



**MINUTES OF THE OPEN MEETING OF THE  
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, April 10, 2018**

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, April 10, 2018, at 9:30 a.m. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Juanita Skillman, Janey Dorrell, Don Tibbets, Gary Morrison, Cash Achrekar, Manuel Armendariz, Reza Bastani, Pat English, Steve Leonard and Andre Tornng

Directors Absent: Maggie Blackwell

Staff Present: Brad Hudson, Siobhan Foster, Christine Spahr, Eileen Paulin, Kurt Wiemann Cheryl Silva and Whitney Thornton

Others Present: VMS: Dick Rader, Mary Stone

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

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

**2. Pledge of Allegiance**

Director Leonard led the Pledge of Allegiance.

**3. Acknowledge Media**

A representative of the Laguna Woods Globe was present for the meeting, and the Village Television Camera Crew, by way of remote cameras, was acknowledged as present.

**4. Approval of Agenda**

Director Leonard made a motion to approve the agenda as presented. Director Tornng seconded the motion. Discussion ensued regarding agenda item 13a, but this agenda item was not removed. The motion passed by a vote of 7-2-0 (Directors English and Tornng opposed)

**5. Approval of Minutes**

5a. March 13, 2018 – Regular Open Session

Director Leonard made a motion to approve the minutes as presented. The motion was

seconded by Director Dorrell and it passed by unanimous consent.

#### **6. Report of the Chair**

President Skillman announced the Board will elect a replacement for Director Leonard at the end of open session. She invited everyone to attend the Aliso Creek Foundation presentation and the Senior Summit. Reservations are required for the Senior Summit.

#### **7. Open Forum**

Several Members made comments on LWV Foundation, PAC renovations, approval of the new grips in the restrooms, and the use of the retired name "Residents Voice."

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

Several Directors responded to Member comments and encouraged members to attend the Committee Meetings.

#### **9. Update from VMS - Director Rader**

Director Rader gave an update from the VMS Board meetings. Human Resource Department gave a department update in March and Resident Services gave a department update at the last meeting in April. The VMS Board will achieve all the LWV Vision 2020 Goals ahead of schedule.

#### **10. CEO Report**

Brad Hudson, CEO, reported on the following subjects:

- Upcoming Recreation and Special Event;
- Digital Security Cameras;
- Manor Upgrades;
- Upgrades to the Performing Arts Center;
- Maintenance repairs at Pool 4 are finished and the pool is open;
- Improved customer service in Resident Services;
- Mutuels will begin televising two committee meetings on Village Television;
- CEO Hudson will be in Sacramento next week to testify before the Senate on the bill effecting Laguna Woods Village;
- Improved bandwidth program, new whole home DVRs, and removing analog channels;
- Improved Website navigation tools;
- Increase services for Plan-a-Ride;
- Introduction of Siobhan Foster, Chief Operating Officer.

#### **11. Consent Calendar**

##### **11a. Architectural Control and Standards Committee Recommendations:**

The Board upheld the recommendations of the Architectural Control and Standards Committee:

- (1) Approval recommendation - 442-B (Cordoba 1A4R) - Room Repurposing, Window Resizing and Wall Revisions

**RESOLUTION 01-18-36**  
**VARIANCE REQUEST**

**WHEREAS**, Mr. William Marsh of 442-B Avenida Sevilla of United Laguna Woods Mutual, submitted a request for a variance for repurposing rooms, resizing the kitchen window and wall revisions; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on February 15, 2018, 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 Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on March 15, 2018.

**NOW THEREFORE BE IT RESOLVED**, on April 10, 2018, the Board of Directors hereby approves the request with the condition that the proposed alterations are constructed in accordance with the following criteria:

1. No work on removal of ceilings or soffits may commence prior to effective date of the Policy for Alteration of Soffits and Suspended Ceilings. A Mutual Consent application must be submitted following the effective date of the policy.
2. A Mutual Consent for Unit Alterations has been granted at 442-B for Room Repurposing, Window Resizing and Wall Revisions, subject to the attached plans stamped approved and is subject to a final inspection by the Division. Any variations to the approved attached plans are not allowed and could result in a stop work notice and/or severe fines to the Member.
3. A City of Laguna Woods permit is required, which may include the requirement to obtain clearance from the South Coast Air Quality Management District (Asbestos Hot Line at (909) 396-2336). Prior to the issuance of a Mutual Consent for Unit Alterations, the appropriate City of Laguna Woods permit number(s) must be submitted to the Division office located in the Laguna Woods Village Community Center. The City permit must be finalized within the prescribed timeframe, and a copy of the final permit must be submitted to the Division within two weeks.
4. Prior to the Issuance of a Mutual Consent for Unit Alterations, **the Member must have conducted an inspection of the waste lines, by a VMS Plumber, to assure no repairs are needed.** The inspection will be a chargeable service to the Member. Inspection appointments are to be made with Resident Services, by authorized persons only. Findings from the video inspection will be recorded on the chargeable service ticket for Unit Alterations staff to review.
5. Prior to the Issuance of a Mutual Consent for Alterations, acoustical impacts shall be considered and will require noise reducing construction methods or materials such as sound dampening drywall on common walls of the alteration (such as QuietRock® drywall panels or similar approved products).
6. All piping in Bathrooms with adjacent units shall be insulated for sound reduction, including penetrations through framing.
7. No improvement shall be installed, constructed, modified or altered at Unit **442-B**, ("Property") within the United Laguna Woods Mutual ("Mutual") without an approved Mutual Consent for Manor Alterations application for the improvement has been made to, and

approved, in writing, by, the Village Management Services, Inc. ("VMS, Inc."), Manor Alterations Division ("Division"), or, in the event of a Variance from the Mutual's Alteration Standards, the Architectural Control and Standards Committee ("ACSC"). In the event written permission is given for the installation, construction, modification or alteration of any improvement(s) upon the Property, the Member s ("Member ") agrees to comply with the Mutual's Governing Documents and any specific terms or conditions imposed, and that the installation, construction, modification or alteration shall be in strict compliance with the terms of the approval.

