit satisfactory verification of net worth that is greater than or equal to the *sum* of the purchase price for each unit *plus* one hundred twenty-five thousand dollars (\$125,000) in acceptable assets per unit, as follows:

Unit 1: purchase price for Unit 1 + \$125,000

Unit 2: purchase price for Unit 1 + \$125,000 +  
purchase price for Unit 2 + \$125,000

Unit 3: purchase price for Unit 1 + \$125,000 +  
purchase price for Unit 2 + \$125,000 +  
purchase price for Unit 3 + \$125,000

- b. **Income Requirements.** The Applicant shall submit satisfactory verification of annual income as follows:

1. Annual Income that is greater than or equal to the *sum* of the following: the total of the first unit's annual mortgage payment *plus* forty-five thousand dollars (\$45,000) per year *plus* the total of the second unit's annual mortgage payment *plus* forty-five thousand dollars (\$45,000) per year *plus* an additional twenty-two thousand five hundred dollars (\$22,500).

2. For each additional unit, the annual income requirement shall be calculated consistent with subsection (b)(1), above – that is, the additional unit's annual mortgage payment *plus* an additional twenty-two thousand five hundred dollars (\$22,500) over the previous annual income requirement, as follows:

Unit 1: annual mortgage payment + \$45,000

Unit 2: annual mortgage payment on Unit 1 + \$45,000 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500

Unit 3: annual mortgage payment on Unit 1 + \$45,000 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500 + \$22,500

**EXHIBIT "A"**

**THIRD LAGUNA HILLS MUTUAL  
A California Non-Profit Mutual Benefit Corporation  
(the "Mutual")**

**ASSESSMENT/CHARGES GUARANTOR OBLIGATION FORM**

**A. The Parties**

Owner(s): \_\_\_\_\_ (collectively, the

"Owner") Property Address: \_\_\_\_\_ (the "Property")

Guarantor: \_\_\_\_\_ ("Guarantor")

**B. Guarantee Payment.** Guarantor hereby guarantees unconditionally to the Mutual and the Mutual's agents as follows:

- a. Guarantor guarantees unconditionally to be jointly and severally responsible for/liable for all Charges related and charged to the Owner's assessment account.
- b. Guarantor guarantees unconditionally to promptly pay for all HOA assessments, regular or special, compliance assessments, reimbursable assessments, chargeable services etc., late charges, interest, costs, trustee fees, attorney fees, or any other amount charged by the Mutual to the HOA assessment account for the Property, including fines, after a noticed hearing before the Board, reimbursement assessments, special assessments, chargeable services etc. (collectively, the "Charges".)

**C. Waiver of Right to Demand Enforcement.** Because the Guarantor is jointly and severally liable for the Charges, Guarantor guarantees unconditionally to waive any right to require the Mutual or the Mutual's agents to proceed against the Owner for any default occurring under the Governing Documents before seeking to enforce this Assessment/Charges Guarantor Obligation Form.

**D. Broad Interpretation.** This Assessment/Charges Guarantor Obligation Form shall be construed as a general, absolute, and unconditional Guaranty of payment and shall continue in perpetuity and said guarantees shall apply to all amounts charged by the Mutual to the Owner's account during the time which the Owner is a title/record owner of the Property. If any of the provisions of this Assessment/Charges Guarantor Obligation Form shall be determined to be invalid or unenforceable under applicable law, such provision shall, insofar as possible, be construed or applied in such manner as will permit enforcement.

**E. Enforcement.**

- a. The Mutual may enforce this Assessment/Charges Guarantor Obligation Form without being obligated to resort first to any security or any other remedy against the Owner, and

Guarantor hereby waives any notice of default and/or any right to cure same and there shall be no presentment or dishonor hereunder.

- b. This Assessment/Charges Guarantor Obligation Form is general and shall inure to, and may be relied upon and enforced by, any successor or assign of the Mutual.

- c. This Assessment/Charges Guarantor Obligation Form shall be governed by the laws of the State of California and the parties specifically agree that any legal action brought under this Assessment/Charges Guarantor Obligation Form or any underlying lease shall be brought only in Orange County, California, which Court is agreed to have jurisdiction over the parties.
- d. The Parties waive the right to a jury trial in any such legal action.
- e. If the Guarantor breaches this Assessment/Charges Guarantor Obligation Form, the Mutual shall be entitled to a full award of attorney fees, costs and expenses relative to any enforcement efforts taken, including any litigation pursued to enforce this Assessment/Charges Guarantor Obligation Form. Guarantor agrees to pay the Mutual's actual attorney fees, costs, and expenses in the enforcement of the Governing Documents and this Assessment/Charges Guarantor Obligation Form, whether before the lawsuit/proceeding is filed, after the lawsuit/proceeding is filed, or in any and all trial and appellate tribunals, whether suit be brought or not, if, after default, counsel shall be employed by the Mutual.
- f. All amounts due to the Mutual hereunder shall bear interest at the highest rate allowed by law from the date of default.

**F. Modification.** Alteration, Modification or Revocation of this Assessment/Charges Guarantor Obligation Form is not permitted unless otherwise agreed to and signed by the Parties in writing.

**G. No Strict Performance Required.** Failure of the Mutual to insist upon strict performance or observance of any of the terms of the Governing Documents or to exercise any right held by the Mutual will not diminish the enforceability of this Assessment/Charges Guarantor Obligation Form. Guarantor agrees that the foregoing obligations shall in no way be terminated, affected, or impaired by reason of any action which the Mutual may take, or fail to take against the Owner, or by reason of any waiver of, or failure to enforce, any of the rights or remedies to the Mutual in the Governing Documents and all amendments thereto.

**H. Binding on Successors.** The obligations of Guarantor shall be binding upon Guarantor and his/her/their successors and assigns.

**I. Effective Immediately Upon Signature.** Guarantor fully understands this Assessment/Charges Guarantor Obligation Form is neither a reference, credit check, nor application, that the Mutual has relied on Guarantor's representations and warranties contained herein and it is fully effective upon Guarantor's signature.

**RESOLUTION 03-22-80**

Clarification of Guidelines for Financial Qualifications Policy

**WHEREAS**, Third Laguna Hills Mutual (Third) is formed to manage, operate and maintain housing at Laguna Woods Village; and

**WHEREAS**, Third is authorized to adopt rules and regulations to carry out the purposes of this Corporation through its board of directors; and

**WHEREAS**, Third desires to protect the financial integrity of the Corporation; and

**WHEREAS**, Third has expressed the need to clarify select income and net worth provisions of its Guidelines for Financial Qualifications Policy;

**NOW, THEREFORE BE IT RESOLVED**, July 19, 2022, the Board of Directors of this Corporation hereby introduces one amendment to the Financial Qualifications Policy, which amends Section II, Net Worth Requirements, Subsection B to add "U.S." before residential property; and

**RESOLVED FURTHER**, that Resolution 03-21-50, adopted August 17, 2021, is hereby suspended in its entirety and canceled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of this corporation to carry out the purpose of this resolution.



## Guidelines for Financial Qualifications

Resolution 03-24-XX

Adopted xxx

The governing documents of Third Laguna Hills Mutual (“Mutual”) require each person seeking to acquire an ownership interest in a unit (“Applicant”) to obtain the **PRIOR** written approval of the Mutual’s Board of Directors (“Board”) before doing so. As a condition to obtaining such approval, each Applicant must provide to the Board documentation that conclusively establishes that Applicant satisfies certain financial requirements as set forth in the Mutual’s governing documents (“Application”). For the purposes of determining whether an Application will be approved or denied, the Board has adopted these Guidelines for Financial Qualifications (“Guidelines”), which shall remain in effect until such time as these Guidelines may be changed, modified, or amended by a duly adopted Board resolution.

### I. General Application Requirements.

- a. As a condition of approval, each Applicant must submit to the Mutual an Application with all of the following documentation provided in a form satisfactory to the Board:
  1. A federal income tax return for the most recent year that is signed, dated, and includes Schedules A, B and E, as applicable, as well as any other financial verification documents requested by the Board. By way of example, but without limitation, other verification documents may be required if any Applicant derives income from a business owned by the Applicant (personally or through a legal entity), in which case the applicable business tax schedule and profit and loss statement may also be required.
  2. Net worth verification pursuant to Section II of these Guidelines.
  3. Income verification pursuant to Section III of these Guidelines.
  4. A completed Financial Statement and Credit Information form.
  5. Verification of the Applicant’s identity, which must be a natural person, or a designated individual acting on behalf of a corporation, LLC or Trust.
  6. If the Applicant desires to have a Guarantor to enable the Applicant to Qualify to purchase a unit (as defined below), all documents required pursuant to Section IV of these Guidelines shall also apply to the Guarantor.
  7. If the Applicant desires to purchase more than one (1) unit or already owns at least one (1) unit at the Mutual, all documents required pursuant to Section V of these Guidelines shall be required for each unit application.
- b. The Board may deny any Application that does not include all of the documentation required herein, in a form consistent with these Guidelines and satisfactory to the Board, except as otherwise required by law.
- c. Any Application (including, without limitation, any document submitted in connection with said Application) that contains false or misleading information will be denied. If an Application was approved and it is later determined that such Application contained false or misleading information and if escrow had not closed by the time such discovery was

made the Board may immediately withdraw its approval without the Mutual suffering any liability whatsoever. If escrow, as referenced immediately above, has already closed when the discovery of the false and misleading documentation is discovered, the Applicant will be deemed an owner, not in good standing and will, after a noticed hearing before the Board, be denied the owner's amenity rights, held by an owner in the Mutual, unless such rights are suspended by the Board of Directors.

- d. Notwithstanding anything to the contrary contained herein, if more than one (1) Applicant will acquire an ownership interest or reside in any single unit, such Applicants' income and net worth may, in the Board's sole reasonable discretion, be calculated collectively.

## II. Net Worth Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of net worth that is greater than or equal to the sum of the purchase price of the unit plus ~~one hundred twenty-five thousand dollars (\$125,000)~~ two hundred thousand dollars (\$200,000) in acceptable assets. NOTE: Applicants owning other properties having mortgage obligations shall provide satisfactory evidence of additional assets sufficient to offset the total mortgage balance(s).
- b. When computing net worth for the purposes of this Section, acceptable assets shall be limited to those assets that are considered, in the Board's sole discretion, to be liquid, marketable or income producing. Examples of acceptable assets include, without limitation, the following:
1. Equity in U.S. residential and income real estate.
  2. Savings accounts in U.S. banks and U.S. credit unions.
  3. Cash value life insurance.
  4. Certificates of deposit and money market accounts.
  5. IRA, SEP, 401(k), Profit Sharing and Keogh accounts.
  6. Federal, state, or municipal government bonds.
  7. U.S. traded investments (e.g., NYSE, Amex, OTC, Nasdaq, etc.) valued at current market prices.
  8. Mortgages and promissory notes; provided that the interest in such mortgages or promissory notes is reported on the Applicant's tax return.
- c. When computing net worth for the purposes of this Section, acceptable assets will not include, without limitation, the following:
1. Equity in mobile homes, recreational vehicles, boats, trailers, airplanes, automobiles, or other vehicles of any kind.
  2. Vacant or undeveloped real estate.
  3. Artwork, jewelry, or other collectibles (e.g., coins, dolls, stamps, etc.).
  4. Term life insurance.

5. Annuity funds that cannot be withdrawn in lump sum.
6. Anticipated bequests, devises or inheritances.
7. Mortgages and promissory notes where the interest in such mortgages or promissory notes is not reported on the Applicant's tax return.

### III. Income Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of annual income that is greater than or equal to the sum of the total of the unit's annual mortgage payment plus ~~forty-five thousand dollars (\$45,000)~~ sixty thousand dollars (\$60,000) per year.
- b. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:
  1. The mandatory annual distributions for the Applicant's retirement accounts; or
  2. The total amount of the Applicant's retirement accounts *multiplied* by eighty percent (80%), and then *dividing* this product by twenty-five (25) years, as follows:
 
$$\text{Attributable Income} = (\text{Total Retirement Account Assets} \times 80\%) \div 25$$
- c. Examples of acceptable income verifications include, without limitation, the following:
  1. Federal tax returns from the most recent year.
  2. W-2 forms or paycheck stubs.
  3. Bank, credit union, or investment account statements.
  4. Letters from bankers with verifiable first-hand knowledge of the Applicant's finances.
  5. Notices of annuities and social security payments.
  6. Credit reports.
- d. Examples of unacceptable income verifications include, without limitation, the following:
  1. Letters from employers, accountants, enrolled agents, investment counselors, or attorneys.
  2. Any income not reported on federal income tax returns.

### IV. Guarantors.

- a. In the event any Applicant is unable to satisfy the financial requirements set forth in the Mutual's governing documents (including, without limitation, these Guidelines), the Board may permit said Applicant to have a financial guarantor in accordance with this Section

## IV ("Guarantor").

- b. Each Applicant supported by a Guarantor shall submit proof that their primary residence is located in California, USA and satisfactory verification of a net worth of at least ~~one hundred twenty-five thousand dollars (\$125,000)~~ two hundred thousand dollars (\$200,000) in acceptable assets, notwithstanding the requirements of Section II and Section III of these Guidelines.
- c. Each Guarantor shall enter into an agreement with the Mutual to become financially responsible, jointly and severally, for all expenses associated with the Applicant's ownership, residency and/or membership at the Mutual ("Assessment/Charges Guarantor Obligation Form"). A Assessment/Charges Guarantor Obligation Form is attached hereto as Exhibit "A" and incorporated in its entirety herein by this reference as if fully set forth in these Guidelines.
- d. Each Guarantor shall submit all of the following documentation in a form satisfactory to the Board:
1. A fully executed and completed Assessment/Charges Guarantor Obligation Form.
  2. Proof that the Guarantor's primary residence is located in California, USA.
  3. Verification of net worth equal to the sum of the purchase price of the unit plus ~~two hundred thousand dollars (\$200,000)~~ three hundred forty thousand dollars (\$340,000) in acceptable assets.
  4. Verification that the Guarantor's annual income is greater than or equal to the sum of the total of the unit's annual mortgage payment plus ~~\$150,000~~ one hundred eighty-two thousand dollars (\$182,000) per year.
  5. A credit report.
- e. The Board may withhold its approval of any Guarantor for, without limitation, any the following reasons:
1. A Guarantor or Applicant fails to provide all of the documentation as required by subsection (d), above, in a form consistent with these Guidelines and satisfactory to the Board.
  2. A Guarantor is subject to a bankruptcy proceeding that is pending or has not been discharged.
  3. Any foreclosure or short sale of any property owned by the Guarantor.
  4. Any outstanding balances, collection accounts, or judgments owed by the Guarantor.
  5. A Guarantor's credit score is lower than 680.
  6. A Guarantor resides in a primary residence outside of the State of California.
  7. A Guarantor's bank is located outside of the State of California.
  8. A Guarantor already guarantees (1) one or more units within Laguna Woods Village.

- 9. A Guarantor provides any false or misleading information to the Board.
  - 10. Any other reasonable grounds that call into question a Guarantor's financial ability or fitness to serve in this capacity on an Applicant's behalf.
- f. Each Guarantor's assurances shall only apply to the Applicant(s) and unit expressly identified on the Assessment/Charges Guarantor Obligation Form. No Guarantor's assurances may be transferred to any other Applicant or unit.

**V. Multiple Units.** As a condition of approval, any Applicant who desires to purchase more than one (1) unit or already owns at least one (1) unit at Third Laguna Hills Mutual, Laguna Woods Mutual No. Fifty or United Laguna Woods Mutual shall submit satisfactory verification of annual income and net worth requirements pursuant to this Section V.

a. **Net Worth Requirements.** The Applicant shall submit satisfactory verification of net worth that is greater than or equal to the *sum* of the purchase price for each unit ~~plus one hundred twenty-five thousand dollars (\$125,000)~~ two hundred thousand dollars (\$200,000) - in acceptable assets per unit, as follows:

Unit 1: purchase price for Unit 1 + ~~\$125,000~~ \$200,00

Unit 2: purchase price for Unit 1 + ~~\$125,000~~ \$200,000 +  
purchase price for Unit 2 + ~~\$125,000~~ \$200,000

Unit 3: purchase price for Unit 1 + ~~\$125,000~~ \$200,000 +  
purchase price for Unit 2 + ~~\$125,000~~ \$200,000 +  
purchase price for Unit 3 + ~~\$125,000~~ \$200,000

b. **Income Requirements.** The Applicant shall submit satisfactory verification of annual income as follows:

1. Annual Income that is greater than or equal to the *sum* of the following: the total of the first unit's annual mortgage payment ~~plus forty-five thousand dollars (\$45,000)~~ sixty thousand dollars (\$60,000) per year ~~plus the total of the second unit's annual mortgage payment plus forty-five thousand dollars (\$45,000)~~ sixty thousand dollars (\$60,000) per year ~~plus an additional twenty-two thousand five hundred dollars (\$22,500)~~ thirty thousand dollars (\$30,000).

2. For each additional unit, the annual income requirement shall be calculated consistent with subsection (b)(1), above – that is, the additional unit's annual mortgage payment ~~plus an additional twenty-two thousand five hundred dollars (\$22,500)~~ thirty thousand dollars (\$30,000) over the previous annual income requirement, as follows:

Unit 1: annual mortgage payment + ~~\$45,000~~ \$60,000

Unit 2: annual mortgage payment on Unit 1 + ~~\$45,000~~ \$60,000 +  
annual mortgage payment on Unit 2 + ~~\$45,000 + \$22,500~~ \$60,000 +

\$30,000

Unit 3: annual mortgage payment on Unit 1 + ~~\$45,000~~ \$60,000 +  
annual mortgage payment on Unit 2 + ~~\$45,000 + \$22,500~~ \$60,000 +

\$30,000

annual mortgage payment on Unit 2 + ~~\$45,000 + \$22,500 +~~  
\$22,500 \$60,000 + \$30,000 + \$30,000

## EXHIBIT "A"

**THIRD LAGUNA HILLS MUTUAL**  
**A California Non-Profit Mutual Benefit Corporation**  
 (the "Mutual")

**ASSESSMENT/CHARGES GUARANTOR OBLIGATION FORM**

**A. The Parties**

Owner(s): \_\_\_\_\_ (collectively, the

"Owner") Property Address: \_\_\_\_\_ (the "Property")

Guarantor: \_\_\_\_\_ ("Guarantor")

**B. Guarantee Payment.** Guarantor hereby guarantees unconditionally to the Mutual and the Mutual's agents as follows:

- a. Guarantor guarantees unconditionally to be jointly and severally responsible for/liable for all Charges related and charged to the Owner's assessment account.
- b. Guarantor guarantees unconditionally to promptly pay for all HOA assessments, regular or special, compliance assessments, reimbursable assessments, chargeable services etc., late charges, interest, costs, trustee fees, attorney fees, or any other amount charged by the Mutual to the HOA assessment account for the Property, including fines, after a noticed hearing before the Board, reimbursement assessments, special assessments, chargeable services etc. (collectively, the "Charges".)

**C. Waiver of Right to Demand Enforcement.** Because the Guarantor is jointly and severally liable for the Charges, Guarantor guarantees unconditionally to waive any right to require the Mutual or the Mutual's agents to proceed against the Owner for any default occurring under the Governing Documents before seeking to enforce this Assessment/Charges Guarantor Obligation Form.**D. Broad Interpretation.** This Assessment/Charges Guarantor Obligation Form shall be construed as a general, absolute, and unconditional Guaranty of payment and shall continue in perpetuity and said guarantees shall apply to all amounts charged by the Mutual to the Owner's account during the time which the Owner is a title/record owner of the Property. If any of the provisions of this Assessment/Charges Guarantor Obligation Form shall be determined to be invalid or unenforceable under applicable law, such provision shall, insofar as possible, be construed or applied in such manner as will permit enforcement.**E. Enforcement.**

- a. The Mutual may enforce this Assessment/Charges Guarantor Obligation Form without being obligated to resort first to any security or any other remedy against the Owner, and Guarantor hereby waives any notice of default and/or any right to cure same and there shall be no presentment or dishonor hereunder.
- b. This Assessment/Charges Guarantor Obligation Form is general and shall inure to, and may be relied upon and enforced by, any successor or assign of the Mutual.

- c. This Assessment/Charges Guarantor Obligation Form shall be governed by the laws of the State of California and the parties specifically agree that any legal action brought under this Assessment/Charges Guarantor Obligation Form or any underlying lease shall be brought only in Orange County, California, which Court is agreed to have jurisdiction over the parties.
  - d. The Parties waive the right to a jury trial in any such legal action.
  - e. If the Guarantor breaches this Assessment/Charges Guarantor Obligation Form, the Mutual shall be entitled to a full award of attorney fees, costs and expenses relative to any enforcement efforts taken, including any litigation pursued to enforce this Assessment/Charges Guarantor Obligation Form. Guarantor agrees to pay the Mutual's actual attorney fees, costs, and expenses in the enforcement of the Governing Documents and this Assessment/Charges Guarantor Obligation Form, whether before the lawsuit/proceeding is filed, after the lawsuit/proceeding is filed, or in any and all trial and appellate tribunals, whether suit be brought or not, if, after default, counsel shall be employed by the Mutual.
  - f. All amounts due to the Mutual hereunder shall bear interest at the highest rate allowed by law from the date of default.
- F. Modification.** Alteration, Modification or Revocation of this Assessment/Charges Guarantor Obligation Form is not permitted unless otherwise agreed to and signed by the Parties in writing.
- G. No Strict Performance Required.** Failure of the Mutual to insist upon strict performance or observance of any of the terms of the Governing Documents or to exercise any right held by the Mutual will not diminish the enforceability of this Assessment/Charges Guarantor Obligation Form. Guarantor agrees that the foregoing obligations shall in no way be terminated, affected, or impaired by reason of any action which the Mutual may take, or fail to take against the Owner, or by reason of any waiver of, or failure to enforce, any of the rights or remedies to the Mutual in the Governing Documents and all amendments thereto.
- H. Binding on Successors.** The obligations of Guarantor shall be binding upon Guarantor and his/her/their successors and assigns.
- I. Effective Immediately Upon Signature.** Guarantor fully understands this Assessment/Charges Guarantor Obligation Form is neither a reference, credit check, nor application, that the Mutual has relied on Guarantor's representations and warranties contained herein and it is fully effective upon Guarantor's signature.

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## Guidelines for Financial Qualifications

Resolution 03-24-XX

Adopted xxx

The governing documents of Third Laguna Hills Mutual (“Mutual”) require each person seeking to acquire an ownership interest in a unit (“Applicant”) to obtain the **PRIOR** written approval of the Mutual’s Board of Directors (“Board”) before doing so. As a condition to obtaining such approval, each Applicant must provide to the Board documentation that conclusively establishes that Applicant satisfies certain financial requirements as set forth in the Mutual’s governing documents (“Application”). For the purposes of determining whether an Application will be approved or denied, the Board has adopted these Guidelines for Financial Qualifications (“Guidelines”), which shall remain in effect until such time as these Guidelines may be changed, modified, or amended by a duly adopted Board resolution.

### I. General Application Requirements.

- a. As a condition of approval, each Applicant must submit to the Mutual an Application with all of the following documentation provided in a form satisfactory to the Board:
  1. A federal income tax return for the most recent year that is signed, dated, and includes Schedules A, B and E, as applicable, as well as any other financial verification documents requested by the Board. By way of example, but without limitation, other verification documents may be required if any Applicant derives income from a business owned by the Applicant (personally or through a legal entity), in which case the applicable business tax schedule and profit and loss statement may also be required.
  2. Net worth verification pursuant to Section II of these Guidelines.
  3. Income verification pursuant to Section III of these Guidelines.
  4. A completed Financial Statement and Credit Information form.
  5. Verification of the Applicant’s identity, which must be a natural person, or a designated individual acting on behalf of a corporation, LLC or Trust.
  6. If the Applicant desires to have a Guarantor to enable the Applicant to Qualify to purchase a unit (as defined below), all documents required pursuant to Section IV of these Guidelines shall also apply to the Guarantor.
  7. If the Applicant desires to purchase more than one (1) unit or already owns at least one (1) unit at the Mutual, all documents required pursuant to Section V of these Guidelines shall be required for each unit application.
- b. The Board may deny any Application that does not include all of the documentation required herein, in a form consistent with these Guidelines and satisfactory to the Board, except as otherwise required by law.
- c. Any Application (including, without limitation, any document submitted in connection with said Application) that contains false or misleading information will be denied. If an Application was approved and it is later determined that such Application contained false or misleading information and if escrow had not closed by the time such discovery was made the Board may immediately withdraw its approval without the Mutual suffering any liability whatsoever. If escrow, as referenced immediately above, has already closed when

the discovery of the false and misleading documentation is discovered, the Applicant will be deemed an owner, not in good standing and will, after a noticed hearing before the Board, be denied the owner's amenity rights, held by an owner in the Mutual, unless such rights are suspended by the Board of Directors.

- d. Notwithstanding anything to the contrary contained herein, if more than one (1) Applicant will acquire an ownership interest or reside in any single unit, such Applicants' income and net worth may, in the Board's sole reasonable discretion, be calculated collectively.

## II. Net Worth Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of net worth that is greater than or equal to the sum of the purchase price of the unit plus two hundred thousand dollars (\$200,000) in acceptable assets. NOTE: Applicants owning other properties having mortgage obligations shall provide satisfactory evidence of additional assets sufficient to offset the total mortgage balance(s).
- b. When computing net worth for the purposes of this Section, acceptable assets shall be limited to those assets that are considered, in the Board's sole discretion, to be liquid, marketable or income producing. Examples of acceptable assets include, without limitation, the following:
  1. Equity in U.S. residential and income real estate.
  2. Savings accounts in U.S. banks and U.S. credit unions.
  3. Cash value life insurance.
  4. Certificates of deposit and money market accounts.
  5. IRA, SEP, 401(k), Profit Sharing and Keogh accounts.
  6. Federal, state, or municipal government bonds.
  7. U.S. traded investments (e.g., NYSE, Amex, OTC, Nasdaq, etc.) valued at current market prices.
  8. Mortgages and promissory notes; provided that the interest in such mortgages or promissory notes is reported on the Applicant's tax return.
- c. When computing net worth for the purposes of this Section, acceptable assets will not include, without limitation, the following:
  1. Equity in mobile homes, recreational vehicles, boats, trailers, airplanes, automobiles, or other vehicles of any kind.
  2. Vacant or undeveloped real estate.
  3. Artwork, jewelry, or other collectibles (e.g., coins, dolls, stamps, etc.).
  4. Term life insurance.
  5. Annuity funds that cannot be withdrawn in lump sum.
  6. Anticipated bequests, devises or inheritances.

7. Mortgages and promissory notes where the interest in such mortgages or promissory notes is not reported on the Applicant's tax return.

### III. Income Requirements.

- a. As a condition of approval, each Applicant shall submit satisfactory verification of annual income that is greater than or equal to the sum of the total of the unit's annual mortgage payment plus sixty thousand dollars (\$60,000) per year.
- b. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:
  1. The mandatory annual distributions for the Applicant's retirement accounts; or
  2. The total amount of the Applicant's retirement accounts *multiplied* by eighty percent (80%), and then *dividing* this product by twenty-five (25) years, as follows:
 
$$\text{Attributable Income} = (\text{Total Retirement Account Assets} \times 80\%) \div 25$$
- c. Examples of acceptable income verifications include, without limitation, the following:
  1. Federal tax returns from the most recent year.
  2. W-2 forms or paycheck stubs.
  3. Bank, credit union, or investment account statements.
  4. Letters from bankers with verifiable first-hand knowledge of the Applicant's finances.
  5. Notices of annuities and social security payments.
  6. Credit reports.
- d. Examples of unacceptable income verifications include, without limitation, the following:
  1. Letters from employers, accountants, enrolled agents, investment counselors, or attorneys.
  2. Any income not reported on federal income tax returns.

### IV. Guarantors.

- a. In the event any Applicant is unable to satisfy the financial requirements set forth in the Mutual's governing documents (including, without limitation, these Guidelines), the Board may permit said Applicant to have a financial guarantor in accordance with this Section IV ("Guarantor").
- b. Each Applicant supported by a Guarantor shall submit proof that their primary residence is located in California, USA and satisfactory verification of a net worth of at least two hundred thousand dollars (\$200,000) in acceptable assets, notwithstanding the

- requirements of Section II and Section III of these Guidelines.
- c. Each Guarantor shall enter into an agreement with the Mutual to become financially responsible, jointly and severally, for all expenses associated with the Applicant's ownership, residency and/or membership at the Mutual ("Assessment/Charges Guarantor Obligation Form"). A Assessment/Charges Guarantor Obligation Form is attached hereto as Exhibit "A" and incorporated in its entirety herein by this reference as if fully set forth in these Guidelines.
  - d. Each Guarantor shall submit all of the following documentation in a form satisfactory to the Board:
    - 1. A fully executed and completed Assessment/Charges Guarantor Obligation Form.
    - 2. Proof that the Guarantor's primary residence is located in California, USA.
    - 3. Verification of net worth equal to the sum of the purchase price of the unit plus three hundred forty thousand dollars (\$340,000) in acceptable assets.
    - 4. Verification that the Guarantor's annual income is greater than or equal to the sum of the total of the unit's annual mortgage payment plus one hundred eighty-two thousand dollars (\$182,000) per year.
    - 5. A credit report.
  - e. The Board may withhold its approval of any Guarantor for, without limitation, any the following reasons:
    - 1. A Guarantor or Applicant fails to provide all of the documentation as required by subsection (d), above, in a form consistent with these Guidelines and satisfactory to the Board.
    - 2. A Guarantor is subject to a bankruptcy proceeding that is pending or has not been discharged.
    - 3. Any foreclosure or short sale of any property owned by the Guarantor.
    - 4. Any outstanding balances, collection accounts, or judgments owed by the Guarantor.
    - 5. A Guarantor's credit score is lower than 680.
    - 6. A Guarantor resides in a primary residence outside of the State of California.
    - 7. A Guarantor's bank is located outside of the State of California.
    - 8. A Guarantor already guarantees (1) one or more units within Laguna Woods Village.
    - 9. A Guarantor provides any false or misleading information to the Board.
    - 10. Any other reasonable grounds that call into question a Guarantor's financial ability or fitness to serve in this capacity on an Applicant's behalf.
  - f. Each Guarantor's assurances shall only apply to the Applicant(s) and unit expressly identified on the Assessment/Charges Guarantor Obligation Form. No Guarantor's

assurances may be transferred to any other Applicant or unit.

**V. Multiple Units.** As a condition of approval, any Applicant who desires to purchase more than one (1) unit or already owns at least one (1) unit at Third Laguna Hills Mutual, Laguna Woods Mutual No. Fifty or United Laguna Woods Mutual shall submit satisfactory verification of annual income and net worth requirements pursuant to this Section V.

a. **Net Worth Requirements.** The Applicant shall submit satisfactory verification of net worth that is greater than or equal to the *sum* of the purchase price for each unit *plus* two hundred thousand dollars (\$200,000) in acceptable assets per unit, as follows:

Unit 1: purchase price for Unit 1 + \$200,00

Unit 2: purchase price for Unit 1 + \$200,000 +  
purchase price for Unit 2 + \$200,000

Unit 3: purchase price for Unit 1 + \$200,000 +  
purchase price for Unit 2 + \$200,000 +  
purchase price for Unit 3 + \$200,000

b. **Income Requirements.** The Applicant shall submit satisfactory verification of annual income as follows:

1. Annual Income that is greater than or equal to the *sum* of the following: the total of the first unit's annual mortgage payment *plus* sixty thousand dollars (\$60,000) per year *plus* the total of the second unit's annual mortgage payment *plus* sixty thousand dollars (\$60,000) per year *plus* an additional thirty thousand dollars (\$30,000).

2. For each additional unit, the annual income requirement shall be calculated consistent with subsection (b)(1), above – that is, the additional unit's annual mortgage payment *plus* an additional thirty thousand dollars (\$30,000) over the previous annual income requirement, as follows:

Unit 1: annual mortgage payment + \$60,000

Unit 2: annual mortgage payment on Unit 1 + \$60,000 +  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000

Unit 3: annual mortgage payment on Unit 1 + \$60,000 +  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000  
annual mortgage payment on Unit 2 + \$60,000 + \$30,000 + \$30,000

**EXHIBIT "A"**

**THIRD LAGUNA HILLS MUTUAL  
A California Non-Profit Mutual Benefit Corporation  
(the "Mutual")**

**ASSESSMENT/CHARGES GUARANTOR OBLIGATION FORM**

**A. The Parties**

Owner(s): \_\_\_\_\_ (collectively, the

"Owner") Property Address: \_\_\_\_\_ (the "Property")

Guarantor: \_\_\_\_\_ ("Guarantor")

**B. Guarantee Payment.** Guarantor hereby guarantees unconditionally to the Mutual and the Mutual's agents as follows:

- a. Guarantor guarantees unconditionally to be jointly and severally responsible for/liable for all Charges related and charged to the Owner's assessment account.
- b. Guarantor guarantees unconditionally to promptly pay for all HOA assessments, regular or special, compliance assessments, reimbursable assessments, chargeable services etc., late charges, interest, costs, trustee fees, attorney fees, or any other amount charged by the Mutual to the HOA assessment account for the Property, including fines, after a noticed hearing before the Board, reimbursement assessments, special assessments, chargeable services etc. (collectively, the "Charges".)