8. Member hereby consents to and grants to the Mutual and the Division, and their representatives, a right of entry upon the Property at any time to be used to inspect the Property and the improvements thereon and for the Mutual and the Division, and their representatives and contractors to remedy any violation upon the Property, including, but not limited to, removing trash, removing any improvement installed without approval or modifying an improvement to bring the same into compliance with the terms of the approval.
9. All costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 442-B and all future Mutual Members at 442-B.
10. Member shall be responsible for all activity by contractors, subcontractors, material suppliers and their employees and agents and any others who perform work on the Property, including any violation of the Mutual's Governing Documents, including, but not limited to, traffic and parking violations, maintenance of a clean job site at all times, damage to Mutual property, and use of Mutual property for storage of equipment or materials without prior approval. Member acknowledges and agrees that all such persons are his/her invitees. Member shall be responsible for informing all his/her invitees of the Mutual's Rules and Regulations. Member shall be liable for any violation of the Mutual's Governing Documents by any invitee, including any fine, assessment or other charge levied in connection therewith.
11. Member is responsible for following the gate clearance process (<http://www.lagunawoodsvillage.com>) in place to admit contractors and other invitees.
12. Member's contractors and other invitees shall travel to and from the job site by the most direct route available and are not authorized to use Mutual recreational facilities or other amenities while they are in the Village for performance of work in connection with the Property.
13. Parking of contractors or other invitees' vehicles is prohibited in covered resident parking, open resident spaces, handicapped spaces or fire lanes. Contractors or other invitees must park on the street. To the extent possible contractors' or other invitees' vehicles should be limited in number.
14. Prior to the issuance of a Mutual Consent for Unit Alterations, a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed improvement must be submitted to the Division office located in the Laguna Woods Village Community Center. The plans must depict any required structural modifications ensuring the structural integrity of the building is maintained upon completion of the proposed improvement.
15. Prior to the issuance of a Mutual Consent for Manor Alterations, any altered exterior surface should match the Building color; vinyl fence/gate will be either white or taupe, tubular steel or wrought iron fence/gate will be black or white; the approved colors and materials are

identified as "United Laguna Woods Mutual Color Selections" at Resident Services, located at the Community Center first floor.

16. Prior to the Issuance of a Mutual Consent for Unit Alterations, the Member shall post a Conformance Deposit in the amount of \$250 for all improvements exceeding a total of \$500. The Conformance Deposit will be held until both a Final Mutual Consent for Unit Alterations and a Final City Building Permit Issuance if required, to assure no damages to Mutual property occurs during construction, including, but not limited to, internet/TV, landscaping, or exterior walls/roof.
17. The Conformance Deposit shall be held by the Mutual and applied, at the Mutual's sole discretion, to any fine levied against the Member or the Property, to cover and/or recoup any costs whatsoever, including, but not limited to, administrative and legal costs, incurred by the Mutual or VMS, Inc., in connection with the Property, or to any unpaid charges or assessments on the Mutual's account for the Property. For example, the Mutual could apply all or a portion of the Conformance Deposit to cover the following: fines levied against any invitee of Member; fines levied for construction violations; costs incurred by the Mutual in repairing damage to Mutual property caused by Member's contractor or other invitee; costs incurred by the Mutual in curing a violation on the Property; costs incurred in removing or altering an improvement upon the Property; or to an unpaid assessment, special assessment, late charge, interest or collection costs posted to the Mutual's account for the Property. The foregoing list is illustrative only and in no way represents the only situations where the Mutual could apply all or a portion of the Conformance Deposit.
18. If at any time the amount of the Conformance Deposit falls below 3/4ths of the amount originally required to be posted, Member agrees to immediately deposit additional sums with the Mutual in an amount sufficient to return the Conformance Deposit to the originally required level. Until the Conformance Deposit is so replenished, an automatic stop work order shall be in effect.
19. Any remaining Conformance Deposit is refundable if the Member notifies the Division, in writing, that the improvement(s) for which the Conformance Deposit was posted have been completed in accordance with the approval, and the Division agrees with the same. The Mutual will mail the unused portion of the Conformance Deposit, if any, to the Member's address of record with the Mutual. Under no circumstances shall Member be entitled to any interest on any portion of the Conformance Deposit. If no written request for return of a Conformance Deposit is made by Member within two years from the date when the Conformance Deposit is posted with the Mutual, the Conformance Deposit will be deemed forfeited to the Mutual.
20. All improvements must be installed in accordance with the California State Building Code, and the published Mutual Architectural Alterations Standards. See <http://www.lagunawoodsvillage.com>.
21. During construction, work hours established by the Mutual and the Noise Ordinance set forth in the City of Laguna Woods Municipal Code must be adhered to at all times.
22. During construction, both the Mutual Consent for Unit Alterations and the City Building Permit must be on display for public view at all times in a location approved by the Division.
23. It is mandatory that no waste or materials associated with the construction be dumped in the Village trash bins; such waste or materials associated with the construction must be disposed of offsite by the contractor.
24. The Mutual Consent for Unit Alterations expires six months after the date of approval, unless

an application is submitted with fees and approved by the Division for an extension. Only one extension for a maximum of an additional six months may be granted.

25. Violations of the forgoing conditions or the Mutual's Governing Documents (See <http://www.lagunawoodsvillage.com>), including, but not limited to, unpaid assessments, work outside the approved plans, excessive noise, illegal dumping, or working after hours, will result in disciplinary action, which could result in a stop work notice, loss of privileges and/or severe fines to the Member. Such fines left unpaid will result in forfeiture of a portion or all of the Conformance Deposit required above or other legal remedy.

26. Mutual Member shall indemnify, defend and hold harmless United and its officers, directors, committee Members and agents from and against any and all claims, demands, costs, fines, judgments, settlements and any other costs, expenses, amounts and liabilities arising from Mutual Member's improvements and installation, construction, design and maintenance of same.

(2) Approval recommendation - 503-A (Cordoba 1A4) - Room Repurposing and Wall Revisions

**RESOLUTION 01-18-37**  
**VARIANCE REQUEST**

**WHEREAS**, Ms. Nakju Lee of 503-A Avenida Sevilla of United Laguna Woods Mutual, submitted a request for a variance for repurposing rooms and wall revisions; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on February 27, 2018, 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 Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on March 15, 2018.

**NOW THEREFORE BE IT RESOLVED**, on April 10, 2018, the Board of Directors hereby approves the request with the condition that the proposed alterations are constructed in accordance with the following criteria:

1. A Mutual Consent for Unit Alterations has been granted at **503-A** for **Room Repurposing and Wall Revisions**, subject to the attached plans stamped approved and is subject to a final inspection by the Division. Any variations to the approved attached plans are not allowed and could result in a stop work notice and/or severe fines to the Member.
2. A City of Laguna Woods permit is required, which may include the requirement to obtain clearance from the South Coast Air Quality Management District (Asbestos Hot Line at (909) 396-2336). Prior to the issuance of a Mutual Consent for Unit Alterations, the appropriate City of Laguna Woods permit number(s) must be submitted to the Division office located in the Laguna Woods Village Community Center. The City permit must be finalized within the prescribed timeframe, and a copy of the final permit must be submitted to the Division within two weeks.
3. Prior to the Issuance of a Mutual Consent for Unit Alterations, **the Member must have conducted an inspection of the waste lines, by a VMS Plumber, to assure no repairs are needed.** The inspection will be a chargeable service to the Member. Inspection appointments are to be made with Resident Services, by authorized persons only. Findings from the video inspection will be recorded on the chargeable service ticket for Unit Alterations staff to review.

4. Prior to the Issuance of a Mutual Consent for Alterations, acoustical impacts shall be considered and will require noise reducing construction methods or materials such as sound dampening drywall on common walls of the alteration (such as QuietRock® drywall panels or similar approved products).
5. All piping in bathrooms with adjacent units shall be insulated for sound reduction, including penetrations thorough framing.
6. No improvement shall be installed, constructed, modified or altered at Unit **503-A**, ("Property") within the United Laguna Woods Mutual ("Mutual") without an approved Mutual Consent for Manor Alterations application for the improvement has been made to, and approved, in writing, by, the Village Management Services, Inc. ("VMS, Inc."), Manor Alterations Division ("Division"), or, in the event of a Variance from the Mutual's Alteration Standards, the Architectural Control and Standards Committee ("ACSC"). In the event written permission is given for the installation, construction, modification or alteration of any improvement(s) upon the Property, the Member s ("Member ") agrees to comply with the Mutual's Governing Documents and any specific terms or conditions imposed, and that the installation, construction, modification or alteration shall be in strict compliance with the terms of the approval.
7. Member hereby consents to and grants to the Mutual and the Division, and their representatives, a right of entry upon the Property at any time to be used to inspect the Property and the improvements thereon and for the Mutual and the Division, and their representatives and contractors to remedy any violation upon the Property, including, but not limited to, removing trash, removing any improvement installed without approval or modifying an improvement to bring the same into compliance with the terms of the approval.
8. All costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member at 503-A and all future Mutual Members at 503-A.
9. Member shall be responsible for all activity by contractors, subcontractors, material suppliers and their employees and agents and any others who perform work on the Property, including any violation of the Mutual's Governing Documents, including, but not limited to, traffic and parking violations, maintenance of a clean job site at all times, damage to Mutual property, and use of Mutual property for storage of equipment or materials without prior approval. Member acknowledges and agrees that all such persons are his/her invitees. Member shall be responsible for informing all his/her invitees of the Mutual's Rules and Regulations. Member shall be liable for any violation of the Mutual's Governing Documents by any invitee, including any fine, assessment or other charge levied in connection therewith.
10. Member is responsible for following the gate clearance process (<http://www.lagunawoodsvillage.com>) in place to admit contractors and other invitees.
11. Member's contractors and other invitees shall travel to and from the job site by the most direct route available and are not authorized to use Mutual recreational facilities or other amenities while they are in the Village for performance of work in connection with the Property.
12. Parking of contractors or other invitees' vehicles is prohibited in covered resident parking, open resident spaces, handicapped spaces or fire lanes. Contractors or other invitees must park on the street. To the extent possible contractors' or other invitees' vehicles should be limited in number.