**C. Waiver of Right to Demand Enforcement.** Because the Guarantor is jointly and severally liable for the Charges, Guarantor guarantees unconditionally to waive any right to require the Mutual or the Mutual's agents to proceed against the Owner for any default occurring under the Governing Documents before seeking to enforce this Assessment/Charges Guarantor Obligation Form.

**D. Broad Interpretation.** This Assessment/Charges Guarantor Obligation Form shall be construed as a general, absolute, and unconditional Guaranty of payment and shall continue in perpetuity and said guarantees shall apply to all amounts charged by the Mutual to the Owner's account during the time which the Owner is a title/record owner of the Property. If any of the provisions of this Assessment/Charges Guarantor Obligation Form shall be determined to be invalid or unenforceable under applicable law, such provision shall, insofar as possible, be construed or applied in such manner as will permit enforcement.

**E. Enforcement.**

- a. The Mutual may enforce this Assessment/Charges Guarantor Obligation Form without being obligated to resort first to any security or any other remedy against the Owner, and Guarantor hereby waives any notice of default and/or any right to cure same and there shall be no presentment or dishonor hereunder.
- b. This Assessment/Charges Guarantor Obligation Form is general and shall inure to, and may be relied upon and enforced by, any successor or assign of the Mutual.

- c. This Assessment/Charges Guarantor Obligation Form shall be governed by the laws of the State of California and the parties specifically agree that any legal action brought under this Assessment/Charges Guarantor Obligation Form or any underlying lease shall be brought only in Orange County, California, which Court is agreed to have jurisdiction over the parties.
- d. The Parties waive the right to a jury trial in any such legal action.
- e. If the Guarantor breaches this Assessment/Charges Guarantor Obligation Form, the Mutual shall be entitled to a full award of attorney fees, costs and expenses relative to any enforcement efforts taken, including any litigation pursued to enforce this Assessment/Charges Guarantor Obligation Form. Guarantor agrees to pay the Mutual's actual attorney fees, costs, and expenses in the enforcement of the Governing Documents and this Assessment/Charges Guarantor Obligation Form, whether before the lawsuit/proceeding is filed, after the lawsuit/proceeding is filed, or in any and all trial and appellate tribunals, whether suit be brought or not, if, after default, counsel shall be employed by the Mutual.
- f. All amounts due to the Mutual hereunder shall bear interest at the highest rate allowed by law from the date of default.

**F. Modification.** Alteration, Modification or Revocation of this Assessment/Charges Guarantor Obligation Form is not permitted unless otherwise agreed to and signed by the Parties in writing.

**G. No Strict Performance Required.** Failure of the Mutual to insist upon strict performance or observance of any of the terms of the Governing Documents or to exercise any right held by the Mutual will not diminish the enforceability of this Assessment/Charges Guarantor Obligation Form. Guarantor agrees that the foregoing obligations shall in no way be terminated, affected, or impaired by reason of any action which the Mutual may take, or fail to take against the Owner, or by reason of any waiver of, or failure to enforce, any of the rights or remedies to the Mutual in the Governing Documents and all amendments thereto.

**H. Binding on Successors.** The obligations of Guarantor shall be binding upon Guarantor and his/her/their successors and assigns.

**I. Effective Immediately Upon Signature.** Guarantor fully understands this Assessment/Charges Guarantor Obligation Form is neither a reference, credit check, nor application, that the Mutual has relied on Guarantor's representations and warranties contained herein and it is fully effective upon Guarantor's signature.

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**RESOLUTION 03-24-XX**

**Revised Guidelines for Financial Qualifications**

**WHEREAS**, Third Laguna Hills Mutual (Third) is formed to manage, operate and maintain housing at Laguna Woods Village; and

**WHEREAS**, Third desires to protect the financial integrity of the Corporation; and

**WHEREAS**, Third has expressed the need to revise its Guidelines for Financial Qualifications by increasing the minimum net worth and minimum annual income requirements in light of inflationary pressures;

**NOW, THEREFORE BE IT RESOLVED**, July 16, 2024, the Board of Directors of this Corporation hereby amends its Guidelines for Financial Qualifications by increasing the minimum net worth and minimum annual income requirements, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that said adjustments shall be effective January 1, 2025; and

**RESOLVED FURTHER**, that Resolution 03-22-80, adopted July 19, 2022, is hereby superseded and canceled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of this corporation to carry out the purpose of this resolution.

**JUNE INITIAL NOTIFICATION: S28-days notification for member review and comments to comply with Civil Code §4360 has been satisfied.**

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**ENDORSEMENT (to Board)**

**Entertain a Motion to consider amended Traffic Rules and Regulations**

In 1972, the Board of Directors created vehicle, traffic, and parking rules. Since its adoption the rules have been changed numerous times and renamed the Vehicle, Traffic and Parking Rules (the active Resolutions are 03-14-43, 03-15-42, 03-17-152, 03-19-50, and 03-19-85). The Vehicle, Traffic and Parking Rules provide residents, guests and vendors the rules for driving and parking to promote safety for the Community.

The Resident Policy and Compliance Committee requested the Vehicle, Traffic and Parking Rules be added to future agenda items for review and updates.

On April 23, 2024, the Resident Policy and Compliance Committee reviewed and provided updates. The matter was tabled till the next meeting.

On May 29, 2024, the Resident Policy and Compliance Committee reviewed and provided updates. The matter was tabled till the next meeting.

On June 25, 2024, the Resident Policy and Compliance Committee reviewed the updates. Officer Daniel Lurie, Security Supervisor II/ Administrative Supervisor, presented the proposed updates to the Traffic Rules and Regulations.

Acting Chair Prince asked for a motion to approve, for discussion purposes, the Traffic Rules and Regulations.

Director Lewis made a motion to approve the matter for discussion. Director Karimi seconded the motion.

The Committee discussed the matter, asked questions, and suggested changes and clarifications.

Director Yun made a motion to forward the updated Traffic Rules and Regulations to the Board for consideration. Director Karimi seconded the motion.

By unanimous consent, the motion passed.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Vehicle, Traffic and Parking Rules

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### **RECOMMENDATION**

Staff recommends amending the Vehicle, Traffic and Parking Rules.

### **BACKGROUND**

In 1972, the Board of Directors created vehicle, traffic, and parking rules. Since its adoption the rules have been changed numerous times and renamed the Vehicle, Traffic and Parking Rules (the active Resolutions are 03-14-43, 03-15-42, 03-17-152, 03-19-50, and 03-19-85). The Vehicle, Traffic and Parking Rules provide residents, guests and vendors the rules for driving and parking to promote safety for the Community.

The Resident Policy and Compliance Committee requested the Vehicle, Traffic and Parking Rules be added to future agenda items for review and updates.

On April 23, 2024, the Resident Policy and Compliance Committee reviewed and provided updates. The matter was tabled till the next meeting.

On May 29, 2024, the Resident Policy and Compliance Committee reviewed and provided updates. The matter was tabled till the next meeting.

### **DISCUSSION**

The Committee provided suggested updates to the Vehicle, Traffic and Parking Rules.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Daniel Lurie, Supervisor II/Administrative Supervisor

**Reviewed By:** Blessilda Wright, Compliance Supervisor  
Francis Gomez, Operations Manager

### **ATTACHMENT(S)**

Attachment 1: Vehicle Traffic and Parking Rules- Redline  
Attachment 2: Vehicle Traffic and Parking Rules- Clean  
Attachment 3: Resolution 03-24-XX, Vehicle, Traffic and Parking Rules

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Vehicle, Traffic, and Parking Rules
Resolution 03-24-xx, adopted MMM DD, 2024; Resolution 03-19-85, adopted August 20, 2019; Resolution 03-19-50, adopted May 21, 2019; Resolution 03-17-152, adopted December 19, 2017; Resolution 03-15-42, adopted April 21, 2015; and Resolution 03-14-43, adopted April 15, 2014

The following Vehicle, Traffic, and Parking Rules are strictly enforced and are applicable to all pedestrians and persons controlling or operating vehicles on any real property regulated by Third Laguna Hills Mutual (Third). This generally refers to the cul-de-sacs, parking areas, sidewalks, and grounds regulated by Third.

1 PREFACE ..... 1
2 DEFINITIONS ..... 2
3 BOARD AUTHORITY and ENFORCEMENT ..... 7
4 TOWING POLICY ..... 9
5 LICENSE AND REGISTRATION REQUIREMENTS ..... 11
6 RULES FOR DRIVING..... 11
7 RULES FOR PARKING ..... 14
8 SPECIAL RULES FOR GOLF CARTS and GOLF CARS ..... 20
9 SPECIAL RULES FOR BICYCLES (NON-MOTORIZED)..... 21
10 SPECIAL RULES FOR PEDESTRIANS..... 22
11 SPECIAL RULES FOR MANAGING AGENT ..... 23
12 RULES FOR REPORTING COLLISIONS ..... 23

1 PREFACE

(See Section 2 – Definitions, for words appearing in ALL CAPITAL LETTERS.)

To promote safety, the BOARD requires that all drivers and vehicles in THIRD follow the same rules for driving and parking as are expected on public streets, unless otherwise specified in herein.

Enforcement is the responsibility of the Laguna Woods Village Security Division, unless otherwise designated by law. All persons must stop when directed or signaled by a member of the Security Services Division and provide all items of identification as requested, such as GRF identification card, driver's license, vehicle registration, gate pass, etc.

Last Audited 5-20-20 Updated 06-11-2024

Security Officers will issue Notices of Violation for violation of these rules. Drivers in violation may be subject to a fine and other disciplinary action. Vehicles parked in violation of these rules may be subject to a fine, and towed-away at the vehicle owner's expense.

The BOARD kindly reminds everyone that parking space is a valuable and limited resource.

- RESIDENTS are encouraged to limit their number of vehicles kept ~~in~~ IN THIRD.
- Please remind your guests to use UNASSIGNED PARKING or your own ASSIGNED PARKING space. Use of another RESIDENT'S ASSIGNED PARKING space without their permission can result in a Notice of Violation, fine, and tow-away at the vehicle owner's expense.
- The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENTS of the associated UNIT and should not impact others' ability to park in their ASSIGNED PARKING.
- A NON-RESIDENT party to a UNIT such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not keep any vehicle in the Village when the subject UNIT is occupied by a RESIDENT.

The MEMBER is responsible for any violation occurring in their ASSIGNED PARKING unless someone not authorized is parking in the MEMBER's ASSIGNED PARKING (in which case, the MEMBER should work with Security to address the situation).

The MEMBER is responsible for any violation committed by their delegate, invitee, renter or lessee, and any invitee of a delegate, renter or lessee.

## 2 DEFINITIONS

Words appearing in ALL CAPITAL LETTERS are defined in this section.

### 2.1 ABANDONED VEHICLE

A MOTOR VEHICLE having either of the following attributes:

- Appears deserted, neglected, ~~unsightly~~, or INOPERABLE.
- If in UNASSIGNED or GUEST PARKING, ~~and~~ has not been moved within a 21 day period unless previously receiving written authorization from the Security Department. (See Section 7.5 - Resident's Extended Parking.)

### 2.2 ASSIGNED PARKING

A defined parking location such as a carport, parking garage space, under manor parking, or UNIT driveway or garage that has both of the following attributes:

- Is regulated by ~~Third~~ THIRD.
- Is allotted as an exclusive use area of a particular UNIT.

### 2.3 BOARD

The ~~Third~~ THIRD Board of Directors or its ~~delegated~~ designated Committee.

Commented [LD1]: Staff recommends using all upper case, for continuity.

Commented [LD2]: Staff recommends using all upper case, for continuity.

Commented [LD3]: Staff recommends this variation of the verbiage.

Last Audited 5-20-20



## 2.4 **BICYCLE**

A device, upon which a person can ride, propelled by human power through pedals, a belt, chain, or gears and having one or more wheels.

- A motorized and/or electric bicycle is classified as a MOTOR VEHICLE, not a BICYCLE.

## 2.5 **COMMERCIAL VEHICLE**

A vehicle displaying any of the following attributes:

- Of a type used or maintained for the transportation of persons for hire, compensation, or profit.
  - Examples: taxi cab, limousine, any vehicle originally designed to carry 12 or more passengers.
- Designed, used, or maintained primarily for the transportation of property.
  - Includes any vehicle mounted with a utility body/bed. However, a carrier designed for specific sports or athletic equipment (e.g. bicycle or ski rack) is acceptable.
- Used, specially equipped, or advertised for commercial purposes.
  - Examples: MOTOR TRUCK, cargo trailer, PICKUP TRUCK with a ladder rack or utility body or carrying visible tools or merchandise, van with business advertising displayed or carrying visible tools, chests, racks or merchandise.

### EXCEPTIONS:

- PICKUP TRUCKS and passenger vehicles (including commuter carpooling vans of up to 11 passenger capacity) are not COMMERCIAL VEHICLES unless used, specially equipped, or advertised for commercial purposes.

## 2.6 **EMPLOYEE**

A person who is employed by the ~~managing agent~~ MANAGING AGENT Village Management Services (VMS).

Commented [LD4]: Staff recommends adding this verbiage.

## 2.7 **GRE**

The Golden Rain Foundation of Laguna Woods.

## 2.8 **GOLF CART**

A MOTOR VEHICLE having all of the following attributes:

- Having not less than three wheels in contact with the ground.
- Having an unladen weight of less than 1,300 pounds.
- Designed to be operated at no more than 20 mph.
- Designed to carry golf equipment and passengers.
- Is exempt from California Motor Vehicle Registration.

## 2.9 **GOLF CAR**

A MOTOR VEHICLE that has all the attributes of a Low Speed Vehicle (LSV) or Neighborhood Electric Vehicle (NEV):

- Having 4 wheels.
- Having a gross vehicle weight rating of less than 3,000 pounds.
- Designed to attain a speed of more than 20 miles per hour and not more than 25 miles per hour on a paved level surface.
- May legally be driven on public streets with a maximum speed limit of 35 miles per hour.
- Requires government motor vehicle registration on a public street.

#### 2.10 **GUEST**

A NON-RESIDENT approved for entry into LAGUNA WOODS VILLAGE by an authorized party for a MANOR, or by the ~~managing agent~~ MANAGING AGENT.

#### 2.11 **GUEST PARKING**

A parking location that is marked as such by a sign, or curb or ~~pavement~~ PAVEMENT marking is reserved for GUEST use only.

#### 2.12 **LOW SPEED VEHICLE (LSV)**

See GOLF CAR.

#### 2.13 ~~IN~~ **LAGUNA WOODS VILLAGE**

Any real property governed by GRF or a Mutual Corporation ~~IN~~ in LAGUNA WOODS VILLAGE.

#### 2.14 **IN THIRD**

Any real property governed by ~~THIRD~~ Third ~~THIRD~~.

Commented [LD5]: Staff recommends using all upper case, for continuity.

#### 2.15 **INOPERABLE VEHICLE**

A partial or complete vehicle displaying **any** of the following attributes:

- ~~Is parked in GUEST PARKING or UNASSIGNED PARKING and has a Does not show current~~ government ~~issued license and~~ registration for on-street operation ~~that is at least three (3) months out of date.~~
- ~~Is parked in ASSIGNED PARKING and has a government registration for on-street operation that is at least one (1) year out of date.~~
- Is government registered with a classification of non-operational, or for a use other than on-street.

Examples: "Planned Non Operation," "Off Highway Vehicle," and watercraft registrations.

#### EXCEPTION:

- The above registration provisions do not apply to GOLF CARTS. See Section 5.2 – Vehicle Registration Required.
  - Lacks any original and complete major design component. (Examples: motor, fender, hood, wheel, light.)
  - Appears unable to legally or safely operate on the street in its present condition.
- Examples: ~~does not run~~, significant disassembly or collision damage, leaking

fluids, flat tire, tire off ground, vehicle up on blocks.

- Presents a nuisance or hazard as determined by the BOARD.

**2.16 MANAGING AGENT**

VMS (Village Management Services)

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Commented [LD6]: Renumbering started, due to the addition of MANAGING AGENT

**2.16 2.17 MANOR**

A dwelling unit ~~in~~ in LAGUNA WOODS VILLAGE.

**2.17 2.18 MEMBER**

The person having legal accountability to GRF and THIRD for a UNIT.

**2.18 2.19 MOTOR TRUCK**

A MOTOR VEHICLE designed, used, or maintained primarily for the transportation of property.

**2.19 2.20 MOTOR VEHICLE**

A vehicle that is self-propelled.

**EXCEPTIONS:**

- o A self-propelled wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

**2.20 2.21 NEIGHBORHOOD ELECTRIC VEHICLE (NEV)**

See GOLF CAR.

**2.21 2.22 NON-RESIDENT**

A person who is not a legal occupant of a UNIT in LAGUNA WOODS VILLAGE. NON-RESIDENTs include quests, contractors, vendors, and delivery drivers.

**2.22 2.23 NON-RESIDENT VEHICLE**

Any vehicle not registered as a RESIDENT VEHICLE with GRF.

**2.234 PAVEMENT**

The hard surface of a road or street.

**2.23 2.25 PICKUP TRUCK**

A MOTOR TRUCK having **all** of the following attributes:

- Is equipped with an open box-type bed not exceeding 9 feet in length.
- Has an overall vehicle length not exceeding 22 feet.
- Has only 2 axles.
- Has an unladen weight of less than 8,001 pounds.
- Has a manufacturer's gross vehicle weight rating of less than 11,500 pounds in single rear wheel configuration, or 14,000 pounds in dual rear wheel configuration.

PICKUP TRUCK does not include a vehicle otherwise meeting the above definition that is equipped with a bed-mounted storage compartment unit commonly called a "utility body" or "utility bed."

A vehicle otherwise meeting the above definition that is mounted with an equipment rack or storage chest, or displays advertising is deemed to be a COMMERCIAL VEHICLE.

A PICKUP TRUCK mounted with a camper unit extending over the cab or equipped with food preparation and sleeping areas is deemed to be a RECREATIONAL VEHICLE. See Section - 7.8 Recreational Vehicles Restricted.

**2.24 2.26 PEDESTRIAN**

A person who is **either** of the following:

- On foot or using a means of conveyance propelled by human power other than a BICYCLE.
- Operating a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

**2.25 2.27 RECREATIONAL VEHICLE (RV)**

A vehicle so defined in the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

**2.26 2.28 RESERVED PARKING**

A parking location that is marked as such by a sign, or curb or ~~pavement~~ PAVEMENT marking is set- aside for use only by the named user(s).

**2.27 2.29 RESIDENT**

A BOARD approved, legal occupant of a UNIT in LAGUNA WOODS VILLAGE.

**2.28 2.30 RESIDENT VEHICLE**

A vehicle that has ***all*** of the following attributes:

- A RESIDENT has exclusive use thereof.
- Is of a type approved by GRF.
- Is registered with GRF.

**2.29 2.31 SAFELIST**

A register maintained by the Security Services Department to document vehicles granted a limited exception to certain parking rules. Examples: Extended RESIDENT'S absence, overnight RV parking, late night calls for overnight guests without a parking permit.

**2.30 2.32 SPONSOR**

A RESIDENT, MEMBER or delegate for a MANOR, who approves the admission of any NON-RESIDENT into ~~Laguna Woods Village~~ LAGUNA WOODS VILLAGE,

**OR,**

A person representing an organization or business entity for the purpose of requesting entry for themselves or another into ~~LAGUNA WOODS VILLAGE~~ Laguna Woods Village.

**2.31 2.33 UNASSIGNED PARKING**

A proper parking location having ***both*** of the following attributes:

- Not an ASSIGNED PARKING space for a particular UNIT or RESIDENT.
- Not designated as GUEST PARKING or RESERVED PARKING.

**2.32 2.34 UNAUTHORIZED VEHICLE**

A vehicle having ***both*** of the following attributes:

- NON-RESIDENT VEHICLE.
- Parked IN THIRD at any time between the hours of 12:00 a.m. (midnight) and 6:00 a.m. without displaying a valid GRF Overnight Parking Permit.

~~2.33~~ **2.35 VISITOR PARKING**

See GUEST PARKING.

**3 BOARD AUTHORITY and ENFORCEMENT**

**3.1 BOARD AUTHORITY**

The BOARD establishes and from time to time updates these rules, and decides upon fines and other disciplinary actions for violations.

The BOARD will appoint a Director to participate as a member of the Laguna Woods Village Traffic Hearings Committee ~~(Committee) comprised of three (3) BOARD members.~~ The ~~Laguna Woods Village Traffic Hearings~~ Committee will schedule traffic hearings as necessary to adjudicate Notices of Violation. The ~~Laguna Woods Village Traffic Hearings~~ Committee is ~~an open~~ closed meeting that the alleged violator is invited to attend.

Commented [LD7]: Staff asks if using all upper case is desired.

Notices of violation, traffic hearings, assessment of fines and other disciplinary actions are administrative processes of GRF and ~~THIRD~~ Third ~~THIRD~~.

Commented [LD8]: Staff recommends using all upper case.

Fines and other disciplinary actions may be greater for repeated violations within a 3 year period.

The BOARD at its discretion may approve case-by-case exceptions to these rules.

The BOARD endorses the traffic rules of GRF ~~and the other Mutual Corporations. Notices of Violation issued in another Mutual's area to RESIDENTS of THIRD will be adjudicated as if the violation had occurred in THIRD as well as the United and Mutual 50 Corporations. Third's traffic rules take priority if the potential violation occurs on Third's property.~~

Commented [LD9]: Staff asks if using upper case is desired.

Commented [LD10]: Staff asks if using upper case is desired.

Commented [LD11]: Staff asks if using upper case is desired.

**3.1.1 MEMBER**

A MEMBER is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the MEMBER, or any delegate, occupant, lessee, renter, invitee or guest of the MEMBER.

**3.1.2 RESIDENT**

A RESIDENT is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the RESIDENT, or any delegate, occupant, lessee, renter, invitee or guest of the RESIDENT. Responsibility for non-compliance with any such disciplinary action transfers to the applicable MEMBER.

**3.1.3 NON-RESIDENT**

A NON-RESIDENT is subject to confiscation of their gate pass and other loss of community access privileges as determined by the Community Access ~~Division~~ Department within the Resident Services Department, and may be subject to an assessment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the NON-RESIDENT.

**3.1.4 SPONSOR OF A GUEST/NON-RESIDENT**

If a GUEST/NON-RESIDENT fails to pay a fine or comply with other disciplinary requirements determined by the BOARD, responsibility transfers to the RESIDENT

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SPONSOR who authorized

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the violator into ~~Laguna Woods Village~~LAGUNA WOODS VILLAGE. Responsibility for non-compliance with any such disciplinary action by the SPONSOR transfers to the applicable MEMBER.

### **3.1.5 ON-DUTY EMPLOYEE**

An ~~on-on~~-duty EMPLOYEE of the ~~managing agent~~MANAGING AGENT is held to the same standard of safe driving as all others.

A violator is subject to disciplinary action, including potential loss of driving privileges, in accordance with the ~~managing agent~~MANAGING AGENT's Human Resources policy and procedure.

### **3.1.6 OFF DUTY EMPLOYEE**

The Notice of Violation is unrelated to work and adjudicated under BOARD authority as a RESIDENT or NON-RESIDENT.

## **3.2 SECURITY SERVICES DEPARTMENT ENFORCEMENT**

Enforcement of these rules is the responsibility of the Laguna Woods Village Security Services Department, unless otherwise designated by law.

Security Officers will issue a Notice of Violation for any violation of these rules.

All persons must stop when directed or signaled by any member of the Security Services Department, and provide all items of identification as requested, such as GRF identification card, driver's license, vehicle registration, and gate pass.

## **3.3 NOTICE OF VIOLATION PROCESSING - RESIDENTS, MEMBERS, OWNERS, and NON-RESIDENTS**

Traffic hearings for RESIDENTS and NON-RESIDENTS will be held by the Laguna Woods Village Traffic Hearings Committee.

### **3.3.1 TRAFFIC HEARING NOTICE**

Following a Notice of Violation, the alleged violator will be sent a letter scheduling a traffic hearing date and time. This letter will be sent at least 15 days before the hearing.

### **3.3.2 TRAFFIC HEARING**

The traffic hearing will be ~~an open~~ a closed meeting. The Committee will hear testimony and consider evidence from the alleged violator and Security staff.

If an alleged violator chooses not to attend their hearing, the Committee will make its decision based on the Notice of Violation and other evidence presented.

After each hearing, the Committee will render its decision.

The ~~Laguna Woods Village Traffic Hearings~~ Committee's findings will be documented by a written report of the proceedings.

A letter stating the Committee's decision will be sent to the alleged violator within 10 days following the hearing. If the Committee finds the individual guilty, the letter will inform the violator of the penalty and present the choice of paying the scheduled fine, or attending ~~Traffic School~~TRAFFIC SCHOOL, if eligible.



### 3.3.3 **TRAFFIC SCHOOL**

The Laguna Woods Village Traffic School will be a 2 hour class addressing traffic safety topics, and designed for ~~Laguna Woods Village~~ **LAGUNA WOODS VILLAGE** drivers.

Traffic School is available to a violator once during any 3 year period.

The Security Services Department will provide instructors to teach Traffic School.

Every attendee must pay an administrative fee prior to attending Traffic School.

The following citations are ineligible for Traffic School: Parking, RV Lot Parking, Handicap Parking, and specific Moving Violations (Hit and Run, Valid Driver's Licenses Not Produced and Reckless Driving.

### 3.3.4 **FINES**

THIRD adopts the fine structure ~~of GRF~~ for traffic violations as per section 7.15 of these rules. ~~Fines are set by the latest GRF schedule.~~

### 3.4 **NOTICE OF VIOLATION PROCESSING – ON DUTY EMPLOYEES**

The Notice of Violation will be forwarded to the managing agent's Director of Human Resources for handling according to the managing agent's disciplinary policy.

## 4 **TOWING POLICY**

The California Vehicle Code authorizes private property tow-away at the vehicle owner's expense. The Security Services Department has been authorized by the BOARD to enforce these rules in compliance with California Vehicle Code § 22658 (a).

Violations may result in tow-away at the vehicle owner's expense. Vehicles may be towed immediately or after a 96 hour waiting period as indicated below.

### 4.1 **IMMEDIATE TOW AWAY**

#### 4.1.1 **SECURITY SERVICES DEPARTMENT TOWING**

The Security Services Department is authorized to **immediately tow-away at the vehicle owner's expense** any vehicle parked under **any** of the following conditions:

- In a space designated for handicapped parking while not displaying a valid disabled (handicapped) license plate or placard.
- In a no parking zone.
- Within 15 feet of a fire hydrant.
- Blocking an entrance or exit of a building, parking space, or street.
- Blocking a roadway or posing a hazard to traffic.
- Posing a safety or environmental hazard.

#### 4.1.2 **RESIDENT'S PRIVATE TOWING**

An ASSIGNED PARKING space (e.g. carport, driveway, garage) is provided for the exclusive use of the RESIDENT who controls (is in lawful possession of) that location.

No vehicle may be parked in any ASSIGNED PARKING location without that controlling RESIDENT'S written permission which can include an overnight parking pass.

California Vehicle Code §22658 (a) allows a person in lawful possession of private property (the controlling RESIDENT) to order the immediate tow-away of any vehicle parked without permission in that person's ASSIGNED PARKING space. Tow-away is made at the vehicle owner's expense.

***Because the tow-away is made from a restricted use common area location, the towing is a private matter between the RESIDENT ordering tow-away, the vehicle owner, and the towing company. THIRD-, GRF, and the Security Services Department are not parties to, and assume no authority or liability in the matter.***

#### 4.2 **TOW AWAY AFTER 96 HOURS NOTICE**

##### 4.2.1 **NON-RESIDENT VEHICLE IN ASSIGNED PARKING**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense a NON-RESIDENT vehicle, in an ASSIGNED PARKING location, for any violation of these rules, upon meeting all of the following requirements:

- ~~Receiving specific direction from the BOARD~~After a disciplinary hearing and the BOARD provides direction to staff.
- Requesting compliance to correct the violation or remove the vehicle from LAGUNA WOODS VILLAGE~~the Village~~.
- ~~Compliance is not made~~NON-RESIDENT does not comply within **96 hours** of written notification.

##### 4.2.2 **NON-RESIDENT VEHICLE IN OTHER THAN ASSIGNED PARKING**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense an UNAUTHORIZED VEHICLE or NON-RESIDENT vehicle, not in ASSIGNED PARKING, for any violation of these rules, upon meeting both of the following requirements:

- Requesting compliance to correct the violation or remove the vehicle from LAGUNA WOODS VILLAGE~~the Village~~.
- ~~NON-RESIDENT does not comply~~ ~~Compliance is not made~~ within **96 hours** of written notification.

##### 4.2.3 **RESIDENT VEHICLE IN ANY LOCATION**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense a RESIDENT VEHICLE for any violation of these rules, upon meeting all the following requirements:

- ~~After a disciplinary hearing and the BOARD provides direction to staff~~Receiving specific authorization from the BOARD.

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- Requesting compliance to correct the violation or remove the vehicle from ~~the~~ Village LAGUNA WOODS VILLAGE.

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- ~~Compliance is not made~~ RESIDENT does not comply within 96 hours of written notification.

## 5 LICENSE AND REGISTRATION REQUIREMENTS

### 5.1 DRIVERS LICENSE REQUIRED

Any person operating a MOTOR VEHICLE is required to have a valid driver's license in their possession and present it to any member of the Security Services Department upon request.

EXCEPTIONS:

- GOLF CART
- Motorized or electric BICYCLE

### 5.2 VEHICLE REGISTRATION REQUIRED

Every MOTOR VEHICLE in THIRD is required to display current on-street license plate and registration, and the person in control thereof must present current registration documentation to any member of the Security Services Department upon request.

EXCEPTIONS:

- GOLF CART
- Motorized or electric BICYCLE

### 5.3 AUTHORIZED RESIDENT VEHICLE TYPES

THIRD authorizes any vehicle type that is eligible to receive a GRF ~~decal~~ RFID tag.

### 5.4 GRF VEHICLE DECALS REGISTRATION

All RESIDENT MOTOR VEHICLES must be registered with GRF ~~and properly display the current GRF vehicle decal while in THIRD.~~

### 5.5 Resident Vehicle RESIDENT VEHICLE Decal-RFID TAG Ag LIMIT

Each UNIT is allowed to receive a limited number of GRF decals based on the number of original construction bedrooms.

- 1 Bedroom UNIT up to 2 ~~decals~~ RFID tags
- 2 Bedroom UNIT up to 3 RFID tags ~~decals~~
- 3 Bedroom UNIT up to 3 RFID tags ~~decals~~

The term "decal" applies to charging decals, for use in carports for charging. Each UNIT is allowed to receive up to a total of 2 "charging" decals for GOLF CARTS and/or GOLF CARS regardless of the number of original bedrooms in the UNIT.

~~Decal-RFID tag~~ counts do not include motorhomes and commercial vehicles stored in the GRF Recreational Vehicle Storage Area.

## 6 RULES FOR DRIVING

### 6.1 STAY ON PAVEMENT

Vehicles may only be driven on streets, cul-de-sacs, driveways, and designated parking areas designed for such use. Vehicles may not be driven or parked off

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| ~~pavement~~ PAVEMENT.

EXCEPTIONS:

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Certain specific and limited exceptions are detailed in

- o Section 8 - Special Rules for Golf Carts and Golf Cars
- o Section 9 - Special Rules for Bicycles (Non-motorized and Motorized)

## 6.2 **TRAFFIC CONTROL DEVICES**

Drivers must obey all posted traffic signs, and ~~pavement~~ PAVEMENT and curb markings.

## 6.3 **SPEED LIMITS**

Vehicles may never be driven faster than is safe for the prevailing conditions.

Vehicles may not exceed the posted speed limit.

- 25 MPH: All streets, unless otherwise posted
- 15 MPH: All cul-de-sacs and parking areas, unless otherwise posted
- 10 MPH: All inbound gate entrances

## 6.4 **STOP SIGNS**

When approaching a stop sign, drivers must stop at the limit line, if marked, otherwise before entering the crosswalk on the near side of the intersection.

- The limit line is a white line painted across the driver's lane just before the stop sign or crosswalk.
- If there is no limit line or crosswalk, drivers must stop at the entrance to the intersecting roadway.
- If visibility is restricted at the limit line or crosswalk, drivers may .after stopping at the limit line or crosswalk. need to pull forward and stop again before safely passing through the intersection.

Drivers must always make a full and complete stop.

- So called "California stops" or "rolling stops" are not allowed; the wheels of the vehicle must stop turning.