13. Prior to the issuance of a Mutual Consent for Unit Alterations, a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed improvement must be submitted to the Division office located in the Laguna Woods Village Community Center. The plans must depict any required structural modifications ensuring the structural integrity of the building is maintained upon completion of the proposed improvement.
14. Prior to the issuance of a Mutual Consent for Manor Alterations, any altered exterior surface should match the Building color; vinyl fence/gate will be either white or taupe, tubular steel or wrought iron fence/gate will be black or white; the approved colors and materials are identified as "United Laguna Woods Mutual Color Selections" at Resident Services, located at the Community Center first floor.
15. Prior to the Issuance of a Mutual Consent for Unit Alterations, the Member shall post a Conformance Deposit in the amount of \$250 for all improvements exceeding a total of \$500. The Conformance Deposit will be held until both a Final Mutual Consent for Unit Alterations and a Final City Building Permit Issuance if required, to assure no damages to Mutual property occurs during construction, including, but not limited to, internet/TV, landscaping, or exterior walls/roof.
16. The Conformance Deposit shall be held by the Mutual and applied, at the Mutual's sole discretion, to any fine levied against the Member or the Property, to cover and/or recoup any costs whatsoever, including, but not limited to, administrative and legal costs, incurred by the Mutual or VMS, Inc., in connection with the Property, or to any unpaid charges or assessments on the Mutual's account for the Property. For example, the Mutual could apply all or a portion of the Conformance Deposit to cover the following: fines levied against any invitee of Member; fines levied for construction violations; costs incurred by the Mutual in repairing damage to Mutual property caused by Member's contractor or other invitee; costs incurred by the Mutual in curing a violation on the Property; costs incurred in removing or altering an improvement upon the Property; or to an unpaid assessment, special assessment, late charge, interest or collection costs posted to the Mutual's account for the Property. The foregoing list is illustrative only and in no way represents the only situations where the Mutual could apply all or a portion of the Conformance Deposit.
17. If at any time the amount of the Conformance Deposit falls below 3/4ths of the amount originally required to be posted, Member agrees to immediately deposit additional sums with the Mutual in an amount sufficient to return the Conformance Deposit to the originally required level. Until the Conformance Deposit is so replenished, an automatic stop work order shall be in effect.
18. Any remaining Conformance Deposit is refundable if the Member notifies the Division, in writing, that the improvement(s) for which the Conformance Deposit was posted have been completed in accordance with the approval, and the Division agrees with the same. The Mutual will mail the unused portion of the Conformance Deposit, if any, to the Member's address of record with the Mutual. Under no circumstances shall Member be entitled to any interest on any portion of the Conformance Deposit. If no written request for return of a Conformance Deposit is made by Member within two years from the date when the Conformance Deposit is posted with the Mutual, the Conformance Deposit will be deemed forfeited to the Mutual.
19. All improvements must be installed in accordance with the California State Building Code, and the published Mutual Architectural Alterations Standards. See <http://www.lagunawoodsvillage.com>.



20. During construction, work hours established by the Mutual and the Noise Ordinance set forth in the City of Laguna Woods Municipal Code must be adhered to at all times.
21. During construction, both the Mutual Consent for Unit Alterations and the City Building Permit must be on display for public view at all times in a location approved by the Division.
22. It is mandatory that no waste or materials associated with the construction be dumped in the Village trash bins; such waste or materials associated with the construction must be disposed of offsite by the contractor.
23. The Mutual Consent for Unit Alterations expires six months after the date of approval, unless an application is submitted with fees and approved by the Division for an extension. Only one extension for a maximum of an additional six months may be granted.
24. Violations of the forgoing conditions or the Mutual's Governing Documents (See <http://www.lagunawoodsvillage.com>), including, but not limited to, unpaid assessments, work outside the approved plans, excessive noise, illegal dumping, or working after hours, will result in disciplinary action, which could result in a stop work notice, loss of privileges and/or severe fines to the Member. Such fines left unpaid will result in forfeiture of a portion or all of the Conformance Deposit required above or other legal remedy.
25. Mutual Member shall indemnify, defend and hold harmless United and its officers, directors, committee Members and agents from and against any and all claims, demands, costs, fines, judgments, settlements and any other costs, expenses, amounts and liabilities arising from Mutual Member's improvements and installation, construction, design and maintenance of same.

**11b. Landscape Committee Recommendations - None**

**11c. Finance Committee Recommendations - None**

**11d. Laguna Hills Memorial Day Half-Marathon, 10K and 5K**

Director English made a motion to approve the Consent Calendar. The motion was seconded by Director Morrison and the motion passed by unanimous consent.

**12. Unfinished Business**

**12a. Entertain a Motion to Adopt a Resolution for Closets and Interior Partition Walls Policy (30 day notification to comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:

**RESOLUTION 01-18-38**  
**CLOSETS AND INTERIOR PARTITION WALLS POLICY**

**WHEREAS**, The Architectural Control and Standards Committee directed Staff to create a policy pertaining to closets and interior partition walls for members who are proposing to repurpose or relocate any closet or partition wall within their Unit.

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, The Board of Directors

adopts resolution 01-18-38 (Closets and Interior Partition Walls Policy); and

**RESOLVED FURTHER**, Architectural drawings shall be provided for approval to the Alterations Department Office for review and to meet the intent of this policy, for all non-load-bearing wall (partition wall) revisions including but not limited to closets or panel walls, prior to issuance of a Mutual Consent from the Alterations Department and before construction begins; and

**RESOLVED FURTHER**, Staff shall thoroughly review the submitted drawings, if Staff determines that the proposed alteration does not affect load bearing walls or alter the original purpose of the room(s), meets the intent of this policy, and conforms to all pertinent Alteration Policies, Staff may issue a Mutual Consent; and

**RESOLVED FURTHER**, if Staff determines that the proposed alteration does not meet the intent of this policy and the Member desires to pursue the proposed alteration, staff shall process the request as a Variance for review by the Architectural Controls and Standards Committee; and

**RESOLVED FURTHER**, All proposals of load-bearing wall revisions will require Board approval via the Variance process; and

**RESOLVED FURTHER**, Any proposed wall revision that would create a new room or change the use of a room will require Board approval through the Variance process; 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.

**FEBRUARY Initial Notification**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Dorrell made a motion to adopt the Resolution for Closets and Interior Partition Walls Policy. The motion was seconded by Director Bastani.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by unanimous consent.

**12b. Entertain a Motion to Adopt a Resolution Establishing a Policy and Application for Co-Occupants (30 day notification to comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:

**RESOLUTION 01-18-39**  
**CO-OCCUPANCY POLICY**

**WHEREAS**, United Laguna Woods Mutual (ULWM) is an independent-lifestyle and age-restricted senior citizen community, as defined by California Civil Code §51.3; no form of healthcare or assisted living is provided by ULWM; and each

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resident is responsible for his/her own health, safety, care and welfare;

**WHEREAS**, authorization for Co-occupancy is effective only when approved in writing by ULWM and issued in writing by an authorized VMS staff member(s);

**WHEREAS**, ULMW and Shareholder(s) have the right to terminate Co-Occupant status at any time, without cause; however, Civil Code §51.3 may be interpreted to inhibit this right of termination under certain circumstances;

**WHEREAS**, Shareholder(s) and Co-occupant cannot have a landlord-tenant relationship and no remuneration will be paid or collected during the duration of the Co- occupancy;

**WHEREAS**, Shareholder(s) and Co-occupant will reside in the Unit; and when necessary, the Board reserves the right to require proof of residency;

**WHEREAS**, Shareholder(s) shall be responsible for the conduct and deportment of the Co-occupant;

**WHEREAS**, the Board has received concerns expressed by Shareholders regarding individuals who are circumventing the sublease process, room rentals, shareholders failing to vet their roommates, and nuisance issues from Co-occupants;

**WHEREAS**, 432 units are occupied without a Shareholder in residence;

**WHEREAS**, ULWM is authorized to take disciplinary action against a Shareholder(s) whose dwelling may be found in violation of the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board of Directors has a fiduciary duty to investigate and impose, if appropriate, discipline as set forth in the Governing Documents;

**WHEREAS**, this policy itemizes, consolidates and clarifies procedures, including the administrative handling of Co-occupancy applications;

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, the Board of Directors of this Corporation hereby adopts amendments to the Co-Occupancy Policy as attached to the official minutes; and

**RESOLVE FURTHER**, that this policy supersedes all existing Co-Occupancy Documents; and

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

**February Initial Notification**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Leonard made a motion to approve the Resolution establishing a policy and application for Co-Occupants. The motion was seconded by Director Dorrell.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 7-2-0 (Director English and Armendariz opposed).

### **13. New Business**

**13a. Entertain a Motion to Introduce a Resolution for a Resale Deposit Policy (APRIL initial notification-must postpone 30 days to comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:

#### **RESOLUTION 01-18-XX RESALE CORRECTION POLICY**

**WHEREAS**, on April 8, 2008, the Board of Directors approved Resolution 01-08-65, establishing an 18-month time requirement for new members to complete corrections for which funds has been held from the seller;

**WHEREAS**, resale inspections and inspection reports are an integral part of the resale process and corrections noted on the inspection reports are vital for the protection of Mutual property and assets; and,

**WHEREAS**, staff has found the current resale policy to be administratively burdensome and withholds funds for an unreasonable length of time.

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, that the Board of Directors hereby introduces the Resale Correction Policy;

**RESOLVED FURTHER**, corrections and deficiencies found in the resale inspection will be noted in the report and a predetermined dollar value will be assigned to each correction;

**RESOLVED FURTHER**, the seller will be held responsible for the corrections and will be given until the time of the final inspection to make the corrections;

**RESOLVED FURTHER**, when corrections are incomplete at the close of escrow, a sum of the values assigned to the corrections will be withheld from escrow to be used to correct the deficiencies;

**RESOLVED FURTHER**, after the close of escrow, staff will use a combination of staff and outside vendors to ensure that the corrections are made to protect Mutual property and assets;

**RESOLVED FURTHER**, that Resolution 01-08-65 adopted April 8, 2008, 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.

**APRIL 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 30-days from the postponement to comply with Civil Code §4360.

Director Leonard made a motion to introduce a Resolution for a Resale Deposit Policy. The motion was seconded by Director Morrison

Discussion ensued among the Directors.

President Skillman called for the vote and the motion failed by a vote of 3-6-0 (Directors Achrekar, English, Armendariz, Torng, Tibbets, and Dorrell opposed).