## 6.5 **RIGHT-OF-WAY**

### 6.5.1 **EMERGENCY VEHICLES**

Drivers must yield to any law enforcement, fire or ambulance vehicle with emergency lights illuminated or siren in use.

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### 6.5.2 **PEDESTRIANS**

The driver of a vehicle must yield the right-of-way to a PEDESTRIAN crossing the roadway. The driver of a vehicle approaching a PEDESTRIAN must exercise all due care and reduce the speed of the vehicle or take any other action relating to the operation of the vehicle as necessary to safeguard the safety of the PEDESTRIAN.

**Commented [LD14]:** Staff recommends using all upper case, for continuity.

No PEDESTRIAN may suddenly leave a curb or other place of safety and walk or run into the path of a vehicle that is so close as to constitute an immediate hazard. No PEDESTRIAN may unnecessarily stop or delay traffic.

**6.5.3 SIDE ROAD**

A driver entering a through road from a cul-de-sac or side road must yield to vehicles on the through road.

Commented [LD15]: Staff recommends using all upper case, for continuity.

**6.5.4 STOP SIGN**

At an intersection controlled by a stop sign, the first vehicle to arrive has the right of way. If two vehicles arrive at the same time, the vehicle to the right has the right of way.

Commented [LD16]: Staff recommends using all upper case, for continuity.

**6.5.5 TRAVEL LANES**

Do not drive to the left of center of the road, even when no center line is present.

Commented [LD17]: Staff recommends using all upper case, for continuity.

**6.5.6 TURNS**

A driver making a left turn or U-turn must yield to oncoming traffic.

Commented [LD18]: Staff recommends using all upper case, for continuity.

**6.6 WIRELESS COMMUNICATIONS**

Drivers may not operate a cell phone without the use of a hands-free device.

Drivers may not use a wireless device to write, send or read communications, or view images unless their vehicle is correctly pulled to the curb and parked.

**6.7 SEAT BELTS**

Drivers must wear a seat belt when driving.

Adult passengers must wear seat belts.

Younger passengers must be secured in a seat belt or child passenger restraint system of the type required by law on a public street.

**6.8 USE OF LIGHTS**

MOTOR VEHICLES must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise. This includes GOLF CARTS, GOLF CARS, and motorized or electric BICYCLES.

MOTOR VEHICLES must operate head lamps and tail lamps if rain, fog, or other hazardous weather conditions require the continuous use of windshield wipers.

MOTOR VEHICLES must use turn signals at least 100 feet before making a turn.

MOTOR VEHICLES approaching and entering any Laguna Woods Village LAGUNA WOODS VILLAGE gate at night must use low beam headlamps.

For safety, any PEDESTRIAN or non-motorized BICYCLE on a roadway at night must shine a flashlight or otherwise display lighting sufficient to be plainly visible in any direction within 200 feet.

- This includes any vehicle using human power, or a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (e.g. Segway) or motorized quadricycle.

**7 RULES FOR PARKING**

**7.1 VEHICLES PROHIBITED**

GRF specifies the types of vehicles prohibited from parking in LAGUNA WOODS VILLAGE. THIRD requires that any vehicle parked in THIRD must adhere to the GRF restrictions.

**7.2 ASSIGNED PARKING**

The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENT of a UNIT.

- A NON-RESIDENT party to a UNIT such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not ~~keep-store~~ any vehicle in the Village ~~when-whether or not~~ the subject UNIT is occupied by a RESIDENT ~~unless the RESIDENT has no vehicle and RESIDENT has obtained an overnight parking pass before~~ the NON-RESIDENT.

A RESIDENT must utilize their ASSIGNED PARKING space before using UNASSIGNED PARKING.

~~A NON-RESIDENT VEHICLE may not be stored in ASSIGNED PARKING.~~

- ~~A NON-RESIDENT vehicle parked more than 7 days in ASSIGNED PARKING is deemed to be stored, unless the person in possession is a GUEST who is listed for the same time period in the GRF Gate Clearance System and the vehicle is properly displaying a valid GRF Overnight Parking Permit.~~

**7.3 GENERAL PARKING RULES**

**7.3.1 PARK SAFELY**

At no time may a vehicle be parked in a manner creating a traffic hazard.

**7.3.2 FIRE HYDRANT**

At no time may a vehicle be parked within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See Section 4 – Towing Policy.

**7.3.3 SIDEWALK**

Except to safely cross on a roadway or driveway, no vehicle may be driven or parked with any portion of it on a sidewalk.

**7.3.4 OFF PAVEMENT**

At no time may a vehicle be driven or parked with any portion of it off pavement.

**EXCEPTIONS:**

Certain specific and limited exceptions are detailed in

- o Section 8 - Special Rules for Golf Carts and Golf Cars.
- o Section 9 - Special Rules for Bicycles.

**7.3.5 CURB OR PARKING STALL**

Commented [LD19]: Staff recommends using "for" instead of "to"

Commented [LD20]: Staff recommends using all upper case, for continuity.

Commented [LD21]: Staff recommends using all upper case, for continuity.

Commented [LD22]: Staff recommends using all upper case, for continuity.

Commented [LD23]: Staff recommends using all upper case, for continuity.

Commented [LD24]: Staff recommends using all upper case, for continuity.

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Vehicles may park in a designated parking stall or along a curb or sidewalk.

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- Parking along a curb or sidewalk:
  - Vehicles on a 2-way travel roadway must be parked with the passenger side wheels alongside the curb or sidewalk.
  - Vehicles on a 1-way travel roadway may park alongside the curb or sidewalk on either side of the roadway.
  - The front and rear wheels alongside must be within 18" of the curb or sidewalk edge.
  - Vehicles may not be parked in, or within 20 feet of a street intersection.
- Parking in a marked stall:
  - Vehicle must fit and be parked completely within the marked boundaries of a parking space.
- Parking in an unmarked stall:
  - A vehicle may be parked in a location that is not marked; however, at no time may it be parked in a manner that creates a traffic hazard, interferes with other vehicle access, PEDESTRIAN traffic, or access to facilities or equipment.

**7.3.6 ~~INOPERATIVE~~ ~~operative~~ VEHICLE ~~ehicle~~**

At no time may an INOPERATIVE VEHICLE be parked ~~IN~~ IN THIRD.

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**7.3.7 ~~ABANDONED~~ ~~bandoned~~ VEHICLE ~~ehicle~~**

At no time may an ABANDONED VEHICLE be parked ~~IN~~ IN THIRD.

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**7.3.8 ~~UNAUTHORIZED~~ ~~nauthorized~~ VEHICLE ~~ehicle~~**

At no time may an UNAUTHORIZED VEHICLE be parked ~~IN~~ IN THIRD.

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**7.4 TIME LIMITED PARKING**

**7.4.1 ASSIGNED PARKING**

There is no time limit that a RESIDENT VEHICLE may be parked in the ASSIGNED PARKING location for RESIDENT'S MANOR, provided that the vehicle's GRF vehicle decal, government registration, mechanical condition and appearance are properly maintained.

- A vehicle that appears INOPERABLE or ABANDONED is subject to tow-away at vehicle owner's expense. See Section 2 - Definitions, and Section 4 - Towing Policy.
- A RESIDENT VEHICLE parked in the ASSIGNED PARKING locations for a RESIDENT's MANOR must have a government issued registration for on-street operation that is no more than one (1) year out of date.

Commented [LD28]: Typo, should be "d" not "s"

**7.4.2 UNASSIGNED PARKING**

Signs and curb and ~~pavement~~ PAVEMENT markings that limit or prohibit parking apply at all times.

- Red zone: No stopping, standing or parking.

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## EXCEPTIONS:

- A driver may stop to avoid conflict with other traffic.
- An attended vehicle may stop for passenger transfers.
- An attended vehicle may stop for emergency vehicles.
- An attended vehicle may stop for use of a mailbox.
- An attended vehicle may stop or stand while necessarily engaged in work.  
     Examples: moving or delivery truck.
- An unattended vehicle or piece of equipment may park when necessary and is authorized by the Security Services Department.
- Blue zone: Parking is permitted only when the vehicle is displaying a valid government issued disabled (handicapped) license plate or placard.
- Fire hydrant zone: No person shall stop, park, or leave standing any vehicle within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See Section 4 – Towing Policy.
- Green zone: Parking may not exceed 10 minutes, or as posted by sign or curb marking.

## EXCEPTION:

- Unlimited time parking in a Green ~~Zone~~ zone is permitted only when the vehicle is displaying a valid government issued disabled (handicapped) license plate or placard.
- Grey zone: Same as Unpainted.
- Handicapped zone: See "Blue zone."
- White zone: Loading and unloading only.
- Yellow zone: Commercial vehicle loading and unloading only.
- Unpainted: Parking is permitted for up to 7 continuous days, unless otherwise restricted. Parking is always prohibited within 15 feet of a fire hydrant even if the curb is unpainted. See Fire hydrant zone above.

## EXCEPTION:

- Resident's extended absence parking. See Section 7.5 following.
- Within six (6) feet to either side of a mailbox.
- GUEST PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.
- RESERVED PARKING zone: Parking is prohibited by a vehicle not carrying a party designated by the sign.
- VISITOR PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.

**Commented [LD29]:** Staff recommends lower case for continuity.

### 7.5 **RESIDENT'S EXTENDED ABSENCE PARKING**

Due to a RESIDENT'S extended absence from the Village, a RESIDENT VEHICLE may be parked in UNASSIGNED PARKING for more than 7 days under the following conditions:

- RESIDENT'S ASSIGNED PARKING space must be occupied during the same time period by another RESIDENT VEHICLE.
- As a courtesy to fellow RESIDENTS, vehicle must be parked as far as practicable from MANORS, preferably on a named street rather than in a numbered cul-de-sac.
- RESIDENT must arrange to keep the vehicle's ~~GRF vehicle decal~~, government issued registration, appearance and operating condition up to date. Vehicles that become INOPERABLE, or appear neglected or ABANDONED, become subject to tow-away at owner's expense. See Section 4 - Towing Policy.
- The RESIDENT must SAFELIST the vehicle with the Security Services Department.
- NON-RESIDENT vehicles are not eligible for extended parking privileges.

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### 7.6 **CONTRACTOR and SERVICE VEHICLE PARKING**

Contractor and service vehicles, including personal vehicles driven by workers, must be parked on named streets and are prohibited from parking within numbered cul-de-sacs or assigned parking spaces.

- Contractors may park on a SPONSORING RESIDENT'S driveway with the RESIDENT'S permission or in the RESIDENT's assigned covered parking with their expressed written permission, but may not obstruct the sidewalk.

#### EXCEPTIONS:

- Vehicles, equipment and materials immediately and directly required for the performance of work.
- Vehicles immediately loading or unloading.

### 7.7 **OVERNIGHT PARKING PERMITS**

GRF has rules regarding overnight parking for NON-RESIDENTS. THIRD requires that any vehicle parked overnight adhere to GRF's overnight parking rules.

### 7.8 **RECREATIONAL VEHICLES (RV) RESTRICTED**

Daily parking is limited to the GRF Recreational Vehicle Storage Area. Refer to the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

An RV may park in THIRD only when meeting **all** of the following conditions:

- RV is parked only for the purpose of loading or unloading. Other activities such as sleeping or resting in the RV, and vehicle maintenance are not allowed.
- RV is parked with engine and accessory equipment (e.g. exterior lights, generator, air conditioner, audio and video equipment) shut off.
- Extensions such as slide-outs, tilt-outs, and awnings must be closed.
- RV may not be attached to any external power supply.

- Leveling jacks, if used, must include a base plate sufficient to prevent damage to ~~pavement~~PAVEMENT.
- RV is parked for no more than 6 hours at a time.

EXCEPTION:

- Permission to park overnight immediately before or after a road trip will be reasonably granted by the Security Services Department. Vehicle must be removed no later than 12:00 noon the following day.

**7.9 FOR SALE SIGNS**

RESIDENT VEHICLES may display a maximum of two (2) "For Sale" signs advertising that vehicle. Each sign may be up to 9" x 12" in size. No signage may be on the exterior of the vehicle.

**7.10 ADVERTISING**

Any signage advertising a business or organization is prohibited on a vehicle parked overnight. Displaying a name or contact information such as a physical or communications address constitutes advertising.

EXCEPTIONS:

- Commercial vehicle or equipment displaying a valid GRF Overnight Parking Permit issued by the managing agent.
- License plate frames, and vehicle manufacturer's incidental identification and accessory items (example: vehicle brand and model nameplates.)
- Signs allowed in Section 7.9 – For Sale Signs.
- GRF vehicles.

**7.11 REPAIRS**

Vehicles may not be rebuilt or rehabilitated, major service may not be performed, and fluids may not be changed.

**7.12 WASHING**

In the interest of water conservation, vehicle washing is prohibited ~~IN~~IN THIRD.

**7.13 PLUG IN ELECTRIC VEHICLES (PEV)**

~~NON-RESIDENT~~resident and ~~GUEST~~guest PEVs are prohibited from connecting to common area outlets.

Any PEV connected to a common area outlet without authorization may be disconnected and/or owner contacted by Security staff, in addition to the other enforcement actions allowed in these rules.

Owners of PEVs are solely responsible for the proper use and maintenance of their vehicle and any associated equipment used in charging the vehicle and may not make any unauthorized alterations to Mutual outlets, wiring, circuit breakers or electric service panels.

Resident PEVs of other types (e.g. battery electric and plug-in hybrid vehicles) are allowed to connect to Mutual common area electricity upon payment of the electricity

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user fee set by the Mutual Board, and Resident must properly display a Mutual issued Electric Vehicle (EV) decal on the vehicle.

- A pro-rated annual electricity usage fee, as set forth on the Mutual fee sheet, registered to any UNIT that does not have a private garage per the requirements of the BOARD approved Alteration Standard, Section 44, Electric Vehicle Charging Stations.
- Participating PEVs will be issued a Mutual authorized EV decal, affixed by staff to the exterior of the rearmost window in the lower corner furthest from the driver.
  - The EV decal is the property of THIRD and may be revoked upon expiration, withdrawal or termination from program, or non-compliance with these rules.



- The EV decal authorized to connect common area only.
  - Connection to outlets controlled by GRF, United, or Mutual Fifty is prohibited, except for self-contained, fee-per-use charging stations.
  - Connection to an outlet metered at any individual THIRD UNIT is prohibited without the controlling Resident's express permission.
  - Residents may request to "opt-out" of the Mutual EV Decal program by submitting a signed waiver at Resident Services indicating they will not be using Mutual common area electric to charge their Plug-in Electric Vehicle (PEV), and that they understand the consequences (fines) if they violate the Mutual EV Decal policy.
  - PEV's are equipped with charging cords, which for the purpose of this Policy are not "extension cords".

signifies the PEV is to outlets in the THIRD

#### ~~UNATTENDED EXTENSION CORDS~~

~~Unattended extension cords may not be used in THIRD for any purpose. Residents found with unattended extension cords will be subject to fines.~~

~~Electrical use charges shall be computed in the following manner:~~

- ~~The total miles driven since the last odometer mileage recorded by staff will be divided by 3.5 to calculate the kilowatt hours usage of common area electricity used to charge the PEV (3.5 equates to miles driven per KW charged). This value will be multiplied by the existing electrical common area billing rate of Southern California Edison, or other electric service provider if applicable.~~

~~NOTE: According to the Third Mutual Energy Committee chair, Third pays SCE commercial electric rates that as of 7-15-2015 are about 17 cents per kilowatt hour. This is in between the comparable residential user rates of Tier 1 at 15 cents and Tier 2 at 19 cents per kilowatt hour.~~

- ~~o This calculation assumes that all energy use attributed to the PEV during the enrollment period was received by connection to Third Mutual common area outlets. No deduction will be considered for the PEV charging at any other location, or charging or motive power received from a PEV onboard source (e.g. hybrid engine, integrated solar panel)~~

#### 7.14 **EXTENSION CORDS**

In the interest of safety, unattended extension cords may not be used IN THIRD for any purpose. Any unattended extension cord may be disconnected by Security staff, in addition to the other enforcement actions allowed in these rules.

#### 7.15 **FINES**

Refer to the THIRD Fee Sheet and the Schedule of Traffic and Monetary Penalties as it applies.

### 8 **SPECIAL RULES FOR GOLF CARTS and GOLF CARS**

#### 8.1 **GOLF CART**

Unless exempted in this Section, all THIRD Vehicle, Parking and Traffic Rules, including stop sign, speed limit, parking, and GRF vehicle decal rules, apply to GOLF CARTS, just as any other MOTOR VEHICLE.

##### 8.1.1 **DRIVERS LICENSE**

A driver's license is not required to operate a GOLF CART.

##### 8.1.2 **MINIMUM AGE**

A NON-RESIDENT driving a GOLF CART must be ***both***

- Age 16 years or older.
- Accompanied by a RESIDENT.

##### 8.1.3 **VEHICLE REGISTRATION**

No government vehicle registration is required.

##### 8.1.4 **LIGHTS**

Must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise.

##### 8.1.5 **STAY ON PAVEMENT**

Driving off ~~pavement~~ **PAVEMENT** is prohibited.

EXCEPTION:

- Limited driving off ~~pavement~~ **PAVEMENT** is allowed at the GRF 27-hole golf course, in accordance with golf course rules.

### 8.1.6 **SIDEWALKS AND PATIOS**

Driving or parking is not allowed on sidewalks, breezeways, or patios.

### 8.1.7 **CART PATHS**

Driving on paved cart paths is permissible. On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

## 8.2 **GOLF CAR**

Unless exempted in this Section, all THIRD Vehicle, Parking and Traffic Rules apply to GOLF CARS, just as any other MOTOR VEHICLE.

### 8.2.1 **CART PATHS**

May be driven on a paved cart path.

On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

## 9 **SPECIAL RULES FOR BICYCLES (NON-MOTORIZED AND MOTORIZED)**

Unless otherwise specified in this Section, all requirements of Section 6 - Rules for Driving, including stop sign and speed limit rules, and Section 7 - Rules for Parking, apply to BICYCLES.

### ~~9.1 **STAY ON PAVEMENT**~~

~~BICYCLES may not be ridden off pavement.~~

### 9.29.1 **SIDEWALKS**

Riding on a sidewalk is allowed only between a point of origin or destination and the nearest connector to a street or cul-de-sac.

EXCEPTION:

- When delivering newspapers, a BICYCLE may be ridden an unlimited distance on a sidewalk.



While riding on a path or sidewalk, the cyclist must:

- Exercise due regard for the safety of all PEDESTRIANS.
- Travel at a speed that is reasonable and prudent.
- Yield the right-of-way to all PEDESTRIANS.
- Walk the BICYCLE when inside a building or on any covered passageway.

#### 9.39.2 LIGHTS

For safety, at night a BICYCLE must operate lighting sufficient to be plainly visible in any direction within 200 feet.

#### 9.49.3 PARKING

Bicycles may not be parked in any manner interfering with foot or vehicle traffic.

Bicycles must be parked utilizing parking racks where provided.

Attended BICYCLES may be parked off ~~pavement~~PAVEMENT, but only in such a manner as not to damage landscaping.

## **10 SPECIAL RULES FOR PEDESTRIANS**

### **10.1 SIDEWALKS**

For safety considerations, PEDESTRIANS ~~may~~should not walk upon a roadway.

#### EXCEPTIONS:

- When crossing a roadway.
- When there is no adjacent sidewalk available that is at least two (2) feet wide.

When upon any roadway, PEDESTRIANS must:

- Walk facing the flow of traffic, unless upon a 1-way roadway.
- Avoid stopping or delaying traffic.
- Shine a flashlight or otherwise display lighting at night sufficient to be plainly visible in any direction within 200 feet.

### **10.2 SKATEBOARDS**

No person may ride or propel a skateboard or other riding device.

#### EXCEPTION:

- ~~A person operating a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (ex: Segway) or motorized quadricycle.~~

## 11 **SPECIAL RULES FOR MANAGING AGENT**

MOTOR VEHICLES and equipment used by the ~~managing agent~~ **MANAGING AGENT** are permitted to operate and park on roadways, sidewalks, paths and landscape in a manner such as needed to efficiently provide services, such as maintenance, landscaping and security.

Except as necessary to efficiently provide services, MOTOR VEHICLES and equipment must be parked so as not to block access, walkways, or carports.

Except for fire hydrant and handicapped parking zones, all parking locations may be used by the ~~managing agent~~ **MANAGING AGENT** as needed to efficiently provide services.

Visitor/unassigned parking locations may be used by the managing agent only in an emergency and/or to drop off heavy equipment.

MOTOR VEHICLES operated by the MANAGING AGENT must follow all of the traffic rules as outlined in this document.

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**Commented [LD33]:** Staff recommends using all upper case, for continuity.

## 12 **RULES FOR REPORTING COLLISIONS**

### 12.1 **INJURY TO A PERSON**

For a collision that causes injury or death to a person:

- Notify local authorities (Call 911-).
- Notify the Laguna Woods Village Security Department.
- Driver must stop and remain at the scene to provide their identity and information about the collision.
- ~~Notify local authorities (Call 911-.)~~
- ~~Notify the Laguna Woods Village Security Department.~~

### 12.2 **NO INJURY TO A PERSON**

For a collision with no injuries that causes damage to any property, including damage solely to the driver's own MOTOR VEHICLE or BICYCLE:

- Notify the Laguna Woods Village Security Services Department.
- Driver must stop and remain at the scene to provide their identity and information about the collision.
- Driver must identify themselves to the owner or individual in control of the damaged property.
- ~~Notify the Laguna Woods Village Security Services Department~~
- Any involved party may request the ~~sheriff's~~ Sheriff's department respond for a report.



**Vehicle, Traffic, and Parking Rules**

**Resolution 03-24-xx, adopted MMM DD, 2024; Resolution 03-19-85, adopted August 20, 2019; Resolution 03-19-50, adopted May 21, 2019; Resolution 03-17-152, adopted December 19, 2017; Resolution 03-15-42, adopted April 21, 2015; and Resolution 03-14-43, adopted April 15, 2014**

The following Vehicle, Traffic, and Parking Rules are strictly enforced and are applicable to all pedestrians and persons controlling or operating vehicles on any real property regulated by Third Laguna Hills Mutual (Third). This generally refers to the cul-de-sacs, parking areas, sidewalks, and grounds regulated by Third.

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**1 PREFACE**

(See Section 2 – Definitions, for words appearing in ALL CAPITAL LETTERS.)

To promote safety, the BOARD requires that all drivers and vehicles in THIRD follow the same rules for driving and parking as are expected on public streets, unless otherwise specified in herein.

Enforcement is the responsibility of the Laguna Woods Village Security Division, unless otherwise designated by law. All persons must stop when directed or signaled by a member of the Security Services Division and provide all items of identification as requested, such as GRF identification card, driver’s license, vehicle registration, gate pass, etc.

Security Officers will issue Notices of Violation for violation of these rules. Drivers in violation may be subject to a fine and other disciplinary action. Vehicles parked in violation of these rules may be subject to a fine, and towed-away at the vehicle owner's expense.

The BOARD kindly reminds everyone that parking space is a valuable and limited resource.

- RESIDENTS are encouraged to limit their number of vehicles kept IN THIRD.
- Please remind your guests to use UNASSIGNED PARKING or your own ASSIGNED PARKING space. Use of another RESIDENT'S ASSIGNED PARKING space without their permission can result in a Notice of Violation, fine, and tow-away at the vehicle owner's expense.
- The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENTS of the associated UNIT and should not impact others' ability to park in their ASSIGNED PARKING.
- A NON-RESIDENT party to a UNIT such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not keep any vehicle in the Village when the subject UNIT is occupied by a RESIDENT.

The MEMBER is responsible for any violation occurring in their ASSIGNED PARKING unless someone not authorized is parking in the MEMBER's ASSIGNED PARKING (in which case, the MEMBER should work with Security to address the situation).

The MEMBER is responsible for any violation committed by their delegate, invitee, renter or lessee, and any invitee of a delegate, renter or lessee.

## 2 **DEFINITIONS**

Words appearing in ALL CAPITAL LETTERS are defined in this section.

### 2.1 **ABANDONED VEHICLE**

A MOTOR VEHICLE having ***either*** of the following attributes:

- Appears deserted, neglected, or INOPERABLE.
- If in UNASSIGNED or GUEST PARKING and has not been moved within a 21 day period unless previously receiving written authorization from the Security Department. (See Section 7.5 - Resident's Extended Parking.)

### 2.2 **ASSIGNED PARKING**

A defined parking location such as a carport, parking garage space, under manor parking, or UNIT driveway or garage that has ***both*** of the following attributes:

- Is regulated by THIRD.
- Is allotted as an exclusive use area of a particular UNIT.

2.3 **BOARD** The THIRD Board of Directors or its designated Committee.

### 2.4 **BICYCLE**

A device, upon which a person can ride, propelled by human power through pedals, a

belt, chain, or gears and having one or more wheels.

- A motorized and/or electric bicycle is classified as a MOTOR VEHICLE, not a BICYCLE.

## 2.5 **COMMERCIAL VEHICLE**

A vehicle displaying **any** of the following attributes:

- Of a type used or maintained for the transportation of persons for hire, compensation, or profit.  
Examples: taxi cab, limousine, any vehicle originally designed to carry 12 or more passengers.
- Designed, used, or maintained primarily for the transportation of property.
  - Includes any vehicle mounted with a utility body/bed. However, a carrier designed for specific sports or athletic equipment (e.g. bicycle or ski rack) is acceptable.
- Used, specially equipped, or advertised for commercial purposes.

Examples: MOTOR TRUCK, cargo trailer, PICKUP TRUCK with a ladder rack or utility body or carrying visible tools or merchandise, van with business advertising displayed or carrying visible tools, chests, racks or merchandise.

### **EXCEPTIONS:**

- PICKUP TRUCKS and passenger vehicles (including commuter carpooling vans of up to 11 passenger capacity) are not COMMERCIAL VEHICLES unless used, specially equipped, or advertised for commercial purposes.

## 2.6 **EMPLOYEE**

A person who is employed by the MANAGING AGENT Village Management Services (VMS).

## 2.7 **GRE**

The Golden Rain Foundation of Laguna Woods.

## 2.8 **GOLF CART**

A MOTOR VEHICLE having **all** of the following attributes:

- Having not less than three wheels in contact with the ground.
- Having an unladen weight of less than 1,300 pounds.
- Designed to be operated at no more than 20 mph.
- Designed to carry golf equipment and passengers.
- Is exempt from California Motor Vehicle Registration.

## 2.9 **GOLF CAR**

A MOTOR VEHICLE that has **all** the attributes of a Low Speed Vehicle (LSV) or Neighborhood Electric Vehicle (NEV):

- Having 4 wheels.
- Having a gross vehicle weight rating of less than 3,000 pounds.
- Designed to attain a speed of more than 20 miles per hour and not more than 25 miles per hour on a paved level surface.
- May legally be driven on public streets with a maximum speed limit of 35 miles per hour.
- Requires government motor vehicle registration on a public street.

### **2.10 GUEST**

A NON-RESIDENT approved for entry into LAGUNA WOODS VILLAGE by an authorized party for a MANOR, or by the MANAGING AGENT.

### **2.11 GUEST PARKING**

A parking location that is marked as such by a sign, or curb or PAVEMENT marking is reserved for GUEST use only.

### **2.12 LOW SPEED VEHICLE (LSV)**

See GOLF CAR.

### **2.13 LAGUNA WOODS VILLAGE**

Any real property governed by GRF or a Mutual Corporation in LAGUNA WOODS VILLAGE.

### **2.14 IN THIRD**

Any real property governed by THIRD.

### **2.15 INOPERABLE VEHICLE**

A partial or complete vehicle displaying ***any*** of the following attributes:

- Is parked in GUEST PARKING or UNASSIGNED PARKING and has a government registration for on-street operation that is at least three (3) months out of date.
- Is parked in ASSIGNED PARKING and has a government registration for on-street operation that is at least one (1) year out of date.
- Is government registered with a classification of non-operational, or for a use other than on-street.

Examples: "Planned Non Operation," "Off Highway Vehicle," and watercraft registrations.

#### **EXCEPTION:**

- The above registration provisions do not apply to GOLF CARTS. See Section 5.2 – Vehicle Registration Required.
- Lacks any original and complete major design component. (Examples: motor, fender, hood, wheel, light.)
- Appears unable to legally or safely operate on the street in its present condition.  
Examples: significant disassembly or collision damage, leaking fluids, flat tire,

tire off ground, vehicle up on blocks.

- Presents a nuisance or hazard as determined by the BOARD.

**2.16 MANAGING AGENT**

VMS (Village Management Services)

**2.17 MANOR**

A dwelling unit in LAGUNA WOODS VILLAGE.

**2.18 MEMBER**

The person having legal accountability to GRF and THIRD for a UNIT.

**2.19 MOTOR TRUCK**

A MOTOR VEHICLE designed, used, or maintained primarily for the transportation of property.

**2.20 MOTOR VEHICLE**

A vehicle that is self-propelled.

EXCEPTIONS:

- A self-propelled wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

**2.21 NEIGHBORHOOD ELECTRIC VEHICLE (NEV)**

See GOLF CAR.

**2.22 NON-RESIDENT**

A person who is not a legal occupant of a UNIT in LAGUNA WOODS VILLAGE. NON-RESIDENTs include guests, contractors, vendors, and delivery drivers.

**2.23 NON-RESIDENT VEHICLE**

Any vehicle not registered as a RESIDENT VEHICLE with GRF.

**2.24 PAVEMENT**

The hard surface of a road or street.

**2.25 PICKUP TRUCK**

A MOTOR TRUCK having ***all*** of the following attributes:

- Is equipped with an open box-type bed not exceeding 9 feet in length.
- Has an overall vehicle length not exceeding 22 feet.
- Has only 2 axles.
- Has an unladen weight of less than 8,001 pounds.
- Has a manufacturer's gross vehicle weight rating of less than 11,500 pounds in single rear wheel configuration, or 14,000 pounds in dual rear wheel configuration.

PICKUP TRUCK does not include a vehicle otherwise meeting the above definition that

is equipped with a bed-mounted storage compartment unit commonly called a “utility body” or “utility bed.”

A vehicle otherwise meeting the above definition that is mounted with an equipment rack or storage chest, or displays advertising is deemed to be a COMMERCIAL VEHICLE.

A PICKUP TRUCK mounted with a camper unit extending over the cab or equipped with food preparation and sleeping areas is deemed to be a RECREATIONAL VEHICLE. See Section - 7.8 Recreational Vehicles Restricted.

### **2.26 PEDESTRIAN**

A person who is ***either*** of the following:

- On foot or using a means of conveyance propelled by human power other than a BICYCLE.
- Operating a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

### **2.27 RECREATIONAL VEHICLE (RV)**

A vehicle so defined in the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

### **2.28 RESERVED PARKING**

A parking location that is marked as such by a sign, or curb or PAVEMENT marking is set- aside for use only by the named user(s).

### **2.29 RESIDENT**

A BOARD approved, legal occupant of a UNIT in LAGUNA WOODS VILLAGE.

### **2.30 RESIDENT VEHICLE**

A vehicle that has ***all*** of the following attributes:

- A RESIDENT has exclusive use thereof.
- Is of a type approved by GRF.
- Is registered with GRF.

### **2.31 SAFELIST**

A register maintained by the Security Services Department to document vehicles granted a limited exception to certain parking rules. Examples: Extended RESIDENT’S absence, overnight RV parking, late night calls for overnight guests without a parking permit.

### **2.32 SPONSOR**

A RESIDENT, MEMBER or delegate for a MANOR, who approves the admission of any NON-RESIDENT into LAGUNA WOODS VILLAGE,

***OR,***

A person representing an organization or business entity for the purpose of requesting entry for themself or another into LAGUNA WOODS VILLAGE.



**2.33 UNASSIGNED PARKING**

A proper parking location having ***both*** of the following attributes:

- Not an ASSIGNED PARKING space for a particular UNIT or RESIDENT.
- Not designated as GUEST PARKING or RESERVED PARKING.

**2.34 UNAUTHORIZED VEHICLE**

A vehicle having ***both*** of the following attributes:

- NON-RESIDENT VEHICLE.
- Parked IN THIRD at any time between the hours of 12:00 a.m. (midnight) and 6:00 a.m. without displaying a valid GRF Overnight Parking Permit.

**2.35 VISITOR PARKING**

See GUEST PARKING.

**3 BOARD AUTHORITY and ENFORCEMENT****3.1 BOARD AUTHORITY**

The BOARD establishes and from time to time updates these rules, and decides upon fines and other disciplinary actions for violations.

The BOARD will appoint a Director to participate as a member of the Laguna Woods Village Traffic Hearings Committee (Committee). The Committee will schedule traffic hearings as necessary to adjudicate Notices of Violation. The Committee is a closed meeting that the alleged violator is invited to attend.

Notices of violation, traffic hearings, assessment of fines and other disciplinary actions are administrative processes of GRF and THIRD.