Director Tibbets made an amended motion to have staff draft a new resolution for the next meeting in May. Director English seconded the amended motion and it passed by unanimous consent.

**13b. Entertain a Motion to Introduce a Resolution for a Soffit and Ceiling Policy (APRIL initial notification-must postpone 30 days to comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:

**RESOLUTION 01-18-XX**  
**POLICY FOR ALTERATION OF SOFFITS AND SUSPENDED CEILINGS**

**WHEREAS**, the Board of Directors of United Laguna Woods Mutual ("Board") established policies and procedures for the construction of any alterations, additions and expansions; and

**WHEREAS**, the Board, through Resolution 01-17-94, adopted and implemented the Revised Land Use Policy which prohibits the Board from granting use of common area for alterations;

**WHEREAS**, the Davis-Stirling Common Interest Development Act ("Act") defines the area above the interior surface of a unit as common area and Staff receives numerous requests for alterations to remove suspended ceilings and soffits which, if done, would encroach into this common area;

**WHEREAS**, the Board has consulted with Staff and legal counsel and determined that the Act permits the granting of exclusive use of use of common area that is generally inaccessible and not of general use to the membership at large and transfers the responsibility of maintenance and management to the Shareholder; and

**WHEREAS**, the Board has determined that the area above suspended ceilings and soffits meets these requirements.

**NOW THEREFORE, BE IT RESOLVED**, April 10, 2018, that the Board of Directors hereby introduces the following Resolution for establishment of the Policy for Alteration of Soffits and Suspended Ceilings;

**RESOLVED FURTHER**, an alteration which removes suspended ceilings and soffits that does not negatively affect structural members or the structural soundness of the structures that meets the criteria set forth in the United Architectural Review Procedures may be approved by Staff through the Mutual Consent process;

**RESOLVED FURTHER**, any such alteration, with the exception of alterations permitted by existing and future Mutual Standards, shall not include any alteration of the structural members or protrude or affect any space above the lowest part of the structural members; and,

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

**APRIL 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 30-days from the postponement to comply with Civil Code §4360.**

Director Leonard made a motion to introduce for 30-day review a Resolution for a Soffit and Ceiling Policy. The motion was seconded by Director Dorrell.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed 8-0-1 (Director Torng abstained).

**13c. Entertain a Motion to Introduce a Resolution for an Alteration Standard 1: General Requirements (APRIL initial notification-must postpone 30 days comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:

**RESOLUTION 01-18-XX**  
**SECTION 1: GENERAL REQUIREMENT FOR ALL ALTERATION STANDARDS**

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

**WHEREAS**, the General Requirements are and should remain the same for all Alteration Standards and amending the General Requirements requires amending every individual Alteration Standard;

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to remove the General Requirements from each individual Alteration Standard and create a new Alteration Standard for the General Requirements, eliminating the need to revise all the Alteration Standards for a revision to the General Requirements,

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, that the Board of Directors of this Corporation hereby adopts the following Standard Section 1 for the General Requirements of all Alteration Standards;

**SECTION 1: GENERAL REQUIREMENTS FOR ALTERATION STANDARDS**

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Alterations Division with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00 am and no work shall be permitted after 5:00 pm Monday through Friday. Work on Saturday shall be permitted from 9:00 am– 3:00 pm for work which results in construction-related noise (e.g. cutting tile, hammering, and the use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00 am – 5:00 pm. No work whatsoever shall be permitted on Sunday or holidays.
- 1.5 PLANS:** The Member applying for a permit shall provide to the Alterations Division a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.
- 1.6 DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor are responsible for removal of debris and excess material and must leave work areas **"BROOM CLEAN"** daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING**

**IS NOT PERMITTED.** Cleaning of paint tools, buckets, or equipment is prohibited in Common Areas. Contractor's or Member's dumpsters, if required, may not be placed in cul-de-sacs or parking spaces, location must be approved by the Alteration Division.

- 1.7 CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.
- 1.8 CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub- contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.
- 1.9 PARKING:** Parking of contractors or other invitees' vehicles is prohibited in covered resident parking, open resident spaces, handicapped spaces, cul-de-sacs, or fire lanes. Contractors or other invitees must park on the street. To the extent possible contractors' or other invitees' vehicles should be limited in number.

**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.

**APRIL 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 30-days from the postponement to comply with Civil Code §4360.

Director Leonard made a motion to introduce for 30-day review a Resolution for alteration standard 1: General Requirements. The motion was seconded by Director Dorrell.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 8-0-1 (Director Torng abstained).

**13d. Entertain a Motion to Introduce Revisions to the United Mutual's Standard 6: Air Conditioning (APRIL initial notification-must postpone 30 days comply with Civil Code §4360 has been satisfied)**

Director Leonard read the following resolution:



**RESOLUTION 01-18-XX**

**REVISE ALTERATION STANDARD 6 – AIR CONDITIONING UNITS/HEAT PUMPS**

**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 recognize the need to revise Alteration 6: Air Conditioning Units/Heat Pumps.