Fines and other disciplinary actions may be greater for repeated violations within a 3 year period.

The BOARD at its discretion may approve case-by-case exceptions to these rules.

The BOARD endorses the traffic rules of GRF as well as the United and Mutual 50 Corporations. Third's traffic rules take priority if the potential violation occurs on Third's property.

**3.1.1 MEMBER**

A MEMBER is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the MEMBER, or any delegate, occupant, lessee, renter, invitee or guest of the MEMBER.

**3.1.2 RESIDENT**

A RESIDENT is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the RESIDENT, or any delegate, occupant, lessee, renter, invitee or guest of the RESIDENT. Responsibility for non-compliance with any such disciplinary action transfers to the applicable MEMBER.

**3.1.3 NON-RESIDENT**

A NON-RESIDENT is subject to confiscation of their gate pass and other loss of community access privileges as determined by the Community Access Department within the Resident Services Department, and may be subject to an assessment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the NON-RESIDENT.

### **3.1.4 SPONSOR OF A GUEST/NON-RESIDENT**

If a GUEST/NON-RESIDENT fails to pay a fine or comply with other disciplinary requirements determined by the BOARD, responsibility transfers to the RESIDENT SPONSOR who authorized

the violator into LAGUNA WOODS VILLAGE. Responsibility for non-compliance with any such disciplinary action by the SPONSOR transfers to the applicable MEMBER.

### **3.1.5 ON-DUTY EMPLOYEE**

An on-duty EMPLOYEE of the MANAGING AGENT is held to the same standard of safe driving as all others.

A violator is subject to disciplinary action, including potential loss of driving privileges, in accordance with the MANAGING AGENT's Human Resources policy and procedure.

### **3.1.6 OFF DUTY EMPLOYEE**

The Notice of Violation is unrelated to work and adjudicated under BOARD authority as a RESIDENT or NON-RESIDENT.

## **3.2 SECURITY SERVICES DEPARTMENT ENFORCEMENT**

Enforcement of these rules is the responsibility of the Laguna Woods Village Security Services Department, unless otherwise designated by law.

Security Officers will issue a Notice of Violation for any violation of these rules.

All persons must stop when directed or signaled by any member of the Security Services Department, and provide all items of identification as requested, such as GRF identification card, driver's license, vehicle registration, and gate pass.

## **3.3 NOTICE OF VIOLATION PROCESSING - RESIDENTS, MEMBERS, OWNERS, and NON-RESIDENTS**

Traffic hearings for RESIDENTS and NON-RESIDENTS will be held by the Laguna Woods Village Traffic Hearings Committee.

### **3.3.1 TRAFFIC HEARING NOTICE**

Following a Notice of Violation, the alleged violator will be sent a letter scheduling a traffic hearing date and time. This letter will be sent at least 15 days before the hearing.

### **3.3.2 TRAFFIC HEARING**

The traffic hearing will be a closed meeting. The Committee will hear testimony and consider evidence from the alleged violator and Security staff.

If an alleged violator chooses not to attend their hearing, the Committee will make its decision based on the Notice of Violation and other evidence presented.

After each hearing, the Committee will render its decision.

The Committee's findings will be documented by a written report of the proceedings.

A letter stating the Committee's decision will be sent to the alleged violator within 10 days following the hearing. If the Committee finds the individual guilty, the letter will inform the violator of the penalty and present the choice of paying the scheduled fine, or attending TRAFFIC SCHOOL, if eligible.

### **3.3.3 TRAFFIC SCHOOL**

The Laguna Woods Village Traffic School will be a 2 hour class addressing traffic safety topics, and designed for LAGUNA WOODS VILLAGE drivers.

Traffic School is available to a violator once during any 3 year period.

The Security Services Department will provide instructors to teach Traffic School.

Every attendee must pay an administrative fee prior to attending Traffic School.

The following citations are ineligible for Traffic School: Parking, RV Lot Parking, Handicap Parking, and specific Moving Violations (Hit and Run, Valid Driver's Licenses Not Produced and Reckless Driving.

### **3.3.4 FINES**

THIRD adopts the fine structure for traffic violations as per section 7.15 of these rules.

### **3.4 NOTICE OF VIOLATION PROCESSING – ON DUTY EMPLOYEES**

The Notice of Violation will be forwarded to the managing agent's Director of Human Resources for handling according to the managing agent's disciplinary policy.

## **4 TOWING POLICY**

The California Vehicle Code authorizes private property tow-away at the vehicle owner's expense. The Security Services Department has been authorized by the BOARD to enforce these rules in compliance with California Vehicle Code § 22658 (a).

Violations may result in tow-away at the vehicle owner's expense. Vehicles may be towed immediately or after a 96 hour waiting period as indicated below.

### **4.1 IMMEDIATE TOW AWAY**

#### **4.1.1 SECURITY SERVICES DEPARTMENT TOWING**

The Security Services Department is authorized to **immediately tow-away at the vehicle owner's expense** any vehicle parked under **any** of the following conditions:

- In a space designated for handicapped parking while not displaying a valid disabled (handicapped) license plate or placard.
- In a no parking zone.
- Within 15 feet of a fire hydrant.
- Blocking an entrance or exit of a building, parking space, or street.
- Blocking a roadway or posing a hazard to traffic.
- Posing a safety or environmental hazard.

**4.1.2 RESIDENT'S PRIVATE TOWING**

An ASSIGNED PARKING space (e.g. carport, driveway, garage) is provided for the exclusive use of the RESIDENT who controls (is in lawful possession of) that location.

No vehicle may be parked in any ASSIGNED PARKING location without that controlling RESIDENT'S **written** permission which can include an overnight parking pass.

California Vehicle Code §22658 (a) allows a person in lawful possession of private property (the controlling RESIDENT) to order the immediate tow-away of any vehicle parked without permission in that person's ASSIGNED PARKING space. Tow-away is made at the vehicle owner's expense.

***Because the tow-away is made from a restricted use common area location, the towing is a private matter between the RESIDENT ordering tow-away, the vehicle owner, and the towing company. THIRD, GRF, and the Security Services Department are not parties to, and assume no authority or liability in the matter.***

**4.2 TOW AWAY AFTER 96 HOURS NOTICE****4.2.1 NON-RESIDENT VEHICLE IN ASSIGNED PARKING**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense a NON-RESIDENT vehicle, in an ASSIGNED PARKING location, for any violation of these rules, upon meeting **all** of the following requirements:

- After a disciplinary hearing and the BOARD provides direction to staff.
- Requesting compliance to correct the violation or remove the vehicle from LAGUNA WOODS VILLAGE.
- NON-RESIDENT does not comply within **96 hours** of written notification.

**4.2.2 NON-RESIDENT VEHICLE IN OTHER THAN ASSIGNED PARKING**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense an UNAUTHORIZED VEHICLE or NON-RESIDENT vehicle, not in ASSIGNED PARKING, for any violation of these rules, upon meeting **both** of the following requirements:

- Requesting compliance to correct the violation or remove the vehicle from LAGUNA WOODS VILLAGE.
- NON-RESIDENT does not comply within **96 hours** of written notification.

**4.2.3 RESIDENT VEHICLE IN ANY LOCATION**

Except as provided above, the Security Services Department is authorized to tow-away at the vehicle owner's expense a RESIDENT VEHICLE for any violation of these rules, upon meeting **all** the following requirements:

- After a disciplinary hearing and the BOARD provides direction to staff.
- Requesting compliance to correct the violation or remove the vehicle from LAGUNA WOODS VILLAGE.

- RESIDENT does not comply within 96 hours of written notification.

## **5 LICENSE AND REGISTRATION REQUIREMENTS**

### **5.1 DRIVERS LICENSE REQUIRED**

Any person operating a MOTOR VEHICLE is required to have a valid driver's license in their possession and present it to any member of the Security Services Department upon request.

EXCEPTIONS:

- GOLF CART
- Motorized or electric BICYCLE

### **5.2 VEHICLE REGISTRATION REQUIRED**

Every MOTOR VEHICLE in THIRD is required to display current on-street license plate and registration, and the person in control thereof must present current registration documentation to any member of the Security Services Department upon request.

EXCEPTIONS:

- GOLF CART
- Motorized or electric BICYCLE

### **5.3 AUTHORIZED RESIDENT VEHICLE TYPES**

THIRD authorizes any vehicle type that is eligible to receive a GRF RFID tag.

### **5.4 GRF VEHICLE REGISTRATION**

All RESIDENT MOTOR VEHICLES must be registered with GRF.

### **5.5 RESIDENT VEHICLE RFID TAG LIMIT**

Each UNIT is allowed to receive a limited number of GRF decals based on the number of original construction bedrooms.

- 1 Bedroom UNIT up to 2 RFID tags
- 2 Bedroom UNIT up to 3 RFID tags
- 3 Bedroom UNIT up to 3 RFID tags

The term "decal" applies to charging decals, for use in carports for charging. Each UNIT is allowed to receive up to a total of 2 "charging" decals for GOLF CARTS and/or GOLF CARS regardless of the number of original bedrooms in the UNIT.

RFID tag counts do not include motorhomes and commercial vehicles stored in the GRF Recreational Vehicle Storage Area.

## **6 RULES FOR DRIVING**

### **6.1 STAY ON PAVEMENT**

Vehicles may only be driven on streets, cul-de-sacs, driveways, and designated parking areas designed for such use. Vehicles may not be driven or parked off PAVEMENT.

EXCEPTIONS:

Certain specific and limited exceptions are detailed in

- Section 8 - Special Rules for Golf Carts and Golf Cars
- Section 9 - Special Rules for Bicycles (Non-motorized and Motorized)

## **6.2 TRAFFIC CONTROL DEVICES**

Drivers must obey all posted traffic signs, and PAVEMENT and curb markings.

## **6.3 SPEED LIMITS**

Vehicles may never be driven faster than is safe for the prevailing conditions.

Vehicles may not exceed the posted speed limit.

- 25 MPH: All streets, unless otherwise posted
- 15 MPH: All cul-de-sacs and parking areas, unless otherwise posted
- 10 MPH: All inbound gate entrances

## **6.4 STOP SIGNS**

When approaching a stop sign, drivers must stop at the limit line, if marked, otherwise before entering the crosswalk on the near side of the intersection.

- The limit line is a white line painted across the driver's lane just before the stop sign or crosswalk.
- If there is no limit line or crosswalk, drivers must stop at the entrance to the intersecting roadway.
- If visibility is restricted at the limit line or crosswalk, drivers may, after stopping at the limit line or crosswalk, need to pull forward and stop again before safely passing through the intersection.

Drivers must always make a full and complete stop.

- So called "California stops" or "rolling stops" are not allowed; the wheels of the vehicle must stop turning.

## **6.5 RIGHT-OF-WAY**

### **6.5.1 EMERGENCY VEHICLES**

Drivers must yield to any law enforcement, fire or ambulance vehicle with emergency lights illuminated or siren in use.

### **6.5.2 PEDESTRIANS**

The driver of a vehicle must yield the right-of-way to a PEDESTRIAN crossing the roadway. The driver of a vehicle approaching a PEDESTRIAN must exercise all due care and reduce the speed of the vehicle or take any other action relating to the operation of the vehicle as necessary to safeguard the safety of the PEDESTRIAN.

No PEDESTRIAN may suddenly leave a curb or other place of safety and walk or run into the path of a vehicle that is so close as to constitute an immediate hazard. No PEDESTRIAN may unnecessarily stop or delay traffic.

### **6.5.3 SIDE ROAD**

A driver entering a through road from a cul-de-sac or side road must yield to vehicles on the through road.

#### **6.5.4 STOP SIGN**

At an intersection controlled by a stop sign, the first vehicle to arrive has the right of way. If two vehicles arrive at the same time, the vehicle to the right has the right of way.

#### **6.5.5 TRAVEL LANES**

Do not drive to the left of center of the road, even when no center line is present.

#### **6.5.6 TURNS**

A driver making a left turn or U-turn must yield to oncoming traffic.

#### **6.6 WIRELESS COMMUNICATIONS**

Drivers may not operate a cell phone without the use of a hands-free device.

Drivers may not use a wireless device to write, send or read communications, or view images unless their vehicle is correctly pulled to the curb and parked.

#### **6.7 SEAT BELTS**

Drivers must wear a seat belt when driving.

Adult passengers must wear seat belts.

Younger passengers must be secured in a seat belt or child passenger restraint system of the type required by law on a public street.

#### **6.8 USE OF LIGHTS**

MOTOR VEHICLES must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise. This includes GOLF CARTS, GOLF CARS, and motorized or electric BICYCLES.

MOTOR VEHICLES must operate head lamps and tail lamps if rain, fog, or other hazardous weather conditions require the continuous use of windshield wipers.

MOTOR VEHICLES must use turn signals at least 100 feet before making a turn.

MOTOR VEHICLES approaching and entering any LAGUNA WOODS VILLAGE gate at night must use low beam headlamps.

For safety, any PEDESTRIAN or non-motorized BICYCLE on a roadway at night must shine a flashlight or otherwise display lighting sufficient to be plainly visible in any direction within 200 feet.

- This includes any vehicle using human power, or a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (e.g. Segway) or motorized quadricycle.

### **7 RULES FOR PARKING**

#### **7.1 VEHICLES PROHIBITED**

GRF specifies the types of vehicles prohibited from parking in LAGUNA WOODS VILLAGE. THIRD requires that any vehicle parked in THIRD must adhere to the GRF restrictions.

**7.2 ASSIGNED PARKING**

The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENT of a UNIT.

- A NON-RESIDENT party to a UNIT such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not store any vehicle in the Village whether or not the subject UNIT is occupied by a RESIDENT unless the RESIDENT has no vehicle and RESIDENT has obtained an overnight parking pass for the NON-RESIDENT.

A RESIDENT must utilize their ASSIGNED PARKING space before using UNASSIGNED PARKING.

- 

**7.3 GENERAL PARKING RULES****7.3.1 PARK SAFELY**

At no time may a vehicle be parked in a manner creating a traffic hazard.

**7.3.2 FIRE HYDRANT**

At no time may a vehicle be parked within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See Section 4 – Towing Policy.

**7.3.3 SIDEWALK**

Except to safely cross on a roadway or driveway, no vehicle may be driven or parked with any portion of it on a sidewalk.

**7.3.4 OFF PAVEMENT**

At no time may a vehicle be driven or parked with any portion of it off PAVEMENT.

**EXCEPTIONS:**

Certain specific and limited exceptions are detailed in

- Section 8 - Special Rules for Golf Carts and Golf Cars.
- Section 9 - Special Rules for Bicycles.

**7.3.5 CURB OR PARKING STALL**

Vehicles may park in a designated parking stall or along a curb or sidewalk.

- Parking along a curb or sidewalk:
  - Vehicles on a 2-way travel roadway must be parked with the passenger side wheels alongside the curb or sidewalk.
  - Vehicles on a 1-way travel roadway may park alongside the curb or sidewalk on either side of the roadway.
  - The front and rear wheels alongside must be within 18" of the curb or sidewalk edge.
  - Vehicles may not be parked in, or within 20 feet of a street intersection.
- Parking in a marked stall:



- Vehicle must fit and be parked completely within the marked boundaries of a parking space.
- Parking in an unmarked stall:
  - A vehicle may be parked in a location that is not marked; however, at no time may it be parked in a manner that creates a traffic hazard, interferes with other vehicle access, PEDESTRIAN traffic, or access to facilities or equipment.

### **7.3.6 INOPERATIVE VEHICLE**

At no time may an INOPERATIVE VEHICLE be parked IN THIRD.

### **7.3.7 ABANDONED VEHICLE**

At no time may an ABANDONED VEHICLE be parked IN THIRD.

### **7.3.8 UNAUTHORIZED VEHICLE**

At no time may an UNAUTHORIZED VEHICLE be parked IN THIRD.

## **7.4 TIME LIMITED PARKING**

### **7.4.1 ASSIGNED PARKING**

There is no time limit that a RESIDENT VEHICLE may be parked in the ASSIGNED PARKING location for RESIDENT'S MANOR, provided that the vehicle's GRF vehicle decal, government registration, mechanical condition and appearance are properly maintained.

- A vehicle that appears INOPERABLE or ABANDONED is subject to tow-away at vehicle owner's expense. See Section 2 - Definitions, and Section 4 - Towing Policy.
- A RESIDENT VEHICLE parked in the ASSIGNED PARKING locations for a RESIDENT'S MANOR must have a government issued registration for on-street operation that is no more than one (1) year out of date.

### **7.4.2 UNASSIGNED PARKING**

Signs and curb and PAVEMENT markings that limit or prohibit parking apply at all times.

- Red zone: No stopping, standing or parking.

#### EXCEPTIONS:

- A driver may stop to avoid conflict with other traffic.
- An attended vehicle may stop for passenger transfers.
- An attended vehicle may stop for emergency vehicles.
- An attended vehicle may stop for use of a mailbox.
- An attended vehicle may stop or stand while necessarily engaged in work.
  - Examples: moving or delivery truck.
- An unattended vehicle or piece of equipment may park when necessary and is authorized by the Security Services Department.
- Blue zone: Parking is permitted only when the vehicle is displaying a valid

government issued disabled (handicapped) license plate or placard.

- Fire hydrant zone: No person shall stop, park, or leave standing any vehicle within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See Section 4 – Towing Policy.
- Green zone: Parking may not exceed 10 minutes, or as posted by sign or curb marking.

**EXCEPTION:**

- Unlimited time parking in a Green zone is permitted only when the vehicle is displaying a valid government issued disabled (handicapped) license plate or placard.
- Grey zone: Same as Unpainted.
- Handicapped zone: See "Blue zone."
- White zone: Loading and unloading only.
- Yellow zone: Commercial vehicle loading and unloading only.
- Unpainted: Parking is permitted for up to 7 continuous days, unless otherwise restricted. Parking is always prohibited within 15 feet of a fire hydrant even if the curb is unpainted. See Fire hydrant zone above.

**EXCEPTION:**

- Resident's extended absence parking. See Section 7.5 following.
- Within six (6) feet to either side of a mailbox.
- GUEST PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.
- RESERVED PARKING zone: Parking is prohibited by a vehicle not carrying a party designated by the sign.
- VISITOR PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.

## **7.5 RESIDENT'S EXTENDED ABSENCE PARKING**

Due to a RESIDENT'S extended absence from the Village, a RESIDENT VEHICLE may be parked in UNASSIGNED PARKING for more than 7 days under the following conditions:

- RESIDENT'S ASSIGNED PARKING space must be occupied during the same time period by another RESIDENT VEHICLE.
- As a courtesy to fellow RESIDENTS, vehicle must be parked as far as practicable from MANORS, preferably on a named street rather than in a numbered cul-de-sac.
- RESIDENT must arrange to keep the vehicle's government issued registration, appearance and operating condition up to date. Vehicles that become INOPERABLE, or appear neglected or ABANDONED, become subject to tow-away at owner's expense. See Section 4 - Towing Policy.
- The RESIDENT must SAFELIST the vehicle with the Security Services Department.

- NON-RESIDENT vehicles are not eligible for extended parking privileges.

### **7.6 CONTRACTOR and SERVICE VEHICLE PARKING**

Contractor and service vehicles, including personal vehicles driven by workers, must be parked on named streets and are prohibited from parking within numbered cul-de-sacs or assigned parking spaces.

- Contractors may park on a SPONSORING RESIDENT'S driveway with the RESIDENT'S permission or in the RESIDENT's assigned covered parking with their expressed written permission, but may not obstruct the sidewalk.

#### EXCEPTIONS:

- Vehicles, equipment and materials immediately and directly required for the performance of work.
- Vehicles immediately loading or unloading.

### **7.7 OVERNIGHT PARKING PERMITS**

GRF has rules regarding overnight parking for NON-RESIDENTS. THIRD requires that any vehicle parked overnight adhere to GRF's overnight parking rules.

### **7.8 RECREATIONAL VEHICLES (RV) RESTRICTED**

Daily parking is limited to the GRF Recreational Vehicle Storage Area. Refer to the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

An RV may park in THIRD only when meeting ***all*** of the following conditions:

- RV is parked only for the purpose of loading or unloading. Other activities such as sleeping or resting in the RV, and vehicle maintenance are not allowed.
- RV is parked with engine and accessory equipment (e.g. exterior lights, generator, air conditioner, audio and video equipment) shut off.
- Extensions such as slide-outs, tilt-outs, and awnings must be closed.
- RV may not be attached to any external power supply.
- Leveling jacks, if used, must include a base plate sufficient to prevent damage to PAVEMENT.
- RV is parked for no more than 6 hours at a time.

#### EXCEPTION:

- Permission to park overnight immediately before or after a road trip will be reasonably granted by the Security Services Department. Vehicle must be removed no later than 12:00 noon the following day.

### **7.9 FOR SALE SIGNS**

RESIDENT VEHICLES may display a maximum of two (2) "For Sale" signs advertising that vehicle. Each sign may be up to 9" x 12" in size. No signage may be on the exterior of the vehicle.

### **7.10 ADVERTISING**

Any signage advertising a business or organization is prohibited on a vehicle parked overnight. Displaying a name or contact information such as a physical or communications address constitutes advertising.

#### EXCEPTIONS:

- Commercial vehicle or equipment displaying a valid GRF Overnight Parking Permit issued by the managing agent.
- License plate frames, and vehicle manufacturer’s incidental identification and accessory items (example: vehicle brand and model nameplates.)
- Signs allowed in Section 7.9 – For Sale Signs.
- GRF vehicles.

**7.11 REPAIRS**

Vehicles may not be rebuilt or rehabilitated, major service may not be performed, and fluids may not be changed.

**7.12 WASHING**

In the interest of water conservation, vehicle washing is prohibited IN THIRD.

**7.13 PLUG IN ELECTRIC VEHICLES (PEV)**

NON-RESIDENT and GUEST PEVs are prohibited from connecting to common area outlets.

Any PEV connected to a common area outlet without authorization may be disconnected and/or owner contacted by Security staff, in addition to the other enforcement actions allowed in these rules.

Owners of PEVs are solely responsible for the proper use and maintenance of their vehicle and any associated equipment used in charging the vehicle and may not make any unauthorized alterations to Mutual outlets, wiring, circuit breakers or electric service panels.

Resident PEVs of other types (e.g. battery electric and plug-in hybrid vehicles) are allowed to connect to Mutual common area electricity upon payment of the electricity user fee set by the Mutual Board, and Resident must properly display a Mutual issued Electric Vehicle (EV) decal on the vehicle.

- A pro-rated annual electricity usage fee, as set forth on the Mutual fee sheet, registered to any UNIT that does not have a private garage per the requirements of the BOARD approved Alteration Standard, Section 44, Electric Vehicle Charging Stations.
- Participating PEVs will be issued a Mutual authorized EV decal, affixed by staff to the exterior of the rearmost window in the lower corner furthest from the driver.
  - The EV decal is the property of THIRD and may be revoked upon expiration, withdrawal or termination from program, or non-compliance with these rules.

- The EV decal authorized to connect common area only.



signifies the PEV is to outlets in the THIRD

- Connection to outlets controlled by GRF, United, or Mutual Fifty is prohibited, except for self-contained, fee-per-use charging stations.
- Connection to an outlet metered at any individual THIRD UNIT is prohibited without the controlling Resident's express permission.
- Residents may request to "opt-out" of the Mutual EV Decal program by submitting a signed waiver at Resident Services indicating they will not be using Mutual common area electric to charge their Plug-in Electric Vehicle (PEV), and that they understand the consequences (fines) if they violate the Mutual EV Decal policy.
- PEV's are equipped with charging cords, which for the purpose of this Policy are not "extension cords".

#### **7.14 EXTENSION CORDS**

In the interest of safety, unattended extension cords may not be used IN THIRD for any purpose. Any unattended extension cord may be disconnected by Security staff, in addition to the other enforcement actions allowed in these rules.

#### **7.15 FINES**

Refer to the THIRD Fee Sheet and the Schedule of Traffic and Monetary Penalties as it applies.

### **8 SPECIAL RULES FOR GOLF CARTS and GOLF CARS**

#### **8.1 GOLF CART**

Unless exempted in this Section, all THIRD Vehicle, Parking and Traffic Rules, including stop sign, speed limit, parking, and GRF vehicle decal rules, apply to GOLF CARTS, just as any other MOTOR VEHICLE.

##### **8.1.1 DRIVERS LICENSE**

A driver's license is not required to operate a GOLF CART.

##### **8.1.2 MINIMUM AGE**

A NON-RESIDENT driving a GOLF CART must be ***both***

- Age 16 years or older.
- Accompanied by a RESIDENT.

##### **8.1.3 VEHICLE REGISTRATION**

No government vehicle registration is required.

##### **8.1.4 LIGHTS**

Must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise.

##### **8.1.5 STAY ON PAVEMENT**

Driving off PAVEMENT is prohibited.

**EXCEPTION:**

- Limited driving off PAVEMENT is allowed at the GRF 27-hole golf course, in accordance with golf course rules.

**8.1.6 SIDEWALKS AND PATIOS**

Driving or parking is not allowed on sidewalks, breezeways, or patios.

**8.1.7 CART PATHS**

Driving on paved cart paths is permissible. On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

**8.2 GOLF CAR**

Unless exempted in this Section, all THIRD Vehicle, Parking and Traffic Rules apply to GOLF CARS, just as any other MOTOR VEHICLE.

**8.2.1 CART PATHS**

May be driven on a paved cart path.

On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

**9 SPECIAL RULES FOR BICYCLES (NON-MOTORIZED AND MOTORIZED)**

Unless otherwise specified in this Section, all requirements of Section 6 - Rules for Driving, including stop sign and speed limit rules, and Section 7 - Rules for Parking, apply to BICYCLES.

**9.1 SIDEWALKS**

Riding on a sidewalk is allowed only between a point of origin or destination and the nearest connector to a street or cul-de-sac.

**EXCEPTION:**

- When delivering newspapers, a BICYCLE may be ridden an unlimited distance on a sidewalk.

While riding on a path or sidewalk, the cyclist must:

- Exercise due regard for the safety of all PEDESTRIANS.
- Travel at a speed that is reasonable and prudent.

- Yield the right-of-way to all PEDESTRIANS.
- Walk the BICYCLE when inside a building or on any covered passageway.

## **9.2 LIGHTS**

For safety, at night a BICYCLE must operate lighting sufficient to be plainly visible in any direction within 200 feet.

## **9.3 PARKING**

Bicycles may not be parked in any manner interfering with foot or vehicle traffic.

Bicycles must be parked utilizing parking racks where provided.

Attended BICYCLES may be parked off PAVEMENT, but only in such a manner as not to damage landscaping.

## **10 SPECIAL RULES FOR PEDESTRIANS**

### **10.1 SIDEWALKS**

For safety considerations, PEDESTRIANS should not walk upon a roadway.

#### EXCEPTIONS:

- When crossing a roadway.
- When there is no adjacent sidewalk available that is at least two (2) feet wide.

When upon any roadway, PEDESTRIANS must:

- Walk facing the flow of traffic, unless upon a 1-way roadway.
- Avoid stopping or delaying traffic.
- Shine a flashlight or otherwise display lighting at night sufficient to be plainly visible in any direction within 200 feet.

### **10.2 SKATEBOARDS**

No person may ride or propel a skateboard or other riding device.

## **11 SPECIAL RULES FOR MANAGING AGENT**

MOTOR VEHICLES and equipment used by the MANAGING AGENT are permitted to operate and park on roadways, sidewalks, paths and landscape in a manner such as needed to efficiently provide services, such as maintenance, landscaping and security.

Except as necessary to efficiently provide services, MOTOR VEHICLES and equipment must be parked so as not to block access, walkways, or carports.

Except for fire hydrant and handicapped parking zones, all parking locations may be used by the MANAGING AGENT as needed to efficiently provide services.

Visitor/unassigned parking locations may be used by the managing agent only in an emergency and/or to drop off heavy equipment.

MOTOR VEHICLES operated by the MANAGING AGENT must follow all of the traffic rules as outlined in this document.

**12 RULES FOR REPORTING COLLISIONS**

**12.1 INJURY TO A PERSON**

For a collision that causes injury or death to a person:

- Notify local authorities (Call 911).
- Notify the Laguna Woods Village Security Department.
- Driver must stop and remain at the scene to provide their identity and information about the collision.
- 

**12.2 NO INJURY TO A PERSON**

For a collision with no injuries that causes damage to any property, including damage solely to the driver's own MOTOR VEHICLE or BICYCLE:

- Notify the Laguna Woods Village Security Services Department.
- Driver must stop and remain at the scene to provide their identity and information about the collision.
- Driver must identify themselves to the owner or individual in control of the damaged property.
- Any involved party may request the Sheriff's Department respond for a report.





**RESOLUTION 03-24-XX**

**Vehicle, Traffic and Parking Rules**

**WHEREAS**, the Security Department is responsible for the administration of the Laguna Woods Village Vehicle, Traffic and Parking Rules; and

**WHEREAS**, the Resident Compliance & Policy Committee has recognized the need to amend the Vehicle, Traffic and Parking Rules with updates and clarifying language;

**NOW THEREFORE BE IT RESOLVED**, on August 20, 2024, the Board of Directors of this Corporation hereby approves the Vehicle, Traffic and Parking Rules, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-19-85, approved August 20, 2019; is hereby superseded and canceled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution as written.

**July Initial Notification:**

**Should the Board endorse the proposed resolution, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.**

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Third Laguna Hills Mutual  
Architectural Control and Standards Committee  
July 08, 2024

**ENDORSEMENT (to Board)**

**Revision to Standard No. 18 – Gutters and Downspouts**

Alan Grimshaw, Manor Alterations Manager, presented the staff report and answered questions from the committee.

A motion was made and carried unanimously to recommend that the Board of Directors approve the revisions to Standard 18 – Gutters and Downspouts.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Revision to Standard 18: Gutters and Downspouts

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### **RECOMMENDATION**

Approve a resolution to revise Standard 18: Gutters and Downspouts.

### **BACKGROUND**

The ACSC initiated a review of the current Standard 18: Gutters and Downspouts (Attachment 1) and proposed revisions to the Standard intended to bring it up to current industry standards and improved designs. Standard 18 was last enacted in December 2023, via Resolution 03-23-144 (Attachment 2).

### **DISCUSSION**

The suggested modifications to this standard are recommended in order to update design and installation guidelines which will allow for better functionality, maintenance improvements and proper building / site drainage.

On July 08, 2024 the ACSC voted unanimously to recommend that the Board of Directors approve the revisions to Standard 18.

### **FINANCIAL ANALYSIS**

There is no financial impact to the mutual for the recommended action.

**Prepared By:** Alan Grimshaw, Manor Alterations Manager

**Reviewed By:** Baltazar Mejia, Maintenance & Construction Assistant Director  
Gavin Fogg, Manor Alterations Supervisor

### **ATTACHMENT(S)**

Attachment 1: Current Standard 18: Gutters and Downspouts  
Attachment 2: Current Resolution 03-23-144  
Attachment 3: Redlined Revised Standard 18: Gutters and Downspouts  
Attachment 4: Final Draft Standard 18: Gutters and Downspouts  
Attachment 5: Proposed Resolution 03-24-XX

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## **STANDARD 18: GUTTERS & DOWNSPOUTS**

OCTOBER 1981

REVISED APRIL 1996 RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED JUNE 2018, RESOLUTION 03-18-91

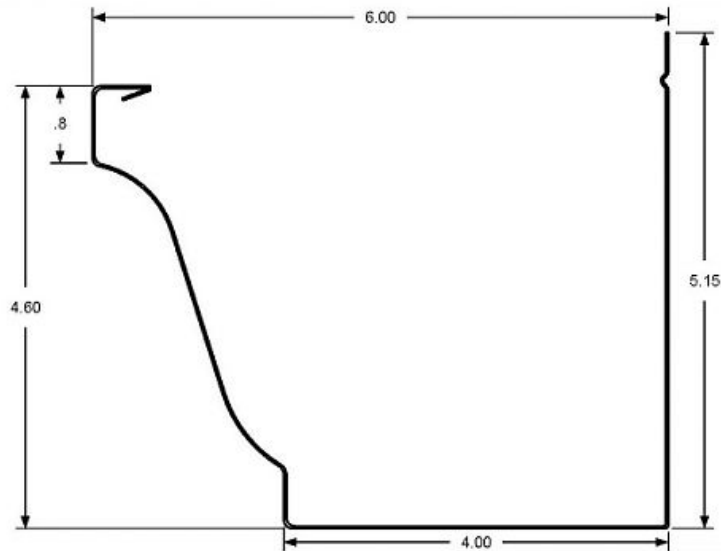
REVISED DECEMBER 2023, RESOLUTION 03-23-144

### **1.0 GENERAL REQUIREMENTS**

**SEE STANDARD 1: GENERAL REQUIREMENTS**

### **2.0 APPLICATIONS**

- 2.1** All gutters shall have a slope of no less than 1/8-inch per foot along their entire run length unless approved by Manor Alterations.
- 2.2** Downspouts shall be installed at intervals appropriate for its installation in compliance with The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA). No downspout may be installed that will drain into an area that will effect surface drainage in an adverse way.
- 2.3** Installations to roof systems where hangers penetrate or may harm the roofing material in any way are prohibited.
- 2.4** All gutters are to be 6-inches wide as measured across the top. Gutters are to be made of aluminum with a minimum gauge of .027. Vinyl coated aluminum is permitted. Copper and steel gutters or downspouts are not permitted.