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, that the Board of Directors of this Corporation hereby introduces the following Alteration Standard 6: Air Conditioning Units/Heat Pumps;

**Standard 6 – Air Conditioning Units/Heat Pumps**

**1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

**2.0 APPLICATIONS - THROUGH THE WALL A/C-H/P UNITS**

- 2.1** Units must be installed in knock-out panel areas, under windows, or as determined by the Alterations Division.
- 2.2** Units must not be located more than 12" off the floor as measured from the bottom of the unit, unless otherwise approved by the Alterations Division due to site conditions.
- 2.3** No unit may project directly into a walkway area or into a breezeway.
- 2.4** Window mounted units are prohibited.
- 2.5** Sleeves must be painted to match the color of the wall.
- 2.6** Above grade installation of heat pumps require condensation drain line connection to an approved discharge location. Mutual Member assumes all responsibilities for any damage that may occur from condensate lines.
- 2.7** In the absence of an approved alternate heat source, removal of the A/C- H/P unit and sleeve is prohibited.
- 2.8** Removal of sleeves in stucco walls require that the patch must be made in accordance with standard construction practices to maintain the water proof integrity of the wall. The texture and color must match the existing wall.
- 2.9** Removal of sleeves in walls with wood siding must be made in accordance with standard construction practices to maintain the water proof integrity of the wall. The entire section of wood siding under a  
Window, from trim to trim must be replaced and the texture and color must match the existing wood siding.

- 2.10** Upon the installation of a central heating and air system, the A/C-H/P units and sleeves shall be removed.

**3.0 APPLICATIONS - CENTRAL and DUCTLESS UNITS**

- 3.1** The location of condensers must be approved by the Alterations Division. Prior to permit issuance, consideration will be given to any effected or adjoining units. Mutual Member is required to submit signed Neighbor Awareness forms as deemed needed by the Alterations Division.
- 3.2** The size of condensers must not exceed 48" high, 37" wide or 36" deep.
- 3.3** Only one outdoor condensing unit per manor is permitted.
- 3.4** All landscape and irrigation revisions to accommodate the location of a condenser must be made by the Mutual at the Mutual Member's expense. Member shall submit a Landscape Request Form with a copy of the site and floor plan with complete dimensions.
- 3.5** Condensation drain lines must be routed to an approved location.
- 3.6** Roof mounted condensers are prohibited.
- 3.7** Condensers must be installed at ground level and mounted on an approved concrete or plastic pad and must be located within 24" of the building wall and maintain a 36" clearance from bedroom windows, other equipment, utility boxes, vents, and walkways.
- 3.8** All exterior wiring, condensate, and coolant lines must be encased in a single square sheet metal or vinyl chase painted to match the color of the wall.
- 3.9** The metal chase way must be of the two-piece type. Chase ways must be made rodent proof by using wire mesh at the bottom of the chase ways.
- 3.10** The length of the run(s) must be kept to a minimum and be as unobtrusive as possible.
- 3.11** Cutting of a cornice molding to accommodate a chase-way shall be performed by removing the affected section of molding, cutting the metal flashing at both ends, applying sealant under the metal flashing, bending the metal flashing to be flush with the wall and fastening the metal flashing in place using screws. Sealant shall be applied as needed and the cut ends of the cornice molding shall be sealed.
- 3.12** Watertight seals must be provided around all penetrations.
- 3.13** Cutting or altering roof trusses for the installation of air handlers in attic spaces are strictly prohibited.
- 3.14** When air handlers are installed in water heater closets, sufficient space must be provided above and around the water heater for repair and replacement of the water heater.
- 3.15** Electrical conduit and box must be painted to match the color of the wall.

April 10, 2018

**RESOLVED FURTHER**, that Resolution 01-14-57, adopted May 13, 2014 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 this resolution as written.

**APRIL 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 30- days from the postponement to comply with Civil Code §4360.

Director Leonard made a motion to introduce a Resolution for alteration standard 6:Air Conditioning. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by unanimous consent.

**13e. Entertain a Motion to Approve a Resolution for a Vacant Manor Policy**

Director Leonard read the following resolution:

**RESOLUTION 01-18-XX**  
**INTERIOR INSPECTION OF VACANT UNITS**

**WHEREAS**, vacant units present a number of concerns to United Mutual and its residents and those concerns increase the longer the unit is vacant; it is to the benefit of United and its residents to inspect the condition of units which have been vacant for six months or more; and

**WHEREAS**, based on corporate counsel's opinion, and the Mutual's governing documents, the Mutual has the right to inspect units at any time in the event of an emergency and the right to enter units at a reasonable hour in non-emergency situations for the purpose of performing maintenance.

**NOW THEREFORE BE IT RESOLVED**, April 10, 2018, that the Board of Directors hereby introduces the Vacant Unit Inspection Policy;

**RESOLVED FURTHER**, that except in case of an emergency inspection, the Mutual will provide a minimum of 15 days' notice of inspection to the owner of record of each vacant unit;

**RESOLVED FURTHER**, the Mutual will conduct non-emergency inspections after said notice unless the owner submits a letter of objection;

**RESOLVED FURTHER**, if the owner of record objects or specifically denies

entry, the matter will be referred to the Board for member disciplinary action;

**RESOLVED FURTHER**, non-emergency inspections will be conducted with Security personnel in attendance to document and ensure there is no adverse impact upon the unit interior by the Mutual's inspection;

**RESOLVED FURTHER**, the inspector will identify and note conditions within the units and facilitate remediation of adverse functional conditions identified if necessary to protect against damage to Mutual property, common area damage or nuisance to neighboring residents;

**RESOLVED FURTHER**, that necessary emergency repairs that are required to prevent damage to Mutual property that are the responsibility of the member, will be carried out and charged to the owner of record;

**RESOLVED FURTHER**, that necessary emergency repairs that are the responsibility of the Mutual will be carried out at Mutual cost;

**RESOLVED FURTHER**, that Resolution 01-08-196 adopted November 14, 2008 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 Leonard made a motion to adopt a Resolution for a Vacant Manor Policy. The motion was seconded by Director Morrison.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion failed by a vote of 5-5-0 (Director Armendariz, Bastani, Achrekar, English and Torng opposed).