- 2.5** All downspouts to be sized appropriately for the area that is being drained and must match the color of existing guttering.
- 2.6** Termination of a downspout shall not allow water flowing out of a downspout to flow back towards the building. A combination of downspout and splash blocks may be used to achieve positive drainage away from building.
- 2.7** Downspouts that terminate directly into a drain inlet must provide a 1-inch air gap at point of transition.
- 2.8** Gutters and leaf guards are required in order to assist in substantially reducing maintenance costs; prevent pest infestations and breeding sites; provide fire protection from flying embers; and prevent obstructions.
- 2.9** Gutters and downspouts will be of the same color to match the surface they are attached to.
- 2.10** Alteration aluminum gutters and downspouts are not to be connected to original steel gutters and downspouts. If the alteration gutter system must be connected to an original steel gutter system, the Member is responsible for replacing the original steel gutter system with new aluminum that matches the original style and color.
- 2.11** Gutters attached to the Mutual owned fascia are required to be attached using hidden hangers and be spaced at a minimum of 30-inches. Smooth striated and spiral spikes are prohibited.
- 2.12** All penetrations must be properly sealed, Exposed wood must be primed and painted to match the existing paint of the building. Member will be responsible for all damages to roof or fascia.





**RESOLUTION 03-23-144**

**STANDARD 18: GUTTERS AND DOWNSPOUTS**

**WHEREAS**, the Architectural Control and Standards Committee recognizes the need to amend Standards and create new Standards as necessary; and

**WHEREAS**, the Architectural Control and Standards Committee recognizes the need to revise Standard 18: Gutters and Downspouts;

**NOW THEREFORE BE IT RESOLVED**, December 19, 2023, that the Board of Directors of this Corporation hereby adopts Standard 18: Gutters and Downspouts as attached to the official meeting minutes; and

**RESOLVED FURTHER**, that Resolution 03-18-91 adopted June 19, 2018, is hereby superseded in its entirety and no longer in effect; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution as written.

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## STANDARD 18: GUTTERS & DOWNSPOUTS

OCTOBER 1981

REVISED APRIL 1996 RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED JUNE 2018, RESOLUTION 03-18-91

REVISED DECEMBER 2023, RESOLUTION 03-23-144

REVISED [DATE], RESOLUTION 03-24-XX

### 1.0 GENERAL REQUIREMENTS

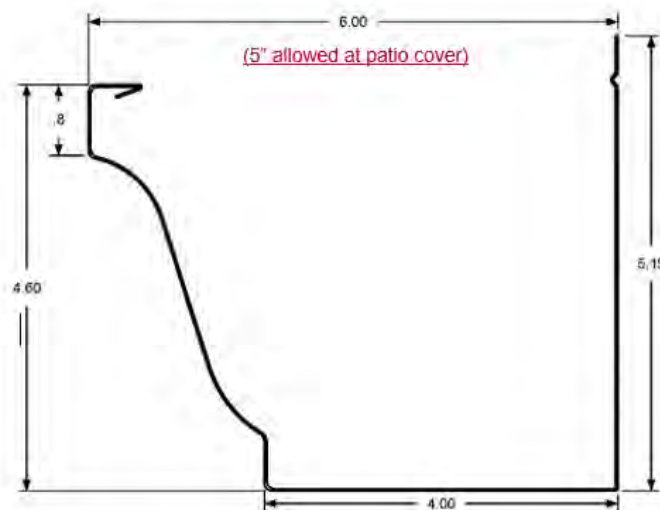
See Standard 1: General Requirements ~~EE STANDARD 1: GENERAL REQUIREMENTS~~

### 2.0 DEFINITIONS

- 2.1 Seamless gutters: A seamless gutter is a single piece of gutter formed on the jobsite to match the exact measurement of a particular job. Seamless gutters can be run in lengths up to 100 feet.
- 2.2 Hidden gutter hangers: A hidden gutter hanger is designed to clip under the gutter hem and then screwed to the fascia board from inside the gutter.
- 2.3 Spike and ferrule hangers: A spike is a long nail that penetrates the front of a gutter and is directed to the back of the gutter through a ferrule or tube.
- 2.4 Fascia: A finished wooden board or other flat piece of material such that covers the end of the roof rafters.
- 2.5 Splash block: A device manufactured from concrete or plastic that works to channel water away from the building foundation, positioned directly under a downspout.
- 2.6 LeafFilter / LeafGuard: A covering over the top of the gutter with a fine filter that keeps gutters clear of small debris.

## 2.03.0 APPLICATIONS

- 3.1 All gutter installations are to be seamless.
- 2.43.2 All gutters shall have a slope of no less than 1/8-inch per foot along their entire run length but no more than 1/2-inch in 40 lineal feet. Gutters and downspouts shall be installed so that water does not pool at any point. unless approved by Manor Alterations.
- 3.3 Downspouts shall be installed at intervals appropriate for its installation in compliance with The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA).
- A. In no case shall downspout spacing exceed 40 lineal feet.
- 2.2B. No downspout may be installed that will drain into an area that will effect surface drainage in an adverse way.
- 2.33.4 All gutter installations that penetrate the to-roof systems where hangers penetrate or may harm the roofing material in any way are prohibited.
- 2.43.5 All gutters are to be 6-inches wide as measured across the top. Gutters are to be made of aluminum with a minimum gauge of .027. Vinyl coated aluminum is permitted. Copper and steel gutters or downspouts are not permitted.



- A. Exception: In patio cover installations where a 'rafter bracket' is used, gutter width can be modified to 5 inches to accommodate 'rafter bracket'. See Standard 22: Patio & Balcony Covers Aluminum and Vinyl.
- 2.53.6 All downspouts to be sized appropriately for the area that is being drained, and must match the color of existing guttering.
- 2.63.7 Termination of a downspout shall not allow water flowing out of a downspout to flow back towards the building. A combination of downspout and splash blocks may be used to achieve positive drainage away from building.
- 2.73.8 Downspouts that terminate directly into a drain inlet must provide a 1-inch air gap at point of transition.

**2.83.9** Gutters and leaf guards are required in order to assist in substantially reducing maintenance costs; prevent pest infestations and breeding sites; provide fire protection from flying embers; and prevent obstructions.

**2.93.10** Gutters and downspouts will be of the same color. Color to conform to Third Mutual's exterior paint color standards options 1 through 10 corresponding to the geographical area of the manor. ~~to match the surface they are attached to.~~

**2.103.11** Alteration aluminum gutters and downspouts are not to be connected to original steel gutters and downspouts. If the alteration gutter system must be connected to an original steel gutter system, the ~~m~~Member is responsible for replacing the original steel gutter system with new aluminum that matches the original style and color.

**2.113.12** Gutters attached to the ~~m~~Mutual owned fascia are required to be attached using hidden gutter hangers and be spaced at a minimum of 30-inches. Aluminum and quick screw hangers are prohibited. Spike and ferrule hangers ~~Smooth-striated and spiral spikes~~ are prohibited.

**2.123.13** All penetrations must be properly sealed, ~~e~~Exposed wood must be primed and painted to match the existing paint of the building. Member will be responsible for all damages to roof or fascia.

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## **STANDARD 18: GUTTERS & DOWNSPOUTS**

OCTOBER 1981

REVISED APRIL 1996 RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED JUNE 2018, RESOLUTION 03-18-91

REVISED DECEMBER 2023, RESOLUTION 03-23-144

REVISED [DATE], RESOLUTION 03-24-XX

### **1.0 GENERAL REQUIREMENTS**

See Standard 1: General Requirements

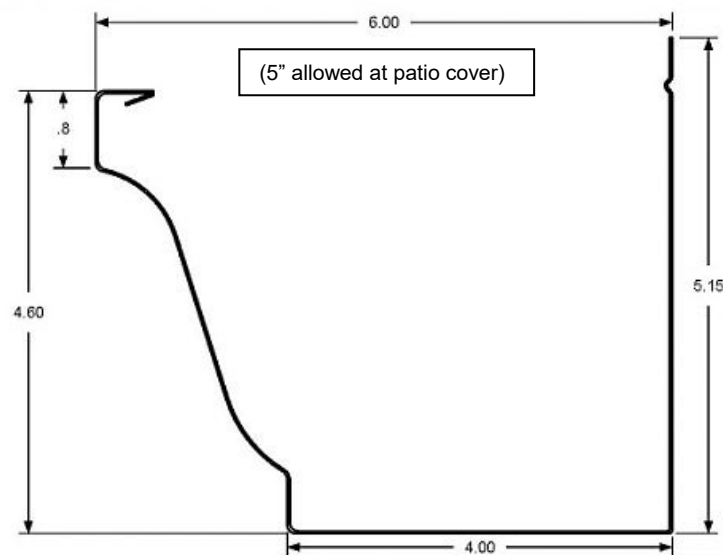
### **2.0 DEFINITIONS**

- 2.1** Seamless gutters: A seamless gutter is a single piece of gutter formed on the jobsite to match the exact measurement of a particular job. Seamless gutters can be run in lengths up to 100 feet.
- 2.2** Hidden gutter hangers: A hidden gutter hanger is designed to clip under the gutter hem and then screwed to the fascia board from inside the gutter.
- 2.3** Spike and ferrule hangers: A spike is a long nail that penetrates the front of a gutter and is directed to the back of the gutter through a ferrule or tube.
- 2.4** Fascia: A finished wooden board or other flat piece of material such that covers the end of the roof rafters.
- 2.5** Splash block: A device manufactured from concrete or plastic that works to channel water away from the building foundation, positioned directly under a downspout.
- 2.6** LeafFilter / LeafGuard: A covering over the top of the gutter with a fine filter that keeps gutters clear of small debris.

### **3.0 APPLICATIONS**

- 3.1** All gutter installations are to be seamless.
- 3.2** All gutters shall have a slope of no less than 1/8-inch per foot along their entire run length but no more than 1/2-inch in 40 lineal feet. Gutters and downspouts shall be installed so that water does not pool at any point.

- 3.3** Downspouts shall be installed at intervals appropriate for its installation in compliance with The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA).
- A. In no case shall downspout spacing exceed 40 lineal feet.
  - B. No downspout may be installed that will drain into an area that will effect surface drainage in an adverse way.
- 3.4** All gutter installations that penetrate the roof systems in any way are prohibited.
- 3.5** All gutters are to be 6-inches wide as measured across the top. Gutters are to be made of aluminum with a minimum gauge of .027. Vinyl coated aluminum is permitted. Copper and steel gutters or downspouts are not permitted.



- A. Exception: In patio cover installations where a 'rafter bracket' is used, gutter width can be modified to 5 inches to accommodate 'rafter bracket'. See Standard 22: Patio & Balcony Covers Aluminum and Vinyl.
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- 3.10** Gutters and downspouts will be of the same color. Color to conform to Third Mutual's exterior paint color standards options 1 through 10 corresponding to the geographical area of the manor.



- 3.11** Alteration aluminum gutters and downspouts are not to be connected to original steel gutters and downspouts. If the alteration gutter system must be connected to an original steel gutter system, the member is responsible for replacing the original steel gutter system with new aluminum that matches the original style and color.
- 3.12** Gutters attached to the mutual owned fascia are required to be attached using hidden gutter hangers and be spaced at a minimum of 30-inches. Aluminum and quick screw hangers are prohibited. Spike and ferrule hangers are prohibited.
- 3.13** All penetrations must be properly sealed, exposed wood must be primed and painted to match the existing paint of the building. Member will be responsible for all damages to roof or fascia.

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**RESOLUTION 03-24-XX**

**REVISE STANDARD 18: GUTTERS & DOWNSPOUTS**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 18: Gutters and Downspouts;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 18: Gutters and Downspouts as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-23-144 adopted December 19, 2023, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**JULY INITIAL NOTIFICATION: Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.**

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Third Laguna Hills Mutual  
Architectural Control and Standards Committee  
July 08, 2024

**ENDORSEMENT (to Board)**

**Revision to Standard No. 34 – Windows & Window Attachments**

Alan Grimshaw, Manor Alterations Manager, presented the staff report and answered questions from the committee.

A motion was made and carried unanimously to recommend that the Board of Directors approve the revisions to Standard 34 – Windows & Window Attachments.

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Revision to Standard 34: Windows & Window Attachments

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### **RECOMMENDATION**

Approve a resolution to review Standard 34: Windows & Window Attachments.

### **BACKGROUND**

The ACSC initiated a review of the current Standard 34: Windows & Window Attachments (Attachment 1) and proposed revisions to the Standard intended to bring it up to current industry standards and improved designs. Standard 34 was last enacted in January 2019, via Resolution 03-19-09 (Attachment 2).

### **DISCUSSION**

The suggested modifications to this standard are recommended in order to develop a more consistent architectural standard throughout the community; clarify the design criteria; update energy efficiency requirements; update window egress requirements; and clarify maintenance responsibilities.

On July 08, 2024 the ACSC voted unanimously to recommend that the Board of Directors approve a revision to Standard 34.

### **FINANCIAL ANALYSIS**

There is no financial impact to the mutual for the recommended action.

**Prepared By:** Alan Grimshaw, Manor Alterations Manager

**Reviewed By:** Baltazar Mejia, Maintenance & Construction Assistant Director  
Gavin Fogg, Manor Alterations Supervisor

### **ATTACHMENT(S)**

Attachment 1: Current Standard 34: Windows & Window Attachments  
Attachment 2: Current Resolution 03-19-09  
Attachment 3: Redlined Revised Standard 34: Windows & Window Attachments  
Attachment 4: Final Draft Standard 34: Windows & Window Attachments  
Attachment 5: Proposed Resolution 03-24-XX

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## **STANDARD 34: WINDOWS & WINDOW ATTACHMENTS**

MAY 1996, RESOLUTION M3-96-28  
 SEPTEMBER 2002, RESOLUTION M3-02-47  
 NOVEMBER 2002, RESOLUTION M3-02-62  
 OCTOBER 2004, RESOLUTION 03-04-27  
 REVISED FEBRUARY 2006, RESOLUTION 03-06-10  
 REVISED SEPTEMBER 2006, RESOLUTION 03-06-41  
 REVISED MAY 2007, RESOLUTION 03-07-47  
 REVISED APRIL 2011, RESOLUTION 03-11-51  
 GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49  
 REVISED DECEMBER 2011, RESOLUTION 03-11-215  
 REVISED JANUARY 2019, RESOLUTION 03-19-09

### **1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

### **2.0 APPLICATIONS**

- 2.1** New construction window replacement is permitted only upon the approval of the Alterations Division office. Retrofit windows are permitted upon the approval of the Alterations Division office in accordance with the criteria established herein.
- 2.2** Windows may be framed with either aluminum or vinyl. Wood framed windows, and the use of other materials, are subject to the review of the Board of Directors.
- 2.3** Aluminum framed windows must match the original window frame color on the building with either a natural or bronzed anodized finish.
- 2.4** All vinyl framed windows must be white in color. Colors other than white vinyl will be reviewed by the Board of Directors.
- 2.5** Windows and sliding glass doors on the same wall of an individual manor will be replaced concurrently to ensure visual continuity in the building and surrounding area except when windows and/or sliding glass doors are obscured by patio walls or glass enclosures. At any such time that the enclosure is removed, exposing the windows and/or sliding glass doors, the Member must replace the windows and/or sliding glass doors to conform to the Mutual Standard.
- 2.6** Any existing retrofit windows in the building will set the precedent for trim size/dimensions to be utilized for new retrofit installations.



- 2.7 The top of window heights shall be at 6'-8" unless a special height is called for on the standard plan drawing.
- 2.8 Size and location of windows shall be as per standard plan drawings.
- 2.9 All retrofit windows must be certified with the City of Laguna Woods. Any retrofit window that is not properly certified is subject to permit revocation and removal at the sole cost of the manor owner.
- 2.10 Any retrofit of bedroom windows for a La Jolla-style manor must include a minimum of one (1) roll and turn style window or a casement window in order to meet building code egress regulations.

### **3.0 INSTALLATION REQUIREMENTS**

- 3.1 All windows are required to meet building code regulations.
- 3.2 XOX windows may replace XO windows, and vice versa. Fixed panels may replace sliding panels, and sliding panels may replace fixed panels.
- 3.3 XO windows may be converted to picture windows, and vice versa, provided the height and width of the opening remain the same and egress is not compromised.
- 3.4 Windows may be converted to sliding glass doors, and vice versa, provided that 1) the area faces into a patio, atrium, or balcony, and 2) the height and width of the opening remain the same.
- 3.5 Where windows have a configuration of XO above an XO or OO in the same opening, the bottom section may be filled in using standard construction practices. The dimensions of the top section must remain the same.
- 3.6 Casement windows are not permitted where the window, when open, would protrude into an area where maintenance of property, i.e., mowing, pruning, planting, would be impeded, or where the window would protrude into a walkway or area where pedestrians walk.
- 3.7 Casement windows are permitted to be installed where egress windows in bedrooms are required due to the installation of a patio enclosure.
- 3.8 Bathroom windows covered with an original or permitted grille may remain as is during the retrofit of other windows on the same elevation, provided the existing frame is painted to match the retrofit windows.



- 3.9** Bathroom windows may remain as is during the retrofit of other windows on the same elevation when retrofitting the subject window would reduce the glass size to less than one (1) foot in any direction.
- 3.10** Retrofit louvered bathroom windows. Louvered bathroom windows may be retrofitted with other window options that fit the existing opening, a single fixed pane of glass, a double hung window, casement window, and glass blocks. Replacement windows must conform to Section 34 window standards. Plans and specifications must be submitted to the Permits Department for approval prior to installation.
- 3.11** Recessed vinyl retrofitted kitchen windows. Flanges on recessed vinyl retrofit kitchen windows shall be cut to fit the size of the window it is replacing. Metal frames around the window shall be painted to match the vinyl window frame, except for casement windows in three-story buildings. Paint must be appropriate for use on metal surfaces.
- 3.12** The total width of the perimeter frame and sash for retrofit vinyl windows shall not exceed four inches. Unless the subject window is surrounded by original wood framing, all non-casement window flanges must extend beyond any open areas between the aluminum frame and all sides in order to adequately protect against water intrusion.
- 3.13** With the exception of recessed windows, cutting of the flanges is not permitted.
- 3.14** The retrofit window frame should be constructed in a flat plane without raised or sculptured parts.
- 3.15** Windows must be properly insulated according to the manufacturer's installation instructions.
- 3.16** Retrofits of recessed windows must paint any exposed aluminum framing to match the color of the vinyl window. Garden Villa casement windows are an exception to this Standard.

#### **4.0 TYPE OF GLASS**

- 4.1** All glass to be clear, single light (no grids) with the following exception: single story manors may install vinyl retrofit windows and doors with grids that match the design pattern and dimension of the grids for all windows and doors on the same elevation. All glass shall be tempered as required on standard plan, except as outlined in



Section 6.0. Thermopane-type glass is required. Replacement window will correspond with Section 2.0.

- 4.2 Stained or leaded-type glass per Section 6.0.
- 4.3 Reflective tints or films applied to glass after manufacture may be applied providing it does not have a reflectivity factor of more than 15%. Documentation of such material must be on hand and approved by the Alterations Division office before such application.
- 4.4 All bathroom windows will be of opaque glass.

## 5.0 **ATTACHMENTS**

- 5.1 No window awnings permitted.
- 5.2 No storm windows or glass shields will be installed on the exterior of any window.

## 6.0 **STAINED GLASS**

- 6.1 Any application for stained, leaded, etc., types of glass must be submitted to the Permits and Inspections office for approval of design, color, and sizes.
- 6.2 All non-standard designs will be reviewed by the Board of Directors.

## 7.0 **WROUGHT IRON GRILLES**

- 7.1 All wrought iron grilles will be painted in accordance with the Mutual Paint Policy and approved color palette.
- 7.2 All grilles shall be decorative in nature and design. They will match other wrought iron, i.e., gates and fences where present.
- 7.3 Grilles shall not be placed on sliding glass doors or any other part of the unit except windows.
- 7.4 Grilles may be placed on only the first floor of any building except on those buildings where windows face into a breezeway and do not open directly into a walkway as determined by the Alterations Division office.
- 7.5 Maximum overhang of grilles shall be limited to 6" in any direction beyond window dimensions. No grille shall protrude more than 6" from the window.



- 7.6** Quick emergency release pins are required for fire purposes. Release pins shall be U.L. or U.B.C. approved and a smoke detector shall be utilized within the room where the grilles are installed.

## **8.0 GARDEN WINDOWS**

- 8.1** Garden windows may be defined as planter windows, greenhouse, protruding windows, or bay windows.
- 8.2** No garden window shall extend outward from the building beyond 24". The largest horizontal or vertical dimensions of a garden window shall not exceed 8'-0" x 6'-0".
- 8.3** Garden windows shall be permitted only in dining rooms, nooks, and kitchens. Exception: any room where a window will face into a walled patio area.
- 8.4** No garden window shall be permitted where it may conceivably obstruct normal pedestrian traffic even within a walled patio area.
- 8.5** No garden window shall be permitted above the first floor of any building except on buildings where the window faces into the breezeway area.
- 8.6** A window in which an existing fire-rated assembly has been included into the building to satisfy building code requirements shall not be removed and replaced by a garden window, except where a garden window is a similarly fire-rated unit.
- 8.7** Garden window frame will meet Staff approval and this Standard.

## **9.0 SLIDING GLASS DOORS**

- 9.1** In order to maintain visual consistency, sliding glass doors are subject to the Standards set forth in Section 2.0.

## DIMENSIONS FOR EMERGENCY ESCAPE AND RESCUE OPENINGS

The IRC prescribes minimum opening dimensions and a maximum sill height for emergency escape and rescue openings to effectively serve their intended purpose. The minimum opening size accommodates a fully equipped fire fighter or other rescuer as well as providing an adequate escape route for the occupant. The limitation on sill height allows a child or adult access to the escape opening. Width and height may be any number of combinations to achieve the minimum required opening area provided the minimum net dimensions are maintained (Table 1). The emergency escape and rescue opening may be a swinging or sliding door, a window or any other device that provides the required dimensions.

**Minimum net clear opening dimensions (Figures 3 and 4)**  
 Minimum opening area - 5.7 square feet *5.0 sq ft for first floor.*  
 Minimum opening width - 20 inches  
 Minimum opening height - 24 inches

The following combinations of width and height will provide a net clear opening of 5.7 square feet (820.8 square inches):

width (in.)	height (in.)	width (in.)	height (in.)
20	X 41	27.5	X 29.8
20.5	X 40	28	X 29.3
21	X 39.1	28.6	X 28.8
21.5	X 38.2	29	X 28.3
22	X 37.3	29.5	X 27.8
22.5	X 36.5	30	X 27.4
23	X 35.7	30.5	X 26.9
23.5	X 34.9	31	X 26.5
24	X 34.2	31.5	X 26.1
24.5	X 33.5	32	X 25.7
25	X 32.8	32.5	X 25.3
25.5	X 32.2	33	X 24.9
26	X 31.6	33.5	X 24.5
26.5	X 31	34	X 24.1
27	X 30.4	34.5	X 24

**Maximum sill height above floor (Figures 3 to 5)**  
 Maximum sill height - 44 inches

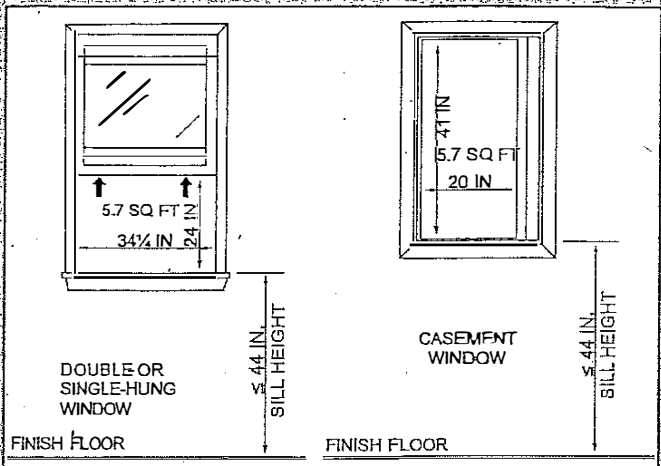
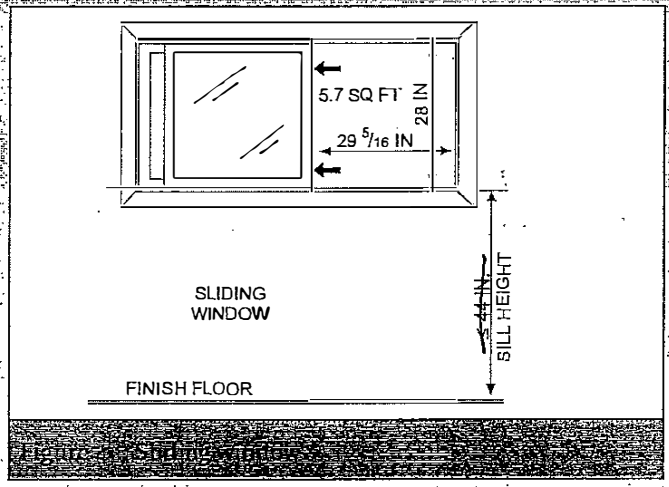


Figure 3 - Single or double hung or casement window



**RESOLUTION 03-19-09**

**REVISE ALTERATION STANDARD 34: WINDOW AND WINDOW ATTACHMENTS**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and

**WHEREAS**, the Architectural Control and Standard Committee recognizes the need to revise Alteration Standard 34: Windows and Window Attachments.

**NOW THEREFORE BE IT RESOLVED**, January 15, 2019, that the Board of Directors of this Corporation hereby introduces Alteration Standard 34: Windows and Window Attachments as attached to the official meeting minutes;

**RESOLVED FURTHER**, that Resolution 03-11-215 adopted December, 2011, is hereby superseded in its entirety and no longer in effect;

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution as written.

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## STANDARD 34: WINDOWS & WINDOW ATTACHMENTS

MAY 1996, RESOLUTION M3-96-28  
 SEPTEMBER 2002, RESOLUTION M3-02-47  
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 REVISED DECEMBER 2011, RESOLUTION 03-11-215  
 REVISED JANUARY 2019, RESOLUTION 03-19-09  
REVISED [DATE], RESOLUTION 03-24-XX

### 1.0 GENERAL REQUIREMENTS

See Standard Section 1: General Requirements ~~EE STANDARD 1: GENERAL REQUIREMENTS~~

### 2.0 DEFINITIONS

- 2.1 New Construction Window – A window, where both window frame and window are installed at any location.
- 2.2 Retrofit Window – A new window and frame is installed in an existing framed window opening.
- 2.3 Egress Window – An existing or new replacement window that is properly sized to meet current building code emergency exiting requirements. See Detail Section 10.0
- 2.4 Window Operation XO –  
X: Designates operable glass portion of a window  
O: Designates fixed glass portion of a window
- 2.5 Window Types – See Detail Section 9.0
- 2.6 Vinyl Window – Window framing and surrounding components are made of vinyl with the primary ingredient being PVC (Poly-Vinyl Chloride)

2.7 Composite Windows – Window framing and surrounding component are made with several different materials combined together to form a strong singular composite material.

2.8 ACSC: Architectural Control and Standards Committee.

### 3.0 MATERIALS & FINISHES

3.1 New construction or retrofit windows shall meet current building and fire safety codes. Aluminum, vinyl and composite are materials currently accepted. All other materials are subject to review by Manor Alterations and the ACSC. Wood is prohibited.

3.2 Finish colors to be white or black. Other colors are subject to review and approval by the ACSC.

A. All windows / frames along any one given elevation are to match in color.

### 4.0 DESIGN CRITERIA

4.1 XOx windows may replace XO windows and vice versa, (i.e. fixed panels may replace sliding panels and sliding panels may replace fixed panels).

4.2 XO windows may be converted to a picture window and vice versa.

A. The height and width of the opening must remain the same

B. Egress requirements cannot be compromised.

4.3 Where window styles have an XO above an XO or OO window below, the window section below may be filled in to match existing interior and exterior finishes.

A. The dimensions of the top window section must remain the same.

4.4 All windows and sliding glass doors along any one elevation or wall to be replaced with matching styles and at the same time to ensure architectural integrity along said elevation or wall.

4.5 Exterior window trim or flange shall not exceed 4” in width and be on a flat plane with the wall surface.

4.6 Window Accessories / Attachments that are **not** allowed:

A. Awnings just over a window. See Standard 22: Patio and Balcony Covers Aluminum and Vinyl.

B. Storm Windows/ Glass Shields

C. Exterior Shutters

D. Wrought Iron Grilles

E. Exterior Wall Hung Planter Boxes

## 5.0 GLAZING

5.1 Title 24 / Energy efficient requirements – Subject to current building codes:

A. Tempered

B. Dual glazing

C. Meet low-e2 standards (thin coating minimizing the amount of infrared and ultraviolet light that comes through glass)

D. U factor of 0.30 (rates how fast heat is gained or lost through a window)

E. Energy Star – recommended

5.2 Stained glass window design, specifications and locations are subject to review and approval by the ACSC.

5.3 Reflective tints or films applied to glass after manufacture is permitted provided the reflectivity factor does not exceed 15%. Verification documentation required at Mutual Consent Application.

## 6.0 GARDEN WINDOWS

6.1 Included in this classification: Greenhouse window, planter window, bay window. See Section 9.0 Window Styles.

6.2 All garden type windows may be subject to review and approval by the ACSC.

6.3 A garden type window shall not extend farther out from the face of the building by more than 24 inches.

A. Maximum horizontal dimension 8 feet

B. Maximum vertical dimension 6 feet.

6.4 A garden type window shall be permitted in the following areas:

A. Kitchen

B. Breakfast nook

C. Dining room

D. A window location that projects into an enclosed patio area.

6.5 A garden type window is not allowed in the following conditions:

A. Where projection impedes a pedestrian walkway

B. Above the first floor UNLESS it would project into an existing breezeway.

6.6 A garden type window must not compromise the fire rating of the wall that it is installed in.

## **2.07.0 APPLICATIONS**

7.1 New construction window replacement is permitted only upon the approval of the Alterations Division office. Retrofit windows are permitted upon the approval of the Alterations Division office in accordance with the criteria established herein. All windows are to comply with current building codes.

7.2 A scaled floorplan showing all new or retrofit locations is required.

A. All retrofit bedroom window installations must meet minimum egress requirements. See Section 10

7.3 Top of window heights shall be at 6'-8" (6 feet 8 inches). Any variation is subject to review and approval by the ACSC.

7.4 Size of retrofit windows to be as large as possible with in an existing opening.

A. All new or retrofit windows in a bedroom shall comply with minimum egress requirements as dictated by current building codes. See Section 10.0 reference.

7.5 Casement windows are not permitted where:

A. The opening swings into an area where regular building / landscaping maintenance is required.

B. The opening swings into a pedestrian walkway.

### **2.1**

~~2.2 Windows may be framed with either aluminum or vinyl. Wood framed windows, and the use of other materials, are subject to the review of the Board of Directors.~~

~~2.3 Aluminum framed windows must match the original window frame color on the building with either a natural or bronzed anodized finish.~~

- ~~2.4~~ All vinyl framed windows must be white in color. Colors other than white vinyl will be reviewed by the Board of Directors.
- ~~2.5~~ Windows and sliding glass doors on the same wall of an individual manor will be replaced concurrently to ensure visual continuity in the building and surrounding area except when windows and/or sliding glass doors are obscured by patio walls or glass enclosures. At any such time that the enclosure is removed, exposing the windows and/or sliding glass doors, the Member must replace the windows and/or sliding glass doors to conform to the Mutual Standard.
- ~~2.6~~ Any existing retrofit windows in the building will set the precedent for trim size/dimensions to be utilized for new retrofit installations.
- ~~2.7~~ The top of window heights shall be at 6' 8" unless a special height is called for on the standard plan drawing.
- ~~2.8~~ Size and location of windows shall be as per standard plan drawings
- ~~2.9~~ All retrofit windows must be certified with the City of Laguna Woods. Any retrofit window that is not properly certified is subject to permit revocation and removal at the sole cost of the manor owner.
- ~~2.10~~ Any retrofit of bedroom windows for a La Jolla style manor must include a minimum of one (1) roll and turn style window or a casement window in order to meet building code egress regulations.

### **3.08.0 MAINTENANCE INSTALLATION REQUIREMENTS**

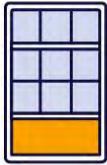
- ~~8.1~~ All windows are required to meet building code regulations. Member is responsible for all upkeep and maintenance of all new or replacement windows.
- ~~8.2~~ If new or replacement windows fall into a state of disrepair, the mutual at its discretion may make any necessary repairs and charge the member for such repairs.
- 3.1
- ~~3.2~~ XOX windows may replace XO windows, and vice versa. Fixed panels may replace sliding panels, and sliding panels may replace fixed panels.
- ~~3.3~~ XO windows may be converted to picture windows, and vice versa, provided the height and width of the opening remain the same and egress is not compromised.
- ~~3.4~~ Windows may be converted to sliding glass doors, and vice versa, provided that 1) the area faces into a patio, atrium, or balcony, and 2) the height and width of the opening remain the same.
- ~~3.5~~ Where windows have a configuration of XO above an XO or OO in the same opening, the bottom section may be filled in using standard construction practices. The dimensions of the top section must remain the same.

- ~~3.6 Casement windows are not permitted where the window, when open, would protrude into an area where maintenance of property, i.e., mowing, pruning, planting, would be impeded, or where the window would protrude into a walkway or area where pedestrians walk.~~
- ~~3.7 Casement windows are permitted to be installed where egress windows in bedrooms are required due to the installation of a patio enclosure.~~
- ~~3.8 Bathroom windows covered with an original or permitted grille may remain as is during the retrofit of other windows on the same elevation, provided the existing frame is painted to match the retrofit windows.~~
- ~~3.9 Bathroom windows may remain as is during the retrofit of other windows on the same elevation when retrofitting the subject window would reduce the glass size to less than one (1) foot in any direction.~~
- ~~3.10 Retrofit louvered bathroom windows. Louvered bathroom windows may be retrofitted with other window options that fit the existing opening, a single fixed pane of glass, a double hung window, casement window, and glass blocks. Replacement windows must conform to Section 34 window standards. Plans and specifications must be submitted to the Permits Department for approval prior to installation.~~
- ~~3.11 Recessed vinyl retrofitted kitchen windows. Flanges on recessed vinyl retrofit kitchen windows shall be cut to fit the size of the window it is replacing. Metal frames around the window shall be painted to match the vinyl window frame, except for casement windows in three-story buildings. Paint must be appropriate for use on metal surfaces.~~
- ~~3.12 The total width of the perimeter frame and sash for retrofit vinyl windows shall not exceed four inches. Unless the subject window is surrounded by original wood framing, all non-casement window flanges must extend beyond any open areas between the aluminum frame and all sides in order to adequately protect against water intrusion.~~
- ~~3.13 With the exception of recessed windows, cutting of the flanges is not permitted.~~
- ~~3.14 The retrofit window frame should be constructed in a flat plane without raised or sculptured parts.~~
- ~~3.15 Windows must be properly insulated according to the manufacturer's installation instructions.~~
- ~~3.16 Retrofits of recessed windows must paint any exposed aluminum framing to match the color of the vinyl window. Garden Villa casement windows are an exception to this Standard.~~

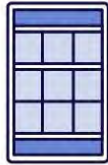
## 9.0 WINDOW STYLES (see attached) TYPE OF GLASS

## 10.0 EGRESS WINDOW GUIDELINES (see attached)

## 12 Main Types of Window Styles



Single-Hung



Double-Hung



Casement



Awning



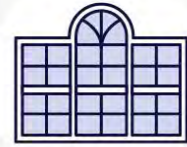
Garden



Sliding



Bay or Bow



Palladian



Picture



Arched



Egress



Skylight



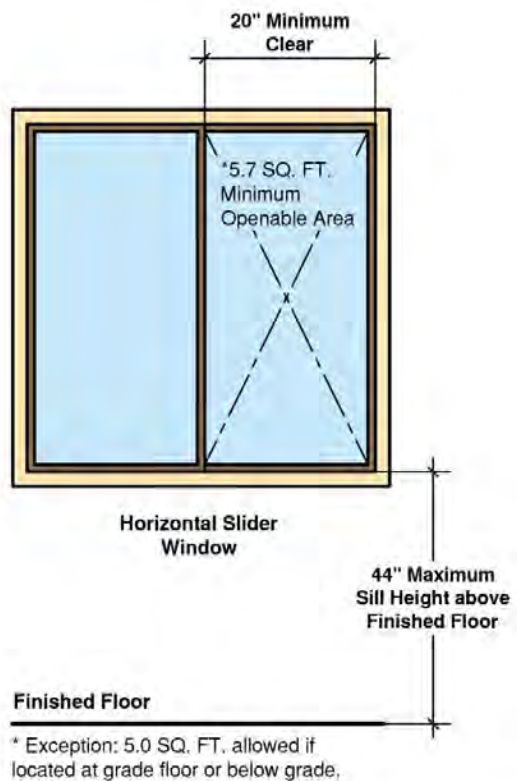
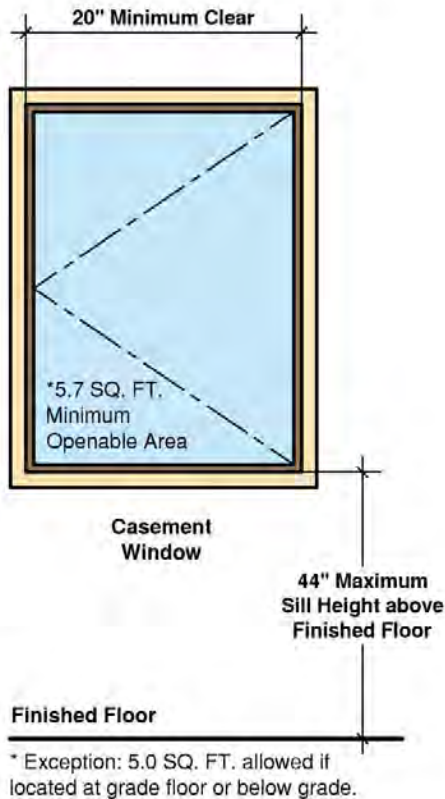
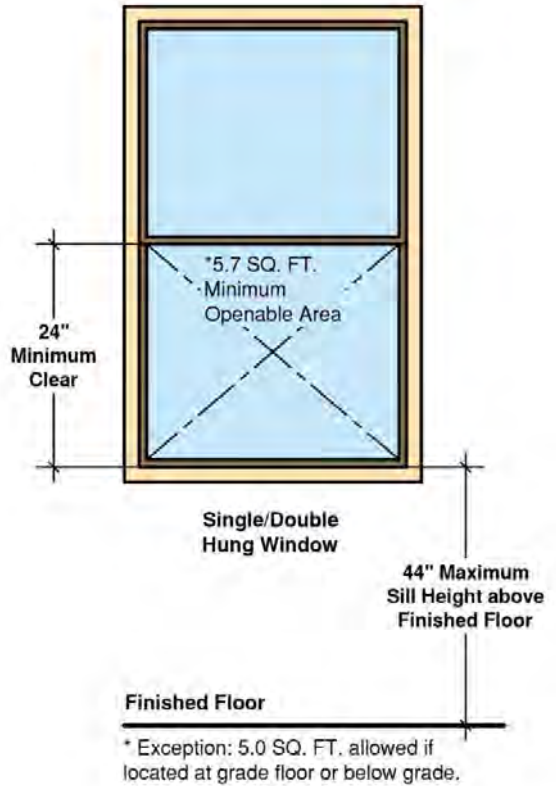
**SECTION 10.0 EGRESS WINDOW GUIDELINES**

Egress Windows are required in all sleeping rooms.

Egress Window Size and Dimensions:

1. Minimum 5.7 square feet of net clear opening area.
2. Minimum 24 inches of net clear height opening.
3. Minimum 20 inches of net clear width opening.

**NOTE: THESE REMAIN SUBJECT TO CURRENT BUILDING CODES.**





~~4.0~~

~~4.1 All glass to be clear, single light (no grids) with the following exception: single story manors may install vinyl retrofit windows and doors with grids that match the design pattern and dimension of the grids for all windows and doors on the same elevation. All glass shall be tempered as required on standard plan, except as outlined in Section 6.0. Thermopane type glass is required. Replacement window will correspond with Section 2.0.~~

~~4.2 Stained or leaded type glass per Section 6.0.~~

~~4.3 Reflective tints or films applied to glass after manufacture may be applied providing it does not have a reflectivity factor of more than 15%. Documentation of such material must be on hand and approved by the Alterations Division office before such application.~~

~~4.4 All bathroom windows will be of opaque glass.~~

~~5.0 ATTACHMENTS~~

~~5.1 No window awnings permitted.~~

~~5.2 No storm windows or glass shields will be installed on the exterior of any window~~

**6.0 STAINED GLASS**

- ~~6.1 Any application for stained, leaded, etc., types of glass must be submitted to the Permits and Inspections office for approval of design, color, and sizes.~~
- ~~6.2 All non-standard designs will be reviewed by the Board of Directors.~~

**7.0 WROUGHT IRON GRILLES**

- ~~7.1 All wrought iron grilles will be painted in accordance with the Mutual Paint Policy and approved color palette.~~
- ~~7.2 All grilles shall be decorative in nature and design. They will match other wrought iron, i.e., gates and fences where present.~~
- ~~7.3 Grilles shall not be placed on sliding glass doors or any other part of the unit except windows.~~
- ~~7.4 Grilles may be placed on only the first floor of any building except on those buildings where windows face into a breezeway and do not open directly into a walkway as determined by the Alterations Division office.~~
- ~~7.5 Maximum overhang of grilles shall be limited to 6" in any direction beyond window dimensions. No grille shall protrude more than 6" from the window.~~
- ~~7.6 Quick emergency release pins are required for fire purposes. Release pins shall be U.L. or U.B.C. approved and a smoke detector shall be utilized within the room where the grilles are installed.~~

**8.0 GARDEN WINDOWS**

- ~~8.1 Garden windows may be defined as planter windows, greenhouse, protruding windows, or bay windows.~~
- ~~8.2 No garden window shall extend outward from the building beyond 24". The largest horizontal or vertical dimensions of a garden window shall not exceed 8'-0" x 6'-0".~~
- ~~8.3 Garden windows shall be permitted only in dining rooms, nooks, and kitchens. Exception: any room where a window will face into a walled patio area.~~
- ~~8.4 No garden window shall be permitted where it may conceivably obstruct normal pedestrian traffic even within a walled patio area.~~
- ~~8.5 No garden window shall be permitted above the first floor of any building except on buildings where the window faces into the breezeway area.~~

~~8.6 — A window in which an existing fire-rated assembly has been included into the building to satisfy building code requirements shall not be removed and replaced by a garden window, except where a garden window is a similarly fire-rated unit.~~

~~8.7 — Garden window frame will meet Staff approval and this Standard.~~

~~9.0 — **SLIDING GLASS DOORS**~~

~~9.1 — In order to maintain visual consistency, sliding glass doors are subject to the Standards set forth in Section 2.0.~~

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## **STANDARD 34: WINDOWS & WINDOW ATTACHMENTS**

MAY 1996, RESOLUTION M3-96-28  
 SEPTEMBER 2002, RESOLUTION M3-02-47  
 NOVEMBER 2002, RESOLUTION M3-02-62  
 OCTOBER 2004, RESOLUTION 03-04-27  
 REVISED FEBRUARY 2006, RESOLUTION 03-06-10  
 REVISED SEPTEMBER 2006, RESOLUTION 03-06-41  
 REVISED MAY 2007, RESOLUTION 03-07-47  
 REVISED APRIL 2011, RESOLUTION 03-11-51  
 GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49  
 REVISED DECEMBER 2011, RESOLUTION 03-11-215  
 REVISED JANUARY 2019, RESOLUTION 03-19-09  
 REVISED [DATE], RESOLUTION 03-24-XX

### **1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

### **2.0 DEFINITIONS**

- 2.1** New Construction Window – A window, where both window frame and window are installed at any location.
- 2.2** Retrofit Window – A new window and frame is installed in an existing framed window opening.
- 2.3** Egress Window – An existing or new replacement window that is properly sized to meet current building code emergency exiting requirements. See Detail Section 10.0
- 2.4** Window Operation XO –  
 X: Designates operable glass portion of a window  
 O: Designates fixed glass portion of a window
- 2.5** Window Types – See Detail Section 9.0
- 2.6** Vinyl Window – Window framing and surrounding components are made of vinyl with the primary ingredient being PVC (Poly-Vinyl Chloride)

2.7 Composite Windows – Window framing and surrounding component are made with several different materials combined together to form a strong singular composite material.

2.8 ACSC: Architectural Control and Standards Committee.

### 3.0 **MATERIALS & FINISHES**

3.1 New construction or retrofit windows shall meet current building and fire safety codes. Aluminum, vinyl and composite are materials currently accepted. All other materials are subject to review by Manor Alterations and the ACSC. Wood is prohibited.

3.2 Finish colors to be white or black. Other colors are subject to review and approval by the ACSC.

A. All windows / frames along any one given elevation are to match in color.

### 4.0 **DESIGN CRITERIA**

4.1 XO windows may replace XO windows and vice versa, (i.e. fixed panels may replace sliding panels and sliding panels may replace fixed panels).

4.2 XO windows may be converted to a picture window and vice versa.

A. The height and width of the opening must remain the same

B. Egress requirements cannot be compromised.

4.3 Where window styles have an XO above an XO or OO window below, the window section below may be filled in to match existing interior and exterior finishes.

A. The dimensions of the top window section must remain the same.

4.4 All windows and sliding glass doors along any one elevation or wall to be replaced with matching styles and at the same time to ensure architectural integrity along said elevation or wall.

4.5 Exterior window trim or flange shall not exceed 4" in width and be on a flat plane with the wall surface.

4.6 Window Accessories / Attachments that are **not** allowed:

A. Awnings just over a window. See Standard 22: Patio and Balcony Covers Aluminum and Vinyl.

B. Storm Windows/ Glass Shields

C. Exterior Shutters

- D. Wrought Iron Grilles
- E. Exterior Wall Hung Planter Boxes

## 5.0 GLAZING

- 5.1 Title 24 / Energy efficient requirements – Subject to current building codes:
  - A. Tempered
  - B. Dual glazing
  - C. Meet low-e2 standards (thin coating minimizing the amount of infrared and ultraviolet light that comes through glass)
  - D. U factor of 0.30 (rates how fast heat is gained or lost through a window)
  - E. Energy Star – recommended
- 5.2 Stained glass window design, specifications and locations are subject to review and approval by the ACSC.
- 5.3 Reflective tints or films applied to glass after manufacture is permitted provided the reflectivity factor does not exceed 15%. Verification documentation required at Mutual Consent Application.

## 6.0 GARDEN WINDOWS

- 6.1 Included in this classification: Greenhouse window, planter window, bay window. See Section 9.0 Window Styles.
- 6.2 All garden type windows may be subject to review and approval by the ACSC.
- 6.3 A garden type window shall not extend farther out from the face of the building by more than 24 inches.
  - A. Maximum horizontal dimension 8 feet
  - B. Maximum vertical dimension 6 feet.
- 6.4 A garden type window shall be permitted in the following areas:
  - A. Kitchen
  - B. Breakfast nook
  - C. Dining room
  - D. A window location that projects into an enclosed patio area.
- 6.5 A garden type window is not allowed in the following conditions.

- A. Where projection impedes a pedestrian walkway
- B. Above the first floor UNLESS it would project into an existing breezeway.

**6.6** A garden type window must not compromise the fire rating of the wall that it is installed in.

## **7.0 APPLICATIONS**

**7.1** All windows are to comply with current building codes.

**7.2** A scaled floorplan showing all new or retrofit locations is required.

- A. All retrofit bedroom window installations must meet minimum egress requirements. See Section 10

**7.3** Top of window heights shall be at 6'-8" (6 feet 8 inches). Any variation is subject to review and approval by the ACSC.

**7.4** Size of retrofit windows to be as large as possible within an existing opening.

- A. All new or retrofit windows in a bedroom shall comply with minimum egress requirements as dictated by current building codes. See Section 10.0 reference.

**7.5** Casement windows are not permitted where:

- A. The opening swings into an area where regular building / landscaping maintenance is required.
- B. The opening swings into a pedestrian walkway.

## **8.0 MAINTENANCE**

**8.1** Member is responsible for all upkeep and maintenance of all new or replacement windows.

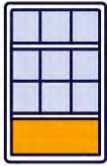
**8.2** If new or replacement windows fall into a state of disrepair, the mutual at its discretion may make any necessary repairs and charge the member for such repairs.

## **9.0 WINDOW STYLES (see attached)**

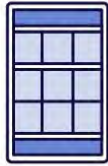
## **10.0 EGRESS WINDOW GUIDELINES (see attached)**



# 12 Main Types of Window Styles



Single-Hung



Double-Hung



Casement



Awning



Garden



Sliding



Bay or Bow



Palladian



Picture



Arched



Egress



Skylight

HomeAdvisor

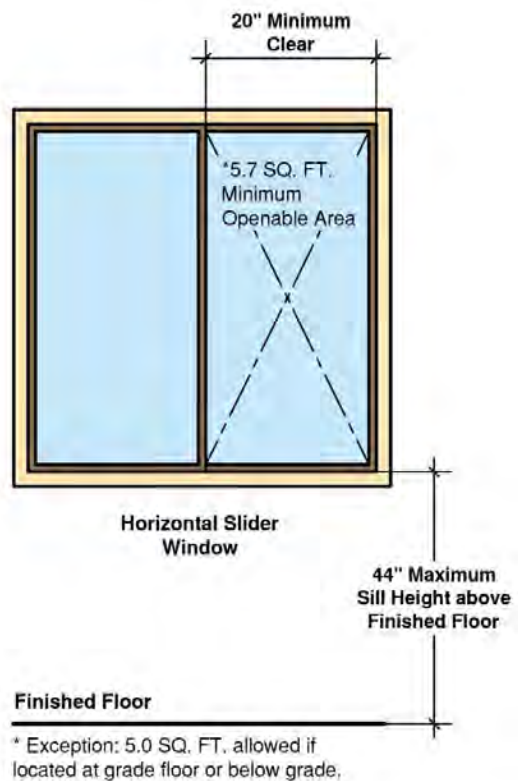
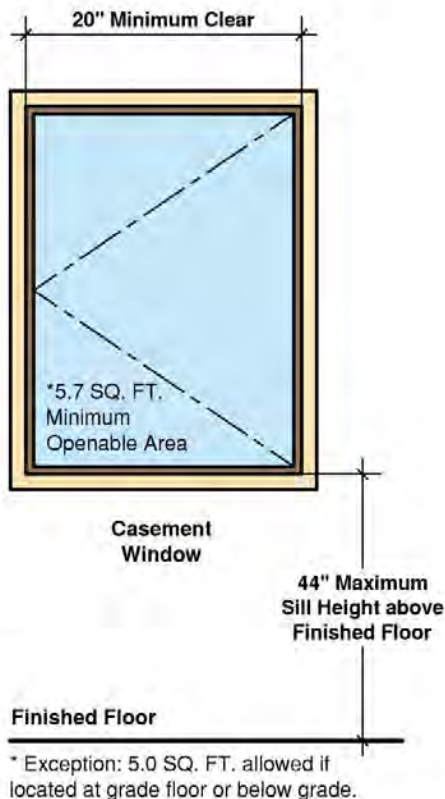
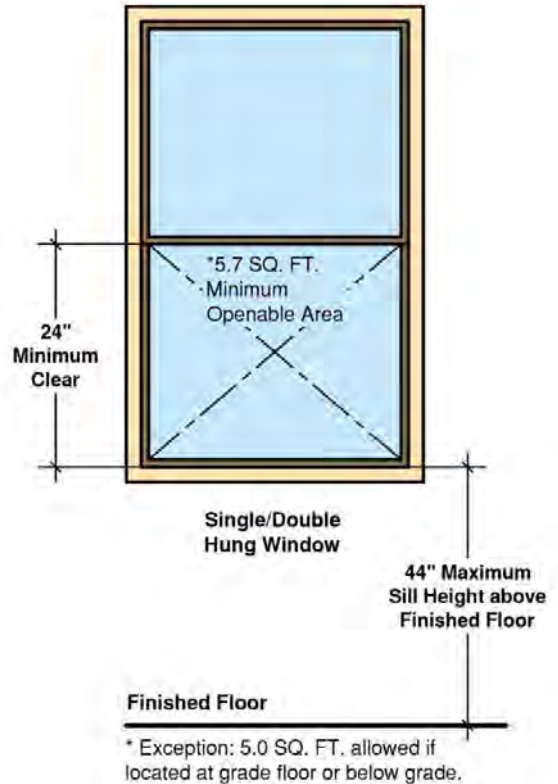
**SECTION 10.0 EGRESS WINDOW GUIDELINES**

Egress Windows are required in all sleeping rooms.

Egress Window Size and Dimensions:

1. Minimum 5.7 square feet of net clear opening area.
2. Minimum 24 inches of net clear height opening.
3. Minimum 20 inches of net clear width opening.

**NOTE: THESE REMAIN SUBJECT TO CURRENT BUILDING CODES.**





**RESOLUTION 03-24-XX**

**REVISE STANDARD 34: WINDOWS AND WINDOW ATTACHMENTS**

**WHEREAS**, the Third Laguna Hills Mutual recognizes the need to amend standards and create new standards as necessary; and

**WHEREAS**, the Mutual recognized the need to revise Standard 34: Windows and Window Attachments;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2024, the Board of Directors of this Corporation hereby adopts revisions and amendments to Standard 34: Windows and Window Attachments as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-19-09 adopted January 15, 2019, is hereby superseded and canceled; and

**RESOLVED FURTHER**; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

**JULY INITIAL NOTIFICATION: Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.**

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## STAFF REPORT

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**DATE:** July 16, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Building 3101 Walkway Realignment

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### **RECOMMENDATION**

Approve the request from the member at 3101-D for the mutual to realign the concrete walkway in the adjacent common area.

### **BACKGROUND**

On February 20, 2024, Ms. Renee Greenman of 3101-D requested that the board consider realigning the existing walkway that runs along the front side of her unit and under the front porch citing privacy, loss of mail and safety concerns. Staff was directed to evaluate the request.

Attachment 1 depicts the location of the walkway in question. Due to existing topographic features, this walkway not only serves as the access path to unit 3101-D, but it is also the most direct route from Via Serena North to B3100 and 3101-C.

### **DISCUSSION**

In consideration of the member's request and the concerns raised, staff recommends that the main walkway be realigned so the new path of travel to the neighboring buildings is directed away from the front door of unit 3101-D and remove the portion between the front porch and the main walkway between B3101 and B3100. Attachment 2 shows the preliminary alignment of the proposed walkway.

On July 1, 2024, the Third Maintenance & Construction Committee voted unanimously to recommend the board approve the request from the member at 3101-D for a portion of the walkway to be removed and a new section to be added to direct foot traffic away from the manor.

### **FINANCIAL ANALYSIS**

The estimated cost to construct the new walkway based on the prices bid by an outside vendor is \$10,000. If the Board of Directors approves the request to realign the walkway, the respective departments will utilize funds from the approved operating budgets to accomplish this work.

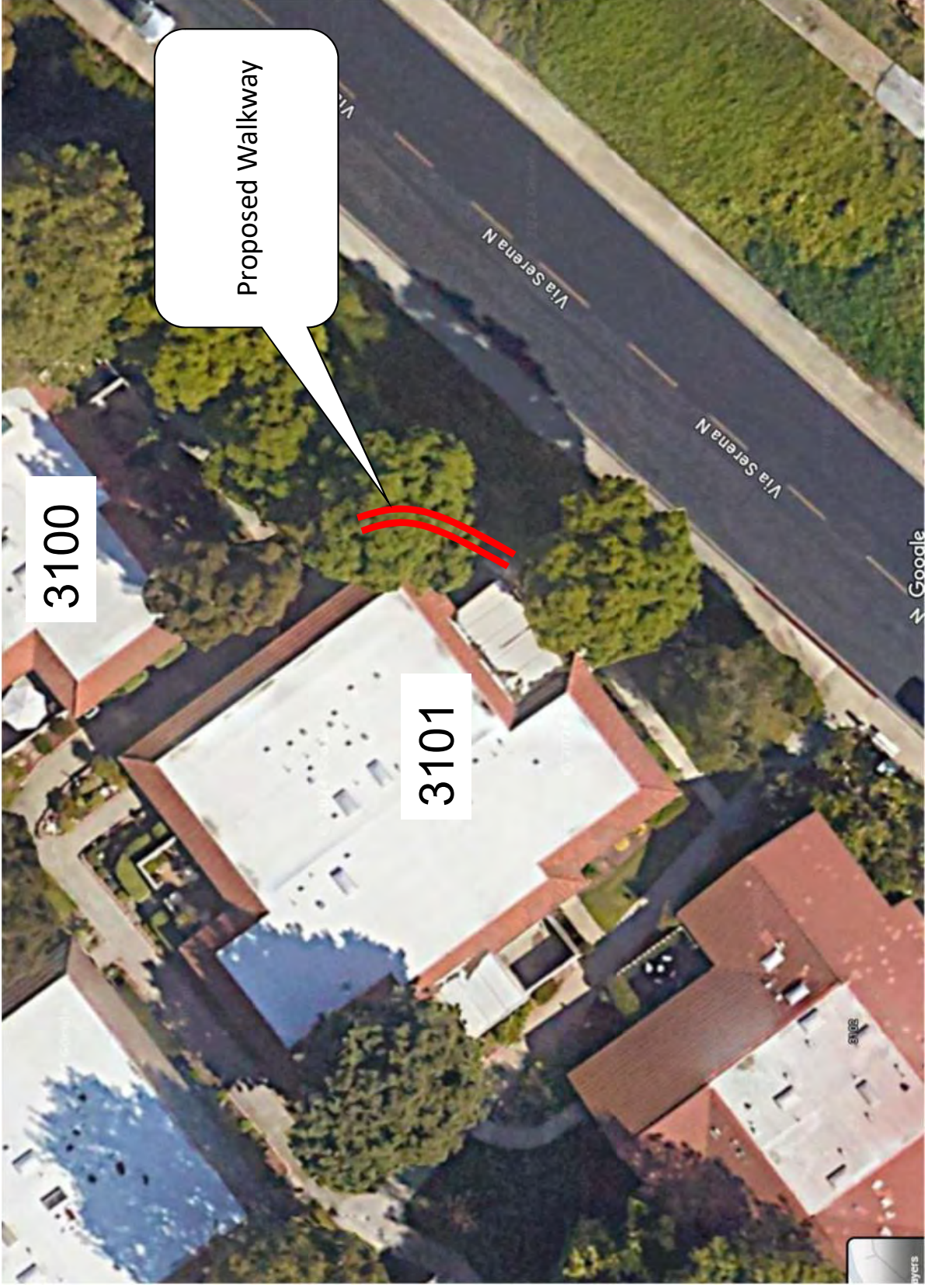
**Prepared By:** Bart Mejia, Maintenance & Construction Assistant Director

**Reviewed By:** Manuel Gomez, Maintenance & Construction Director  
Kurt Wiemann, Director of Field Operations  
Robert Carroll, Director of General Services

**ATTACHMENT(S)**

- Attachment 1: Location Map
- Attachment 2: Proposed Walkway Alignment





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**Resolution 03-24-XX**

**Third Mutual Committee Appointments**

**RESOLVED**, July 16, 2024, that the following persons are hereby appointed to serve on the committees and services of this Corporation;

**RESOLVED FURTHER**, that each committee chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

**Finance Committee (meets every other month)**

David Veeneman, Chair  
Moon Yun  
Brad Rinehart  
SK Park  
Nathaniel Ira Lewis  
Reza Karimi, Alternate

**Architectural Control and Standards Committee (meets monthly)**

James Cook, Chair  
Brad Rinehart  
Nathaniel Ira Lewis  
Reza Karimi  
David Veeneman  
Non-Voting Advisors: Mike Butler, Mike Plean, Lisa Mills

**Landscape Committee (meets monthly)**

SK Park, **Chair**  
~~Mark Laws, Chair~~  
Brad Rinehart  
Reza Karimi  
David Veeneman  
Moon Yun, ~~Alternate~~  
Non-Voting Advisors: Patricia Bailey, Diane Bonar, Mark Brenner, Krystal Meier

**Maintenance and Construction Committee (meets every other month)**

Brad Rinehart, Chair  
James Cook  
Moon Yun  
SK Park  
Reza Karimi



**Resident Policy and Compliance Committee (meets monthly)**

Mark Laws, Chair  
Cris Prince  
Nathaniel Ira Lewis  
Moon Yun  
Reza Karimi  
SK Park, Alternate  
Non-Voting Advisors: Stuart Hack, Theresa Keegan

**Executive Hearings Committee (meets monthly)**

Mark Laws, Chair  
Jim Cook  
Cris Prince  
David Veeneman, Alternate  
SK Park, Alternate

**Water Conservation Committee (meets quarterly)**

Jules Zalon, Chair  
Reza Karimi  
Brad Rinehart  
Nathaniel Ira Lewis  
David Veeneman

**Executive Committee (can attend Closed Meetings / Executive Sessions)**

Mark Laws  
Jim Cook  
Cris Prince  
Reza Karimi  
Nathaniel Ira Lewis  
Moon Yun  
SK Park  
~~Andy Ginecchio~~  
Brad Rinehart  
David Veeneman

**Garden Villa Recreation Room Committee (meets thrice yearly)**

SK Park, Chair  
Moon Yun  
David Veeneman  
Voting Advisors: Stuart Hack, Lynn Jarrett  
Non-Voting Advisors: Lorna Seung

**RESOLVED FURTHER**, that Resolution 03-24-70, adopted June 18, 2024, is hereby superseded and canceled; and

**RESOLVED FURTHER;** that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.



## **Resolution 03-24-XX**

### **GRF Committee Appointments**

**RESOLVED**, July 16, 2024, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

#### **Community Activities Committee** (meets monthly)

SK Park (Third)  
Reza Karimi (Third)  
Moon Yun, Alternate (Third)

#### **Finance Committee** (meets every other month)

David Veeneman (Third)  
Nathaniel Ira Lewis (Third)  
Moon Yun, Alternate (Third)

#### **Landscape Committee** (meets every three months)

SK Park (Third)  
Reza Karimi (Third)

#### **Maintenance & Construction Committee** (meets every other month)

SK Park (Third)  
Brad Rinehart (Third)  
Reza Karimi, Alternate (Third)

#### **Media and Communications** (meets every third month)

~~Jim Cook (Third)~~  
Cris Prince, (Third)  
Moon Yun, Alternate (Third)

#### **Broadband Ad Hoc Committee** (meets as scheduled)

Cris Prince (Third)  
Jim Cook (Third)  
Reza Karimi, Alternate (Third)

#### **Mobility & Vehicles Committee** (meets as scheduled)

SK Park (Third)  
Moon Yun (Third)  
Reza Karimi, Alternate (Third)

**Security and Community Access Committee (meets every other month)**

SK Park (Third)  
Reza Karimi (Third)  
David Veeneman, Alternate (Third)

**Disaster Preparedness Task Force (meets every other month)**

SK Park (Third)  
Moon Yun (Third)  
David Veeneman, Alternate (Third)

**Laguna Woods Village Traffic Hearings (meets every month)**

SK Park (Third)  
David Veeneman, Alternate (Third)

**Information Technology Advisory Committee (ITAC) (meets every month)**

Mark Laws (Third)  
SK Park (Third)

**Space Planning Ad Hoc Committee (meets as scheduled)**

Reza Karimi (Third)  
SK Park (Third)

**Select Audit Committee (meets as scheduled)**

David Veeneman (Third)

**RESOLVED FURTHER**, that Resolution 03-24-71, adopted June 18, 2024, is hereby superseded and canceled; and

**RESOLVED FURTHER;** that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.



## Treasurer's Report for July 16, 2024 Board Meeting

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**SLIDE 1** – Through the reporting period of **May 31, 2024**, total revenue for Third was \$19.7M compared to expenses of \$17.1M, resulting in a net revenue of \$2.6M.

**SLIDE 2** – In Finance, we keep a close eye on the operating portion of our financial results. The Operating Fund shows a deficit of (\$273K) through the reporting period. This table shows how much of our revenue went into operations, with \$11.6M coming in from assessments and \$922K coming from non-assessment revenue. This is compared to operating expenditures of \$12.8M (without Depreciation).

**SLIDE 3** – This next table takes the full income statement and compares those results to budget. We can see that Third ended the period worse than budget by (\$62K) when combining both operating and reserve revenues and expenses.

**SLIDE 4** – The most significant variances from budget were attributable to:

- **Employee Compensation and Related \$474K:** Favorable variance resulted primarily in the Landscape and General Services departments due to open positions. Impacted areas include grounds maintenance, irrigation, janitorial, and streets and sidewalks. Recruitment is in progress to fill open positions. Grounds maintenance contracted shrub-bed maintenance to outside vendors for the pruning/weeding cycle as they continue to fill open positions.
- **Outside Services \$345K:** Favorable variance was primarily due to timing for the following programs: Prior to Paint Landscaping, Waterlines – Copper Pipe Remediation, and Tree Maintenance. Although budgeted evenly throughout the year, Prior to Paint Landscaping began in June, Waterlines Copper began in May, and Tree Maintenance started the year with less expensive tree trimming based on the type of trees. These favorable programs were partially offset by the Waste Line Replacement program as it began earlier than expected. The expense was mostly budgeted in the second half of the year however work actually began sooner.
- **Investment Income \$204K:** Favorable variance resulted primarily from treasury bills yielding a higher return than anticipated. Investments have averaged a 5% return compared to a budgeted return of 2.5%.
- **Legal Fees (\$147K):** Unfavorable variance resulted from more ongoing resident related legal matters than anticipated.



## Treasurer's Report for July 16, 2024 Board Meeting

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- **Fees and Charges to Residents (\$883K):** Unfavorable variance due to timing of billing requests for backlogged damage restoration cases. Additionally, current year resident maintenance fees relating to damage restoration cases ended the period unfavorable due to less hearings scheduled through May, as the backlog hearings take priority.

**SLIDE 5** – In this table, we present our non-assessment revenues earned to date by category and compare them to the current year's budget and the prior year's YTD actuals. Our largest revenue generating categories as of May 31, 2024 were Investment Income, Resident Maintenance Fee, and Sales and Leasing Fees. Non-assessment revenues totaled \$1.5M through the reporting period.

**SLIDE 6** – In this table, we present our expenses to date by category and compare them to the current year's budget and the prior year's YTD actuals. Our largest expense categories as of May 31, 2024 were Employee Compensation & Related, Insurance, and Outside Services. Expenses totaled \$17.1M through the reporting period.

**SLIDE 7** – The non-operating fund balance on May 31, 2024 was \$35.8M. YTD contributions and interest were \$7.2M while YTD expenditures were \$4.3M.

**SLIDE 8** – We compare the non-operating fund balances to historical fund balances for the past five years on this chart, which has averaged \$31.6M. Third Laguna Hills Mutual has been committed to supporting reserve requirements and having more contingency funds for unexpected events.

**SLIDE 9** – We have a slide here to show resale history from 2022 - 2024. Through May 31, 2024, Third resales totaled 146, which is 13 resales higher than the prior year for the same time period. The average YTD resale price for a Third Mutual was \$627K, which is \$91K higher than the prior year for the same time period.



# Financial Report

As of May 31, 2024



INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$18,114
Non-assessment Revenue	\$1,542
Total Revenue	\$19,656
Total Expense	\$17,063
Net Revenue/(Expense)	\$2,593

# Financial Report

As of May 31, 2024



OPERATING INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$11,561
Non-assessment Revenue	\$922
Total Revenue	\$12,483
Total Expense <sup>1</sup>	\$12,756
Operating Deficit	(\$273)

1) excludes depreciation

# Financial Report

As of May 31, 2024



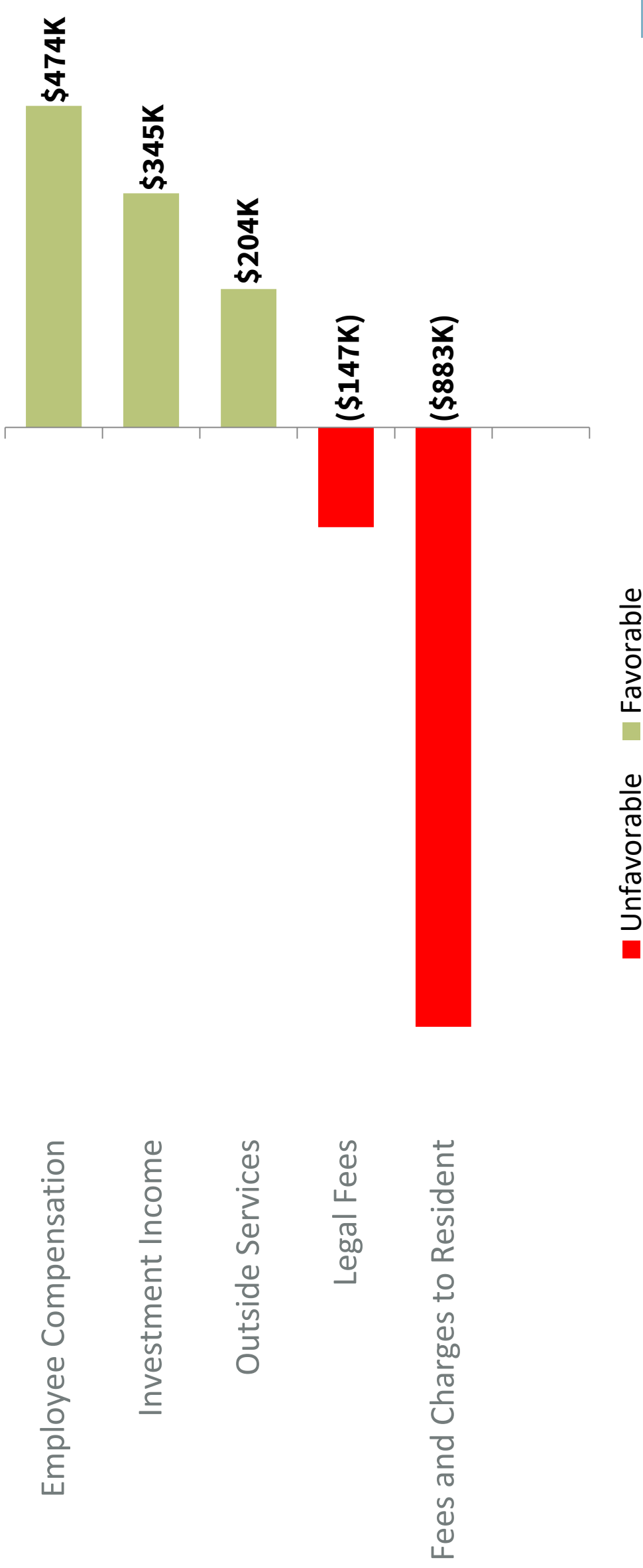
INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE B/(W)
Assessment Revenue	\$18,114	\$18,114	\$0
Non-assessment Revenue	\$1,542	\$2,136	(\$594)
Total Revenue	\$19,656	\$20,250	(\$594)
Total Expense	\$17,063	\$17,595	\$532
Net Revenue/(Expense)	\$2,593	\$2,655	(\$62)

# Financial Report

As of May 31, 2024



## Year to Date Variances



# Financial Report

As of May 31, 2024



## Total Non-Assessment Revenues - \$1,541,859 (in Thousands)

Category	2023 YTD Actual	2024 YTD Actual	2024 YTD Budget	2024 YTD Variance	2024 Total Budget
Investment Income	\$400	\$620	\$275	\$345	\$660
Resident Maintenance Fee*	\$387	\$491	\$1,297	(\$806)	\$3,116
Sales and Leasing Fees**	\$181	\$178	\$207	(\$29)	\$498
All Other Revenues	\$307	\$253	\$357	(\$104)	\$856
<b>Total Non-Assessment Revenues</b>	<b>\$1,275</b>	<b>\$1,542</b>	<b>\$2,136</b>	<b>(\$594)</b>	<b>\$5,130</b>

\*Includes damage restoration backlog revenue

\*\*Includes lease processing fee, resale processing fee, inspection fee revenue

# Financial Report

As of May 31, 2024



**Total Expenses - \$17,062,893**  
(in Thousands)

Category	2023 YTD Actual	2024 YTD Actual	2024 YTD Budget	2024 YTD Variance	2024 Total Budget
Employee Comp & Related	\$5,292	\$5,688	\$6,162	\$474	\$14,816
Insurance	\$3,706	\$3,501	\$3,511	\$10	\$9,167
Outside Services*	\$3,174	\$3,483	\$3,708	\$225	\$12,999
All Other Expenses	\$3,603	\$4,391	\$4,214	(\$177)	\$10,897
<b>Total Expenses</b>	<b>\$15,775</b>	<b>\$17,063</b>	<b>\$17,595</b>	<b>\$532</b>	<b>\$47,879</b>

\*Includes professional fees

# Financial Report

As of May 31, 2024



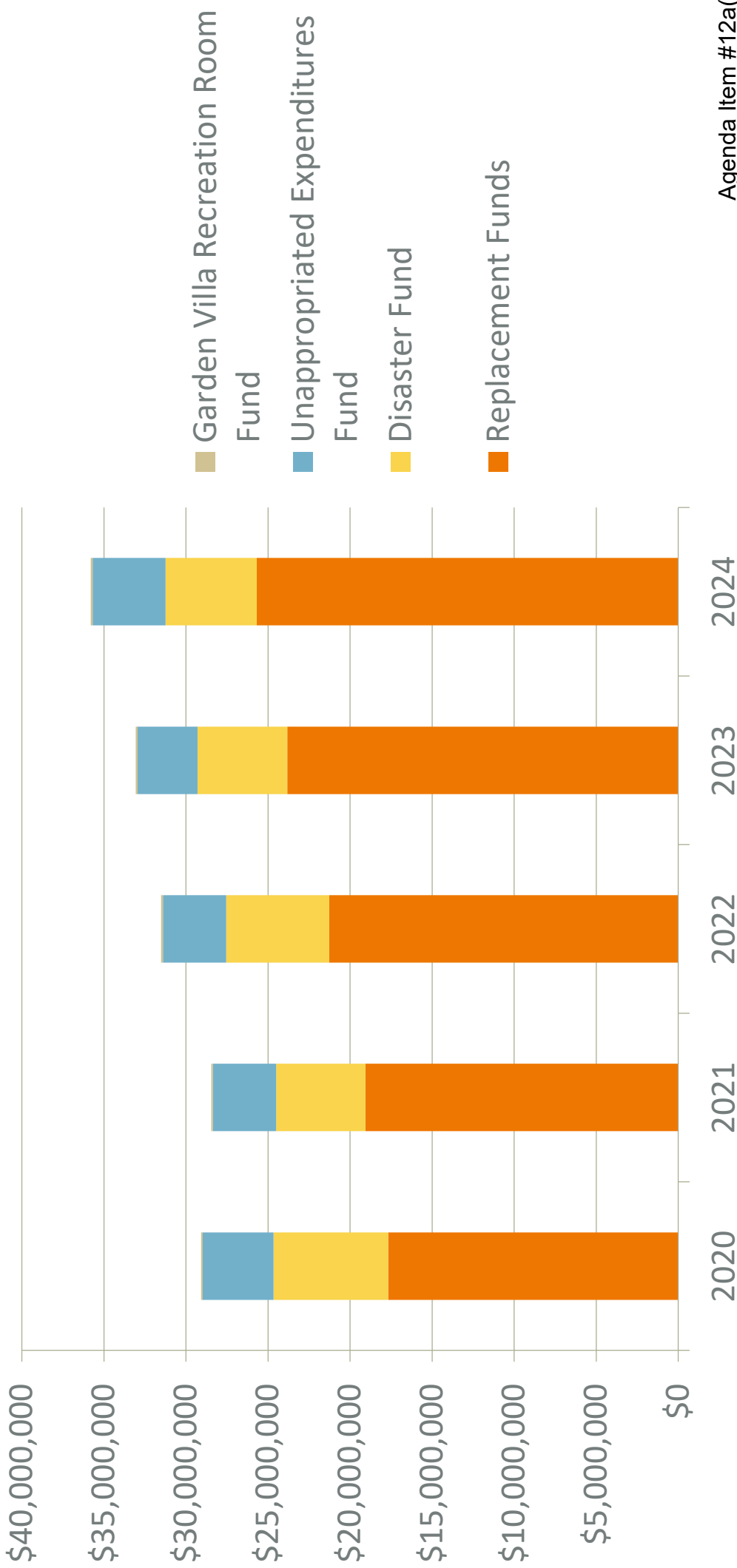
NON OPERATING FUND BALANCES (in Thousands)	Replacement Funds*	Garden Villa Fund	Disaster Fund	Unappropriated Expenditures Fund	TOTAL
Beginning Balances: 1/1/24	\$23,703	\$114	\$5,439	\$3,650	\$32,906
Contributions & Interest	\$5,486	\$42	\$847	\$797	\$7,172
Expenditures	\$3,493	\$42	\$733	\$0	\$4,268
Current Balances: 5/31/24	\$25,696	\$114	\$5,553	\$4,447	\$35,810

\*Includes Elevator and Laundry Funds

# Financial Report

As of May 31, 2024

## FUND BALANCES – Third Mutual





# Financial Report

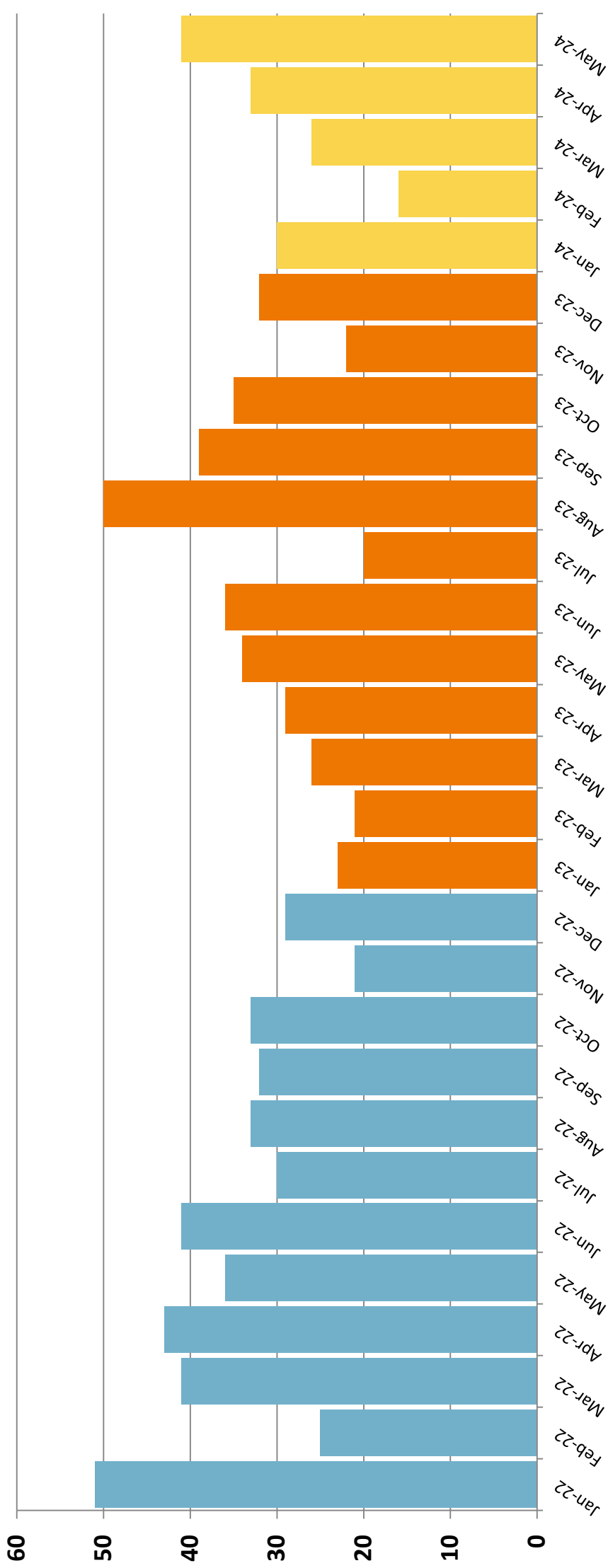
As of May 31, 2024

## RESALE HISTORY – Third Mutual



THIRD LAGUNA HILLS  
— M U T U A L —

	NO. OF REALES	AVG. RESALE PRICE
YTD 2022	196	\$521,946
YTD 2023	133	\$536,317
YTD 2024	146	\$627,449



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**FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION**

Tuesday, June 4, 2024 – 1:30 p.m.  
Hybrid Meeting

**DIRECTORS PRESENT:** Andy Ginocchio- Chair, S. K. Park, Moon Yun, Brad Rinehart, David Veeneman, Reza Karimi (Alternate)  
**DIRECTORS ABSENT:** Jules Zalon  
**ADVISORS PRESENT:** None.  
**STAFF PRESENT:** Steve Hormuth, Jose Campos, Pam Jensen, Ian Barnette, Blake Lefante, Ada Sigler, Karina Vargas

**Call Meeting to Order**

Director Andy Ginocchio, Treasurer, chaired and called the meeting to order at 1:30 p.m.

**Approval of the Agenda**

Director Venneman made a motion to approve the Agenda as presented, Director Park seconded, hearing no objections the motion passed.

**Approval of Meeting Report for April 2, 2024**

Director Park made a motion to approve the meeting report as presented, Director Rinehart seconded, and the report was approved by consent.

**Remarks of the Chair**

None.

**Member Comments (Items Not on the Agenda)**

None.

**Response to Member Comments**

None.

**Department Head Update**

Steve Hormuth, Director of Financial Services, provided a brief update on the Third Mutual budget meetings for the 2025 Business Plan, informing the completion of version 1 review for Maintenance & Construction budget on May 23 and the Landscape budget

on June 3. Steve Hormuth announced staff continues to work on the recommendations to be provided for the upcoming review of version 2 scheduled for July 15.

**Preliminary Financial Statements dated April 30, 2024**

Jose Campos, Assistant Director of Financial Services, presented the Preliminary Financial Statements dated April 30, 2024. Questions and comments were noted by staff.

Director Rinehart stepped out at 2:59 pm.

**2025 Collection and Lien Enforcement Policy**

Staff and confirmed no changes affecting assessment collection policies. Thus, the 2025 Collection and Lien Enforcement remains consistent with the 2024 version, with the exception of a title update from “2024” to “2025”. Director Park made a motion to approve as recommended. Director Veneman seconded, discussion ensued, of the voting Directors present the motion passed 4:1. This policy will be presented at the next board meeting and placed on the Consent Calendar and 28-day notice.

**Purchase Task Force (Oral)**

Director Ginocchio shared with the committee that they have agenda prep this upcoming week and plan to discuss the board-initiated changes to the Purchasing Policy. Staff strongly urged the committee members to not vote on the proposed changes to the Purchasing Policy at their upcoming board meeting without having first shared their proposal with representatives from GRF and United as members of the Purchasing Task Force. Staff shared potential negative impacts that could be created by no longer having an aligned policy amongst all three corporations. Some of those potential impacts are vendor confusion, delayed work, and increased pricing due to loss of economies of scale (i.e. Third may contract with vendors on its own without the benefit of including United and GRF). Staff recommends Third delay its vote on this matter and instead meet as members of the Purchasing Task Force to discuss their concern(s).

Director Rinehart returned at 3:11pm.

Third Laguna Hills Mutual  
Finance Committee  
Regular Open Session  
September 6, 2022  
Page 2 of 2

**Future Agenda Items**

None.

**Committee Member Comments**

None.

**Date of Next Meeting**

Tuesday, August 6, 2024 at 1:30 p.m.

**Recess to Closed Session**

The meeting recessed at 3:21 p.m.

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Andy Ginocchio (Jun 12, 2024 08:01 PDT)

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Andy Ginocchio, Chair

Andy Ginocchio, Chair  
Steve Hormuth, Staff Officer  
Telephone: 949-597-4201

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**OPEN MEETING**

**REPORT OF THE REGULAR MEETING OF THIRD LAGUNA HILLS MUTUAL  
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE**

**Monday, June 10, 2024 – 1:30 p.m.  
Laguna Woods Village Board Room/Virtual Meeting  
24351 El Toro Road, Laguna Woods, California**

**REPORT**

- COMMITTEE MEMBERS PRESENT:** Jim Cook – Chair, Andy Ginocchio (Alternate for Reza Karimi), Nathaniel Ira Lewis, Brad Rinehart, David Veeneman, Advisors: Mike Butler, Lisa Mills
- COMMITTEE MEMBERS ABSENT:** Reza Karimi (Excused), Mike Plean (Advisor-Excused)
- OTHERS PRESENT:** S.K. Park
- STAFF PRESENT:** Bart Mejia – Maintenance & Construction Assistant Director (In the Audience), Alan Grimshaw – Manor Alterations Manager, Gavin Fogg – Manor Alterations Supervisor, David Rudge – Inspector II, Josh Monroy – Manor Alterations Coordinator

**1. Call Meeting to Order**

Chair Cook called the meeting to order at 1:30 p.m.

**2. Approval of the Agenda**

The agenda was amended to include items 10b. Revision to Standard 41: Solar Panels, 1 Story Buildings and 10c. Revision to Standard 41A: Solar Panels, 2 Story Buildings as action items. 10f. was also added as a discussion, Variance Neighbor Awareness Notice.

Chair Cook asked for approval of the amended agenda.

Director Veeneman made a motion to approve the amended agenda. Director Ginocchio seconded.

Hearing no objection, the agenda was approved as amended.

**3. Approval of the Meeting Report for May 13, 2024**

Chair Cook asked for approval of the meeting report.

Director Veeneman made a motion to approve the meeting report. Director Lewis seconded.

Hearing no objection, the meeting report was approved by unanimous consent as written.

**4. Remarks of the Chair**

None.

**5. Member Comments - (Items Not on the Agenda)**

None.

**6. Response to Member Comments**

None.

**7. Department Head Update**

None.

**8. Consent Calendar:** All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

a. **Over-The-Counter Variances** – Hearing no objection, the Over-The-Counter Variance report was approved by a vote of 4/0/1 (Chair Cook, recused).

2173-A: Request to Install Pavers on Common Area for Golf Car

- Two-member comments were read.

3282-B: Request to Install Fence to Enclose Common Area at Entry

**9. Variance Requests**

a. 2269-P: Variance to Install Acorn Stairlift in Common Area

Chair Cook asked for approval of the variance.

Director Lewis made a motion to approve the variance. Director Veeneman seconded.

Hearing no objection, the variance to install an Acorn stairlift in Common Area was approved by



unanimous consent.

**10. Items for Discussion and Consideration**

a. Revision to Standard 6: Block Walls

Chair Cook asked for approval of the revised standard.

Director Lewis made a motion to approve the revised standard. Director Rinehart seconded.

Hearing no objection, the motion to recommend the revised Standard 6: Block Walls was approved by unanimous consent.

b. Revision to Standard 41: Solar Panels, 1 Story Buildings

Chair Cook asked for approval of the revised standard.

Director Veeneman made a motion to approve the revised standard. Director Ginocchio seconded.

Hearing no objection, the motion to recommend the revised Standard 41: Solar Panels, 1 Story Buildings was approved by a vote of 4/0/1 (Director Lewis, abstained).

c. Revision to Standard 41A: Solar Panels, 2 Story Buildings

Chair Cook asked for approval of the revised standard.

Director Rinehart made a motion to approve the revised standard. Director Veeneman seconded.

Hearing no objection, the motion to recommend the revised Standard 41A: Solar Panels, 2 Story Buildings was approved by a vote of 4/0/1 (Director Lewis, abstained).

e. Discussion Ways to Get Information on Your Manor

The committee suggested that Resident Services email maintenance related information going forward. Manor Alterations will forward that request.

f. Discussion Variance Neighbor Awareness Notice

The committee suggested limiting the Neighbor Awareness Notice to manors within the same mutual, particularly adjoining properties.

**11. Items for Future Agendas**

- Revision to Standard 11A: Flooring for Second and Third Floor Manors & the Elimination of the Third Laguna Hills Mutual Interior Hard-Surface Flooring Complaint Rules
- Revision to Standard 18: Gutters and Downspouts

- Revision to Standard 22: Patio and Balcony Covers; Aluminum and Vinyl
- Revision to Standard 34: Windows & Window Attachments
- Revision to Standard 37: Patio and Balcony Awnings & Covers
- Enact Standard 41C: Solar Panels, Carports and Patio Covers
- Revision to Variance Neighbor Awareness Notice

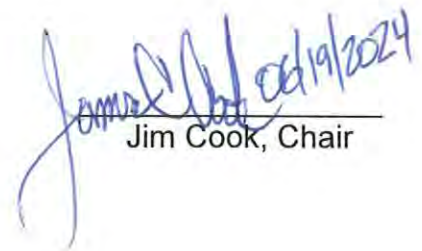
**12. Committee Member Comments**

- Chair Cook informed members to expect more information about the resale process via flyers, and *The Village Breeze*.

**13. Date of Next Meeting: Monday, July 08, 2024 at 1:30 p.m.**

**14. Recess**

The meeting was recessed at 2:35 p.m.



Jim Cook, Chair

Jim Cook, Chair  
Alan Grimshaw, Manor Alterations Manager  
Telephone: 949-597-4616



**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Monday, July 1, 2024 at 1:30 p.m.  
24351 El Toro Road, Laguna Woods, CA 92637  
Board Room and Virtual with Zoom**

**REPORT**

**MEMBERS PRESENT:** Reza Karimi – Chair (in for Brad Rinehart), Jim Cook, SK Park, Moon Yun

**MEMBERS ABSENT:** Brad Rinehart

**STAFF PRESENT:** Manuel Gomez – Maintenance & Construction Director, Ian Barnette – Maintenance & Construction Assistant Director, Guy West – Projects Division Manager, Laurie Chavarria – Senior Management Analyst, Sandra Spencer – Administrative Assistant

**1. Call Meeting to Order**

Director Karimi called the meeting to order at 1:30 p.m.

**2. Approval of the Agenda**

Hearing no objection, the agenda was approved as written.

**3. Approval of the Meeting Report from May 6, 2024**

Hearing no objection, the meeting report was unanimously approved.

**4. Remarks of the Chair**

None.

**5. Member Comments – (Items Not on the Agenda)**

None.

**6. Response to Member Comments**

None.

**7. Department Head Update**

- Building 3500 Ramp/Parking Striping Update

Mr. Gomez informed the committee that upon further investigation by staff and conversations with the member who requested a ramp at Building 3500, the member is satisfied with the existing configuration and has requested that no new additional parking pavement markings be installed.

- M&C 2025 Budget Update

Mr. Gomez provided an update on items recommended for inclusion in Third Mutual's 2025 budget. At this time, the installation of rain gutter screens at selected buildings and for consultant services to develop a renewable energy plan have been included. Funds for hand railings at Garden Villa buildings, accelerated elevator refurbishments in Garden Villa buildings, and the hiring of a quality control inspector for plumbing/electrical/roofing have not yet been approved. Funding levels for epoxy lining of copper pipes and waste lines may possibly be reduced.

- Gate 11 Seepage Update

Mr. Gomez indicated that staff is reviewing the proposal from the geotechnical consultant and will be revising the scope of work to address nuisance seepage at the south end of Brazo. Staff has confirmed that the drainage issues in phase one of the French drain installations are working as intended. The revised proposal to address a different area will be brought back to the committee at the next meeting for review.

- 8. Consent:** *All matters listed under the Consent Calendar are considered routine and will be enacted by the committee by one motion. In the event that an item is removed from the Consent Calendar by members of the committee, such item(s) shall be the subject of further discussion and action by the committee.*

**a. Project Log**

Director Park pulled the project log for discussion. Staff answered questions from the committee.



The consent calendar was unanimously approved.

Chair Karimi suggested reversing items 9a and 9b to accommodate the member in attendance to discuss Building 3101 Walkway Realignment.

## **9. Items for Discussion and Consideration**

### **a. Building 3101 Walkway Realignment**

Mr. Gomez provided an overview of the request to realign the sidewalk at Building 3101 by the member at 3101-D. Staff answered questions from the committee and the member provided a statement. A motion was made to recommend the board approve the request. The motioned passed unanimously.

### **b. Pilot Battery Storage System for EV Charging in 3-Story Buildings (Chair)**

Mr. Gomez introduced the item which was suggested by Chair Rinehart. Considering Chair Rinehart was not in attendance, the item was tabled for a future committee meeting.

### **c. 2024 Asphalt Program Update**

Mr. Gomez updated the committee on further investigations performed by staff as well as a professional pavement consultant to verify that the scheduled locations should be repaved. Both staff and the consultant concluded that a 2 inch-grind and overlay is recommended. The contract will be discussed in closed session following the open meeting.

### **d. Wasteline Epoxy Lining**

Mr. Barnette narrated a short video showing before, during, and after images of a waste line that was lined with epoxy and answered questions from the committee. Mr. Barnette also confirmed that a dedicated staff member reviews all videos for accuracy prior to processing vendor invoices. A list of the lined 3-story buildings was provided as well as an RFP for a new contract for the committee's review and information. The RFP will be posted the week of July 8, 2024.

## **10. Future Agenda Items: *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.***

### **a. Incentive to Upgrade Pipes and/or Dedicated Water Shut-Off Valves in Walls During Remodeling**

**11. Committee Member Comments**

None.

**12. Date of Next Meeting:** Monday, September 9, 2024 at 9:30 a.m.

**13. Recess:** The meeting was recessed at 3:18 p.m.



Reza Karimi, Acting Chair

Brad Rinehart, Chair  
Manuel Gomez, Staff Officer  
Telephone: 949-268-2380



**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
LANDSCAPE COMMITTEE**

**Thursday, June 6, 2024 at 9:30 a.m.  
BOARD ROOM/VIRTUAL MEETING  
Laguna Woods Village Community Center, 24351 El Toro Road**

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair- Mark Laws, Reza Karimi, S.K. Park, David Veeneman

**COMMITTEE MEMBERS ABSENT:** Brad Rinehart

**OTHERS PRESENT:** None

**STAFF PRESENT:** Kurt Wiemann, Megan Feliz

**1. Call Meeting to Order**

Chair Laws called the meeting to order at 9:31 a.m.

**2. Approval of Agenda**

Director Park moved to approve the agenda, and Director Karimi seconded. Chair Laws requested that item #10j, landscape questions from the committee, be added to the agenda. Hearing no objection, the agenda was unanimously approved.

**3. Approval of the May 2, 2024 Report**

Director Veeneman moved to approve the meeting report, which Director Park seconded. The committee unanimously supports.

**4. Remarks of the Chair**

Chair Laws notified the committee that he is the temporary chair, as Director Lewis has stepped away from the landscape committee.

**5. Department Head Update**

**a. Project Log**

Mr. Wiemann went over the project log in detail for each line item. The tree maintenance is on schedule. Turf Reduction crews are in United at this time; they will be moving to Third in the summer. The Front Yard Design project is in the process of completing the construction drawings, which staff expects to have shortly. The PPRP schedule is provided, and the pre-construction meeting has been completed. The Fire Risk Reduction project is on schedule and in the grow-and-kill process. The Committee members asked questions and received answers.

**b. Slope Schedule**

Mr. Wiemann stated that the slope schedule is on track and ahead of schedule. Chair Laws asked for an in-house slope schedule. Mr. Wiemann told the committee that the staff is working on a schedule and waiting on the mapping project to ensure none are missed; the current plan is that this mapping should be done around September 2024.

**c. Bahia Blanca Schedule**

Mr. Wiemann provided a schedule to the committee. He notified them that this project is going to construction designs and will then be shelved until after AB 1572 efforts have been completed. From this standpoint, stopping the designs does not save enough to stop the process. The design process will be complete by July. Chair Laws asked if this effort should continue and the Committee decided to continue to complete the "construction plans" and then put the results on hold while Landscaping and the Committee address higher-priority activities.

**d. Tree Work Status Report**

Mr. Wiemann stated the tree work is moving along. The staff has not planted any trees as they are waiting to do so with turf reduction locations for AB1572 rebates.

**e. Quarterly KPI's**

Mr. Wiemann presented the quarterly KPIs PowerPoint. He went into detail on each slide, with questions being asked and answered per slide. Chair Laws requested the Committee Members identify any KPIs that they think Landscaping should be tracking and reporting; the intent is to review these during the July Committee Meeting.

**6. Member Comments**

None

**7. Response to Member Comments**

None



**8. Guest Speaker- Matt Davenport, Monarch Environmental, Inc.**

Mr. Wiemann introduced Mr. Davenport, explaining he would perform a landscape operations performance review. Mr. Davenport gave an overview of the company and his background. He explained the scope of work he would be completing and said he would set up a time to meet with the landscape committee. Mr. Davenport answered questions from the committee and will get a schedule to staff shortly.

**9. Consent**

None

**10. Items for Discussion and Consideration**

**a. 2195-C Landscape Alteration Request**

The resident spoke about her concerns and the reasoning behind the request. The committee discussed the request. Director Veeneman moved to accept the staff recommendation to deny the request for stepping stones. He made a second motion to refer this item to the manor and alteration committee; Director Karimi seconded the motion. The motion passed unanimously.

**b. Gate 11 & 14 Advisors**

The advisors present spoke about their interests. The item was discussed amongst the committee and staff. The Committee agreed to consider the four residents living in Gate 11 or 14 as Committee Advisors. The chair will follow up with the candidates.

**c. PPRP Schedule/Oversight**

Mr. Wiemann explained the scope of work to the committee, along with the plan and schedule. Chair Laws requested for a documented "scope of work" that the Committee can refer to as this project progresses; Mr. Wiemann agreed to provide such a document. He notified them we are hiring a part-time employee to manage this contact. The committee asked questions and discussed. For design plan approval, Mr. Wiemann asked for the committee's direction on how they would like to proceed to make this as efficient as possible. The committee discussed and agreed to have all building designs emailed to them; they will have three business days to respond with any comments or changes. After that, any decision-making is at the staff's discretion.

**d. Slope Failure Plant Material**

No discussion was had; the request was from the previous chair. Chair Laws directed staff to leave it for the next meeting.

**e. Front Yard Design Project**

The designs were presented, and discussion ensued. Nothing was required from the committee on the project.

**f. AB1572 Strategy**

Mr. Wiemann explained the information on the graph. He asked the committee for direction on whether they would like to keep the area of turf or remove all. Mr. Wiemann explained that he suggested sending out an RFP to get the design cost and noted areas where turf could remain. The committee discussed the options. They advised staff to send out an RFP to a designer for gathering areas, stating where to locate and what to design. Due to the time constraints of the attendees, further discussion on this topic was tabled until the next meeting.

**g. Service Tickets**

Item tabled until next meeting.

**h. Staff Efficiency**

Item tabled until next meeting.

**i. Mulching Status**

Item tabled until next meeting.

**j. Landscape Committee Questions**

Item tabled until next meeting.

**11. Items for Future Agendas**

- Ficus Tree Removals
- Quality Control Monthly Update
- Training Schedule Chart Monthly
- Suggested KPIs from Committee and Board Members

**12. Committee Member Comments**

None

**13. Next Meeting Date:** Thursday, July 11, 2024, at 9:30 a.m.

**14. Adjourned at 12:57 p.m.**

*Mark W. Laws*

Mark W. Laws (Jun 10, 2024 16:37 EDT)

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Mark W. Laws, Chair  
Kurt Wiemann, Staff Officer  
Megan Feliz, Landscape Administrative Assistant  
949-268-2565



**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
WATER CONSERVATION SUB-COMMITTEE**

**Thursday, April 25, 2024 – 2:00 p.m.  
BOARD ROOM AND VIRTUAL MEETING  
Laguna Woods Village Community Center 24351 El Toro Road**

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair- Jules Zalon, Ira Lewis, Reza Karimi, David Veeneman

**COMMITTEE MEMBERS ABSENT:** Brad Rinehart

**OTHERS PRESENT:** Vu Chu (El Toro Water District), Shirley Lee (System Pavers)

**ADVISORS PRESENT:** None

**STAFF PRESENT:** Carlos Rojas, John Cox, Megan Feliz

**1. Call Meeting to Order**

Chair Zalon called the meeting to order at 2:00 p.m.

**2. Approval of the Agenda**

The meeting agenda was approved by unanimous consent.

**3. Approval of the Meeting Report from January 25, 2024**

The meeting report was approved by unanimous consent.

**4. Committee Chair Remarks**

Chair announced they are lucky to be out of a drought but still need ways to reduce water costs.

**5. Member Comments**

None

**6. Response to Member Comments**

None.

**7. Guest Speaker- Dennis Cafferty, El Toro Water District General Manager**

Ms. Lee gave a presentation in detail on water conservation rebates and opportunities. Directors made comments and asked questions.

**8. Items for Discussion and Consideration**

**8a. Water Consumption Chart**

None

**9. Items for Future Agendas**

Director Lewis suggested looking into sub-metering each manor.

**10. Committee Member Comments**

Various comments were made.

**11. Date of Next Meeting:** Thursday, July 25, 2024 at 2:00 p.m.

**12. Adjournment** at 2:56 p.m.

*Jules Zalon*

Jules Zalon (Apr 30, 2024 10:33 PDT)

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Jules Zalon, Chair



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

Tuesday, June 25, 2024 at 9:30 A.M.  
Board Room/Virtual Meeting  
Laguna Woods Village Community Center  
24351 El Toro Road, Laguna Woods, CA 92637

**MEMBERS PRESENT:** Cris Prince – Acting Chair, Nathaniel “Ira” Lewis, Reza Karimi (Alternate), Moon Yun (entered the meeting at 9:35 a.m.)

**MEMBERS ABSENT:** Mark Laws (per prior notification)

**ADVISORS PRESENT:** Stuart Hack (entered the meeting at 9:32 a.m.)

**ADVISORS ABSENT:** Theresa Keegan

**STAFF PRESENT:** Blessilda Wright, Ruby Rojas, Jeff Spies and Daniel Lurie

**OTHERS PRESENT:** None.

**1. Call to Order**

Cris Prince, Acting Chair, called the meeting to order at 9:31 a.m.

**2. Approval of Agenda**

Acting Chair Prince asked for a motion to approve the Agenda, noting that items will be taken out of order.

Director Lewis made a motion to approve the Agenda. Director Karimi seconded the motion.

By unanimous consent, the motion passed.

**3. Approval of Meeting Report**

Acting Chair Prince asked for a motion to approve the Meeting Report of May 29, 2024.

Director Karimi made a motion to approve the May 29, 2024 Meeting Report. Director Lewis seconded the motion.

By unanimous consent, the motion passed.

**4. Remarks of the Chair**

Acting Chair Prince advised the Committee members and Third Mutual members that Chair

Laws was absent and would be returning July 8, 2024.

**5. Members Comments (Items Not on Agenda)**

None.

**6. Response to Members Comments**

None.

**7. Department Head Update**

None.

Officer Daniel Lurie, Security Supervisor II/ Administrative Supervisor entered the meeting at 10:00 a.m.

**8. Items for Discussion and Consideration (Items were taken out of order)**

**a. Traffic Rules and Regulations**

Officer Daniel Lurie, Security Supervisor II/ Administrative Supervisor, presented the proposed updates to the Traffic Rules and Regulations.

Acting Chair Prince asked for a motion to approve, for discussion purposes, the Traffic Rules and Regulations.

Director Lewis made a motion to approve the matter for discussion. Director Karimi seconded the motion.

The Committee discussed the matter, asked questions, and suggested changes and clarifications.

Director Yun made a motion to forward the updated Traffic Rules and Regulations to the Board for consideration. Director Karimi seconded the motion.

By unanimous consent, the motion passed.

Mr. Lurie left the meeting at 10:48 a.m.

**b. Lease Limit Waitlist Policy**

Mr. Jeff Spies, Community Services Manager, presented introductory comments on the Lease Limit Waitlist and supporting documents.

Acting Chair Prince asked for a motion to approve, for discussion purposes, the Lease Limit Waitlist.

Director Lewis made a motion to approve the matter for discussion. Director Karimi seconded the motion.

Questions were asked and discussion ensued. Upon discussion, Director Lewis made a motion to table this matter until the July meeting. Director Karimi seconded the motion.

By unanimous consent, the motion passed.

**c. Impacts of Implementing New Lease Limit in Third Mutual to 25% (Oral Discussion)**

Mr. Spies presented the New Lease Limit for discussion. The Committee discussed the matter and asked questions.

By unanimous consent, the Committee elected to forward the matter to legal counsel for review and revision with clarifying questions.

Mr. Spies, Community Services Manager left the meeting at 10:18 a.m.

**9. Items for Future Agendas**

a. Caregiver Policy

**10. Committee Member Comments**

None.

**11. Date of Next Meeting**

Tuesday, July 23, 2024 at 9:30 a.m.

**12. Adjournment**

With no further business before the Committee, the meeting was adjourned at 10:52 a.m.

Cris Prince

Cris Prince (Jul 1, 2024 11:42 PDT)

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Cris Prince, Acting Chair  
Resident Policy and Compliance  
Committee of the Third Laguna Hills  
Mutual Board of Directors

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## **OPEN MEETING**

### **REPORT OF THE REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION COMMUNITY ACTIVITIES COMMITTEE**

Thursday, June 13, 2024 – 1:30 p.m.  
Board Room/Virtual Meeting

**MEMBERS PRESENT:** Yvonne Horton, Chair, Cush Bhada, Reza Karimi, Ellen Leonard, Sue Quam, Sue Stephens, Ajit Gidwani  
Dennis Boudreau, Elsie Addington

**MEMBERS ABSENT:** S.K. Park, Peter Sanborn, Andy Ginocchio

**OTHERS PRESENT:** Georgiana Willis, Juanita Skillman, Joan Milliman, Egon Garthoffner

**STAFF PRESENT:** Alison Giglio, Jennifer Murphy, Jackie Chioni, Laura Cobarruviaz, Tom McCray, Ted Ball, Peter Quan, Jose Campos

#### **Call to Order**

Chair Horton called the meeting to order at 1:32 p.m.

#### **Acknowledgement of Media**

There was no press present.

#### **Approval of Agenda**

Director Bhada made a motion to approve the agenda. Director Karimi seconded.

Motion passed unanimously.

#### **Approval of Committee Report for April 11, 2024**

Director Bhada made a motion to approve the report. Director Karimi seconded.

Motion passed unanimously.

#### **Approval of Special Committee Report for April 15, 2024**

Director Bhada made a motion to approve the report. Director Karimi seconded.

Motion passed unanimously.

### **Chair's Remarks**

Chair Horton welcomed the audience.

### **Report of the Recreation and Special Events Director**

Ms. Giglio reported the following Recreation Department highlights: there are six new clubs with two currently on the wait list; the Art Affair sold out 40 spaces to resident artists and had approximately 700 in attendance; 30 banquet tables and 15 round tables were recently replaced at Clubhouse 5; the Club Expo had 74 clubs and approximately 600 in attendance; the Mother's Day buffet has 213 attendees; projectors were installed in the dining rooms at the Performing Arts Center; the Surf City Singers concert sold over half of the seats in the Performing Arts Center auditorium on May 5; over 700 attendees attended the Memorial Day event at the Performing Arts Center; Pool 1 is being re-plastered and received the new chemical storage and distribution mechanics to improve efficiency while all other pools are now open for summer hours; Children's Swim hours at Pool 6 are noon to 4 p.m.; Community Fitness Center attendance has been rising back to over 400 users three times per week; the first seasonal Saddle Club BBQ was held on June 10 with 90 attendees; a new Equestrian Center horse has been performing well in the lesson program which began a new session in June with 60 participants per week; the Equestrian Center round pen footing is being re-vamped in house and fencing donated by VCF is in the process of being installed by staff; new Equestrian Center vaulting classes and fitness classes with Eclipse Vaulters are starting soon; Library volunteers worked 800 hours to support 2,192 visitors with 34 residents signing up for catalogue access and 2,838 items circulated through the desk in May.

Ms. Giglio reported the following Clubhouse 1 renovation update: the beautification of Clubhouse 1 is progressing smoothly and remains on schedule for completion in late August 2024; key milestones completed to date include exterior and interior painting, flooring, and drywall patching; window replacement, electrical work, renovations to the ballroom fireplace, and bathroom upgrades are proceeding as planned; other work that is not a part of the original beautification project but is intended to be completed during the closure of the complex include pool re-plaster, installation of a new pool chemical distribution system, parking lot rehabilitation, beam replacement in shuffleboard and archery rooms and conversion of the Art Room to a billiards room and former billiards room to a multi-purpose room.

Ms. Murphy stated the following: Father's Day brunch will be held at Clubhouse 5 at 11 a.m.; room reservation lottery cards are due to the Recreation office by Monday, June 17; a free movie for the grandkids, *WISH*, will be hosted at the Performing Arts Center on June 27 at 1 p.m.; Splash Days will return to Pool 2 in July and August; Grandparents' Day will

be hosted at Clubhouse 5 on September 7; the Fourth of July Celebration will be hosted at Clubhouse 2 with a golf cart parade throughout the Village and an outdoor concert which begins at noon; the BBQ buffet will be hosted on July 22 at Clubhouse 5 at 5 p.m.; the Performing Arts Center will host Space Oddity, the Ultimate David Bowie Experience on August 10 at 7:30 p.m. and Micky Dolenz of the Monkees on October 11 at 7:30 p.m.

Mr. McCray stated the following: the golf course greens are being prepped for summer heat; the driving range project is starting to fill in with greens and is working effectively; golf course orientation is scheduled to ensure equitable access; club fitting events remain well attended; the Garden Centers operation is going smoothly.

Discussion ensued.

### **Member Comments (Items Not on the Agenda)**

Members were called to speak on the following: liability insurance for those boarding at the Equestrian Center; cost difference between resident and non-resident boarding fees at the Equestrian Center; cost to purchase the 17-year-old horse; in opposition of the conversion of the Clubhouse 1 Art Room to a billiards room; existence of an official form for repealing a decision made by the board.

Discussion ensued.

### **CONSENT**

Mr. Campos presented Financial Statement information.

Discussion ensued.

Director Bhada made a motion to approve the consent calendar. Director Stephens seconded.

Motion passed unanimously.

### **REPORTS**

**Introduction of Clubhouse Supervisors** - The following supervisors stated facility operations and brief personal background: Laura Cobarruviaz, Senior Equestrian Supervisor; Ted Ball, Recreation Supervisor (Clubhouse 2 and 7); Peter Quan, Fitness Supervisor.

Discussion ensued.

**Recreation Committee Request Forms** – Member was called to speak regarding Community Fitness Center (CFC) television channel selection, the correlating negative response and offered a solution to remedy the change in CFC television channel selection.

Discussion ensued.

Staff was directed to bring forth the request to donate cups to the Clubhouse 1 Drop-In Lounge to the next CAC meeting and to not move forward with the request to review the process of CFC television channel selection.

**Discontinued Use of Flatware/Plates for Clubhouse Rentals** - Ms. Giglio stated the cost and inefficiency associated with use of clubhouse flatware and plates in conjunction with room reservations and requested the discontinuation of this service.

Discussion ensued.

Staff was directed to bring this item forth on a future agenda to consider establishing fees for use.

**Use of Tennis Courts by Calvary Chapel High School Girls Tennis Team** - Ms. Giglio stated the GRF attorney information issuance for the use of Tennis Courts by Calvary Chapel High School Girls Tennis Team.

Member was called to speak regarding in favor of the use of tennis courts by the aforementioned high school for three months.

Discussion ensued.

Staff was directed to bring this item to CAC next month.

### **ITEMS FOR DISCUSSION AND CONSIDERATION**

**None.**

### **ITEMS FOR FUTURE AGENDAS**

**Reservation System Review** – Staff was directed to keep this item under Items for Future Agendas.

**Recreation Policy Review** – Staff was directed to keep this item under Items for Future Agendas.

**Aquadettes Show** – Staff was directed to keep this item under Items for Future Agendas.

## **CONCLUDING BUSINESS**

### **Committee Member Comments**

Chair Horton stated golf fees may be on the next CAC agenda.

Advisor Addington inquired as to including tennis court use on next agenda and stated the Committee Activities Committee is considered a GRF committee.

Director Quam inquired as to a budget meeting prior to presentation at GRF.

Director Stephens stated there will be meetings to discuss fees per Mr. Hormuth.

Advisor Boudreau stated the Finance Committee will hold a meeting to discuss the operating budget.

Director Karimi inquired as to the CAC Charter passing for 2024 without a second on the motion. Ms. Chioni stated no second is needed for that item.

Director Quam stated United and Third are represented on committees.

### **Date of Next Meeting**

The next regular meeting of the GRF Community Activities Committee will be held both in the board room and virtually via the Zoom platform at 1:30 p.m. on Thursday, July 11, 2024.

### **Adjournment**

There being no further business, the Chair adjourned the meeting at 4:22 p.m.

Yvonne Horton

Yvonne Horton, Chair

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FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION

Wednesday, June 19, 2024 – 1:30 p.m.  
Hybrid Meeting

**DIRECTORS PRESENT:** Juanita Skillman – Chair, Martin Roza, Brad Rinehart, Thomas Tuning, Mickie Choi Hoe, David Veeneman, Sue Stephens, Donna Rane- Szostak

**DIRECTORS ABSENT:** William Cowen (Excused)

**ADVISORS PRESENT:** None.

**STAFF PRESENT:** Siobhan Foster, Carlos Rojas, Steve Hormuth, Jose Campos, Baltazar Mejia, Tom McCray, Pam Jensen, Carmen Aguilar, Alison Giglio, Eric Nunez, Tom Siviglia, Ada Sigler, Karina Vargas

**OTHERS PRESENT:** GRF – Jim Hopkins, Egon Garthoffner, Stephen Leonard  
United – Alison Bok, Georgiana Willis, Ellen Leonard, Sue Quam  
Third – Reza Karimi, Andy Ginocchio  
VMS- Cynthia Rupert

**Call to Order**

Director Juanita Skillman, chaired and called the meeting to order at 1:31 p.m.

**Acknowledgement of Media**

The meeting was streamed via Granicus and Zoom for members of the community to participate virtually.

**Approval of the Agenda**

A motion was made to approve the agenda as presented. Hearing no objection, the motion to approve the agenda passed unanimously.

**Approval of the Meeting Report for April 17, 2024**

A motion was made and carried unanimously to approve the meeting report as presented.

**Chair's Remarks**

Director Skillman informed that a 15 minutes recesses would be provided to allow the review of the documents that were provided at the start of the meeting. The recess to take place between the Department head update and the Preliminary Financials.

### **Member Comments (Items Not on the Agenda)**

Director Quam shared the prices on ticket printing charges at the PAC, and would like to recommend staff review this item as a potential revenue resource for future agendas.

### **Department Head Update**

Steve Hormuth, Director of Financial Services, shared an update on the 2025 Business plan development that began in March 2024 and highlighted the budget Calendar schedule emphasizing the open session Version 2 scheduled for July 10.

Director Skillman recessed meeting at 1:40 and confirmed meeting back to session at 1:57pm

### **Preliminary Financial Statements dated May 31, 2024**

The committee reviewed the financial statements dated May 31, 2024. Questions were addressed and noted by staff.

### **2023 Operating Fund Deficit Transfer**

Steve Hormuth, Director of Financial Services, presented a staff report recommending the board to approve a \$1,100,881 transfer from the Contingency Fund to the Operating Fund. An approved transfer would reimburse the Operating Fund for the operating deficit occurring during 2023. A motion was made by Director Thomas Tuning to approve and endorse staff's recommendation as presented. Director Mickie Choi Hoe seconded. The motion passed by unanimous decision to accept this recommendation and present at the next Board meeting.

### **Endorsement from Standing Committees**

Security and Community Access Committee- City of Laguna Woods memorandum of Understanding (MOU) providing Security access to Orange County Fire Authority emergency radio monitoring. Tom Siviglia, Operations Manager - Security, provided a staff report recommending the approval for entering into a MOU with the City of Laguna Woods to permit GRF to use 800 MHZ radios. This will enable participation in the Orange County Coordinated Communications System and allow monitoring of the Orange County Fire Authority's responses further facilitating effective responses to emergency situations throughout Laguna Woods Village. The usage and activation of the two 800 MHZ radios will cost about \$1,620 annually. This unbudgeted 2024 expense will be funded from the operating fund and paid to the City of Laguna Woods per the MOU. Future business plans will cover any ongoing maintenance costs. Director Sue Stephens made a motion to approve and endorse the recommendation. Director David Veeneman seconded. The motion passed by unanimous decision.

Maintenance & Construction Committee- Pricing Rates for Electric Vehicle Charging Stations. Baltazar Mejia, Assistant Director- Maintenance and Construction, provided a staff report recommending keeping the current EV charging rates unchanged as SCE does not anticipate a rate increase for 2025. The current pricing covers energy costs, the flex billing fee and contributes to shared mutual costs. Questions and discussion ensued. Director Tuning made a motion to postpone until the subsequent meeting. Director Choi Hoe seconded. The motion passed by a 7-1 vote to postpone until the following meeting for review.



### **Golf Fee Cost Analysis**

Steve Hormuth presented a staff report for Golf fees informing of the review to be conducted in two steps; first comparing current operational and maintenance costs to those at the last fee change, and second, recommending whether to keep or adjust the fee. Staff further elaborated that a separate meeting will be scheduled for detailed discussion of the fee recommendation.

### **Traffic Fee Cost Analysis**

Staff presented a staff report to inform members of how traffic fees are determined. Further stating that unlike most of the fees in Laguna Woods Village, traffic fees aim to ensure compliance with driving and parking rules, independent of the security department costs. The review will be in two steps: first, reporting the lack of correlation between costs and fees, and second, recommending any changes in a separate meeting.

### **RV Storage Fee Cost Analysis**

Staff presented a staff report to inform that RV Storage Fees, last reviewed in 2017 via resolution 90-17-32, increased from \$160 to \$320 annually. The current review compares costs from 2017 to 2024, show a 4% increase in expenses for utilities, asphalt sealing and patching, security landscape, and custodial services. A subsequent meeting will be scheduled to recommend whether to keep or adjust the fees.

### **Future Agenda Items**

- Golf Fee Update
- Traffic Fee Update
- RV Fee Update

### **Committee Member Comments**

None.

### **Date of Next Meeting**

Wednesday, August 21, 2024 at 1:30 p.m.

### **Recess to Closed Session**

The meeting recessed to closed session at 4:20 p.m.

**DRAFT**

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Juanita Skillman, Chair

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**OPEN MEETING**

**REPORT OF THE REGULAR MEETING OF THE  
GOLDEN RAIN FOUNDATION  
SECURITY AND COMMUNITY ACCESS COMMITTEE**

**Wednesday, June 26, 2024 - 1:30 P.M.  
24351 El Toro Road, Laguna Woods, CA 92637  
Board Room/Virtual Meeting**

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Directors Present: Chair: Juanita Skillman, Maggie Blackwell, Nancy Carlson, Reza Karimi, S.K. Park, Sue Stephens, Donna Rane- Szotak N

Directors Absent: None

Staff Present: Carmen Aguilar, Alycia Magnuson, Eric Nuñez

Others Present: None

**1. Call to Order**

Chair Skillman called the meeting to order at 1:30 p.m.

**2. Acknowledgment of Press**

There was no media present.

**3. Approval of the Agenda**

Chair Skillman requested an approval of the agenda June 26, 2024  
Hearing no changes or objections, the agenda was approved by unanimous consent.

**4. Approval of the Meeting Report**

There being no objections, the meeting minutes of April 24, 2024, were approved with pending correction by unanimous consent.

**5. Chair's Remarks**

Chair Skillman spoke on the following items:

- Expressed disappointment the Golden Rain Foundation Operating Rules for Traffic Rules and Regulations aren't done. Chief Nuñez will follow up with Compliance Department on this matter.

**6. Members' Comments**

- A member commented on adding stop signs to the following locations; Estrada/ Majorca and Aragon/ Sevilla by making them 3 way stops. Member also,

mentioned gate ambassadors should hold guest lane to not open the same time as the resident lane. Gates in questions are 1,2,3,4 and 5.

- A member commented Gate 3 should be checking passes before raising the arm to let guest into the community.
- A member commented he would like to see more handicapped parking spaces.
- Member Arnold Quigley presented his aisle presentation in regards to the 4-way stop signs on Sevilla/ Mendoza. Currently there are 2 way stop signs. Mr. Quigley wants to know when will the Engineering study be presented.

## **Reports**

### **7. Update on Jacob and Green and Associates**

Chief Nuñez commented on the following:

- Mr. Simmons from Jacob Green and Associates will be at the DPTF Committee meeting on Tuesday, July 30, 2024 at 9:30 a.m. where he will be sharing the GAP analysis and the development of tabletop exercises for staff and community.

### **8. Update on Quigley Stop Sign Request**

Chief Nuñez informed Mr. Quigley the Engineering study will be presented at the GRF board meeting on Tuesday, August 6, 2024.

### **9. Security Statistics Update**

The following security statistics updates were discussed:

- RV Lot
  - Price increase will be discussed at the next finance meeting on Wednesday, August 21, 2024.
- Notice of Violations
  - The stats continue to show S-Code 0610 (FAILURE TO OBEY STOP SIGN) - is 46.8% of all the citations written.
- Flashing Stop Signs
  - It was recommended committee leave this program alone it's a small contribution but not cost effective.
- Orange County Sheriff Department
  - Total of 8 violations in the community the information was obtained via [www.occrimemapping](http://www.occrimemapping).
- Compliance Notice of Violation stats
  - Had a total of 810
- Self-Initiated Supervisor Foot Patrol
  - Light request makes 42.17% of the foot patrol. Our Supervisors are making sure the lights are working properly during the night in breezeways, and around the community.
  - 33.73% is made up of maintenance request

- Social Services
  - An average of 20 deaths per month and an average of 22 calls for per day for OCFA coming into the community.

## 10. Noteworthy Incidents

The following noteworthy were shared:

- A 7-year-old was missing the information was broadcasted to all units and the child was located a few doors down less than 15 minutes a few doors down from his location. He was distracted looking at butterflies.
- Resident expressed his gratitude for Officer **David Faughn** when he came to the assist with the front door not closing properly.
- Resident expressed his appreciation for the return of his lost phone Officer **Bridgette Portuquez** he said, this meant a lot to him.
- Resident shared how grateful she was for Officer **James Rea** for removing a cook top that was dumped in a trash bin. Ms. Brown requested he put it in the trunk of her vehicle she will then take it to a recycling facility.
- Gate Supervisor **Sarah Harris** would like to recognize Supervisor **Josh Kuresa** "I solicited the assistance of Supervisor Joshua Kuresa for maintenance tasks that have saved the company hundreds of dollars in service requests, that would otherwise be invoiced to our Security department by the company's vendors."

Additionally, Kuresa has been instrumental in following through with Washer/Dryer, coin box replacement tasks and taking the initiative to complete those work orders promptly and efficiently.

Kuresa has been a true asset to the team!

I am grateful for all of the assistance.

## Items for Discussion and Consideration

### 11. Golf Path CH 7 Speed bumps and stop sign

- Golf Cart path is not being used appropriately and golf cart drivers evade the path by driving onto the landscaping by causing damage to the esthetic scenery by not using the path.
- There are two style of speed bumps are currently on the golf path one is concrete and are lower to go over smoothly and the other is temporally speed bumps which makes going over the speed bump very bumping and causes damage to golf carts.
- Director S.K. Park suggested to divert the golf cart path into the parking lot so golf cart drivers don't go through where the tennis court walkway is located.
- Director S.K. Park suggested to have an Engineering Visibility study to install a golf cart path into the parking lot. He would like to know what the cost would be for the study. This topic was brought up at M & C meeting and it was diverted back to SCAC. However, this is not a safety issue and

therefore, it should be discussed with M & C.

## **12. Items for Future Agendas**

- Traffic Rules
- A publication that states all vehicles must have RFID
- Smart I.D.

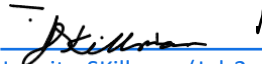
## **Concluding Business**

### **13. Committee Member Comments**

- Laguna Woods Mutual No. Fifty director Sue Stephens mentioned, she could not get into the Director's lounge with her badge. In another occasion director's Sue Stephen's and Nancy Carlson had to wait to be let into the director's lounge.
- Director Nancy Carlson suggested Chair Juanita Skillman email directors for future agenda topics for the upcoming meeting.

### **14. Date of Next Meeting – The next meeting will be held in the board room and virtually via zoom platform on Wednesday, August 28, 2024 at 1:30 p.m.**

### **15. Adjournment 4:23 p.m.**

  
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Juanita Skillman (Jul 2, 2024 16:17 PDT)

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Juanita Skillman, Chair  
Security and Community Access  
Committee



**OPEN MEETING**

**REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION  
MEDIA AND COMMUNICATIONS COMMITTEE**

**Monday, April 15, 2024 – 3:30 p.m.  
Board Room / Virtual Hybrid Meeting**

**REPORT**

**Members Present:** Chair Joan Milliman; Directors Maggie Blackwell, James Cook, Cris Prince, Donna Rane-Szostak, Peter Sanborn, Juanita Skillman, Georgiana Willis; Advisors Catherine Brians, Theresa Frost, Tom Nash, Carmen Pacella, Lucy Parker

**Members Absent:** None

**Others Present:** Richard Rader

**Staff Present:** Jennings Lai, Catherine Laster, Susan Logan-McCracken, Ellyce Rothrock

**1. Call to Order**

The meeting was called to order at 3:38 p.m., and a quorum was established by Chair Milliman.

**2. Acknowledgement of Media**

None present.

**3. Approval of Agenda**

Approved by unanimous consent.

During the Media and Communications report, Director Skillman found a typo in the Workflow Report, March 2024, on page 9 of 12 of agenda item 7. The Disaster Preparedness Task Force was wrongly abbreviated as PDTF. The agenda will be corrected.

**4. Approval of Report for January 15, 2024**

Approved by unanimous consent.

## **5. Chair's Remarks**

Chair Milliman welcomed the committee and introduced new member, Director Rane-Szostak.

## **6. Member Comments**

There were no member comments.

## **Items for Discussion**

### **7. Media and Communications Report – Ellyce Rothrock**

Ms. Rothrock called attention to the jobs tracked, resident subscribers added, documents handled and the number of news articles posted to the website in the last three months. She also highlighted from the Media and Communications Activities Report the various ways the Media and Communications Division communicates with Village residents, including, but not limited to:

- The Village Breeze
- “What’s Up in the Village” weekly email blast
- Weekly press releases sent to the Globe
- Digital newsletters from the GRF, Third Mutual and United Mutual boards of directors
- Targeted emails for Recreation and Community Services

Ms. Rothrock touched upon key messaging that was sent out in addition to regular event updates from Recreation, the Performing Arts Center and the boards.

Ms. Rothrock informed the committee that the new Community Tour Experience video, which replaced the in-person docent tours, is live on the website homepage and ready for viewing. Supplemental open houses with a Q&A session for new and prospective residents is in the planning stage. All new resident orientation tasking has been reabsorbed into the Media and Communications Division.

Ms. Rothrock brought attention to the new Connections & Pathways flyer, designed for print and digital use, which highlights how residents can contact VMS and the boards of directors.

Director Skillman asked for GRF board members to be invited back to speak at new resident orientation events and future open houses.

Mr. Rader commended staff for doing a great job in creating the Connections & Pathways flyer. Chair Milliman emphasized the importance of sharing this flyer with all board members and residents.



## **8. Website Update – Ellyce Rothrock**

Chair Milliman informed the committee that the Website Ad Hoc Committee would be absorbed into the Media and Communications Committee.

Ms. Rothrock updated the committee on discovery phase meetings between the contractor and staff, which have included discussions on creative strategy, user experience, design, navigation, goals and objectives, brand strategy and positioning, information architecture (site map), unified events calendar, wireframing, resident and staff interviews and usability testing. She noted that Google Analytics admin access was given to the contractor in order to view trends on our site pages. The first set of wireframes have been approved. A robust search function and document storage are being discussed as well.

Carmen Pacella dropped off the Zoom call at 4:13 p.m.

Media and Communications Committee meetings will be calendared and coordinated with the vendor.

## **9. Review of Revised Committee Charter – Joan Milliman**

Chair Milliman read the revised charter, noting edits were made according to feedback from the previous committee meeting. Discussion ensued.

Chair Milliman read the charter and stated which phrases and paragraphs should be stricken. Discussion ensued.

Advisor Parker asked whether there was a liaison between the Broadband and Media and Communications divisions and whether Media and Communications created content for Broadband. Ms. Rothrock clarified that the content Media and Communications provides for TV6 includes the message board and PowerPoint presentation decks to accompany “This Day” appearances by directors, staff and outside entities.

Director Blackwell recommended all board members presenting on Village Television should always review their comments with their respective board presidents so as not to make personal statements.

Advisor Parker recommended wording changes to clarify responsibilities in the charter. Discussion ensued. Committee’s areas of concern will be removed from the charter.

Chair Milliman stated the new charter will be reviewed by the GRF board in May.

Mr. Rader said Paul Ortiz gave a lot of useful information at these committees, and he would still like to see the information Mr. Ortiz had been sharing. Chair Milliman said this will be the purview of the Broadband committee that has yet to be formed.

### **Items for Future Agendas**

None

## **Concluding Business**

### **Committee Member Comments**

Advisor Brians confirmed the next meeting would take place at the regularly scheduled time.

Advisor Parker and Director Willis commended the meeting.

Director Blackwell noted that she liked the new ideas and the Community Tour Experience video on the website.

Director Skillman attended the Employee Excellence Awards and wanted to thank and recognize the present employees for their excellent participation.

Director Cook, Director Prince and Ms. Lai had no comment.

Director Rane-Szostak thanked everyone for the opportunity to be on this important committee.

Advisor Nash commented that the Video Club has a disclaimer at the beginning and end of videos, "opinions expressed are those of the participants and not of the club or GRF." This establishes responsibility.

Advisor Frost stated she is happy to be back and likes what she's hearing about the committee's scope and discussion.

Ms. Rothrock thanked everyone for being there and providing feedback.

Ms. McCracken thanked everyone as well.

Chair Milliman thanked Susan for keeping up with the additions and corrections to the charter. She also thanked everyone for a good meeting.

**Date of Next Meeting – Monday, July 15, 2024, at 1:30 p.m.**

### **Adjournment**

Chair Milliman adjourned the meeting at 5 p.m.

  
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Joan Milliman, Chair  
Media and Communications Committee