Director Torng made an amended motion to postpone this item until the May, 2018 meeting for amendments to the staff report and resolution. The motion was seconded by Director Armendariz and passed by a vote of 5-4-0 (Directors Morrison, Dorrell, Leonard, and Tibbets opposed)

#### **14. Committee Reports**

**14a.** Report of the Finance Committee / Financial Report – Director Morrison presented the Treasurer's Report and reviewed the resale and leasing reports. Next meeting May 29, 2018, 2:00 p.m. in the Sycamore Room

**14b.** Report of the Architectural Control and Standards Committee – Director Dorrell gave a report from the last Architectural Control and Standards Committee meeting. Next meeting April 19, 2018, 9:30 a.m. in the Sycamore Room.

**14c.** Report of the Communications Committee – President Skillman gave a report

on behalf of Director Blackwell who was absent from the last Communications Committee meeting. Members who wish to write articles for the newsletter, should contact Director Blackwell.

**14d.** Report of Executive Hearings Committee - President Skillman gave a report from the last Executive Hearings Committee meeting. Next meeting April 26, 2018, 9:00 a.m. in the Willow Room.

**14e.** Report of the Governing Documents Review Committee - President Skillman reported the committee discussed stock certification updates and resale documents at the last Governing Documents Review Committee meeting. Next meeting April 23, 2018, 2:00 p.m. in the Sycamore Room.

**14f.** Report of the Landscape Committee - Director Blackwell was absent and President Skillman gave an update on Aliso Creek. The next meeting April 25, 2018, 9:00 a.m. in the Board Room.

**14g.** Report of the Maintenance & Construction Committee - Director Tibbets reported on the handyman service, shepherds crook and solar system report from the last Maintenance & Construction Committee meeting. Next meeting April 25, 2018, 9:00 a.m. in the Board Room

**14h.** Report of the Resident Advisory Committee – Director Tibbets gave a report from the last Resident Advisory Committee meeting. President Skillman encouraged residents to utilize this committee to resolve any issues they have in the community. Next meeting April 12, 2018, 3:00 p.m. in the Sycamore Room

## **15. GRF Committee Highlights**

**15a.** Report of the Finance Committee—Director Morrison gave highlights from the last GRF Finance Committee meeting. Next meeting April 18, 2018, 1:30 p.m. in the Board Room.

**15b.** Report of the Community Activities Committee—Director Dorrell gave highlights from the last GRF Community Activities Committee meeting. Next meeting May 10, 2018, 2:00 p.m. in the Board Room.

**15c.** Report of the Maintenance & Construction Committee—Director Tibbets gave highlights from the last GRF Maintenance & Construction Committee meeting. Next meeting April 11, 2018, 9:30 a.m. in the Board Room.

**15d.** Report of the Media and Communication Committee—Director Blackwell was absent. President Skillman spoke on her behalf, reporting on the docent tours and gave highlights from the last GRF Media and Communication Committee meeting. Next meeting April 16, 2018, 1:30 p.m. in the Board Room.

**15e.** Report of the Mobility and Vehicles Committee—Director Achrekar reported on Plan-a-Ride reservations and gave highlights from the last GRF Mobility and Vehicles

Committee meeting. Next meeting June 6, 2018, 1:30 p.m. in the Board Room.

**15f.** Report of the Security and Community Access Committee—Director Tibbets gave highlights from the last GRF Security and Community Access Committee meeting. Next meeting April 26, 2018, 1:30 p.m. in the Board Room.

- Laguna Woods Village Traffic Hearings – Director Achrekar gave a reported from the last Traffic Hearings. Next meeting April 18, 2017, 9:00 a.m. in the Board Room and 1:00 p.m. in the Pine Room

**15g.** Disaster Preparedness Task Force—Director Morrison gave a report from the last Disaster Preparedness Task Force meeting and encouraged residents to volunteer as building captains and medical personnel. Next meeting April 24, 2018, 9:30 a.m. in the Cypress Room.

**16. Introduction of Candidates for United Board to Fill Director Vacancy (Term Ending 2018)** Interview, Secret Ballot and Election of new United Board Member

- (a) Diane Casey
- (b) Alan Dickinson
- (c) Carmello (Carl) Randazzo
- (d) Benjamin Shavit
- (e) Marily Stone Benjamin

The candidates gave a brief statement of their candidacy, the Board Members voted by secret ballot and there was a tie vote between Diane Casey and Carl Randazzo. A second vote was taken between Diane Casey and Carl Randazzo. President Skillman announced that Carl Randazzo was elected to the Board.

**17. Future Agenda Items**

**17a.** Entertain a Motion to Approve a Resolution Endorsing the Handyman Program and Setting Policy (**March Initial Notification—must postpone 30 days to comply with Civil Code §4360**)

**18. Director's Comments**

**19. 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 recessed at 1:11 p.m. into the Executive Session.

**Summary of Previous Closed Session Meetings per Civil Code Section §4935**

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) February 13, 2018 – Regular Executive Session*

*Notice of Sale against Member's ID; 947-381-65*

*Discuss Personnel Matters*

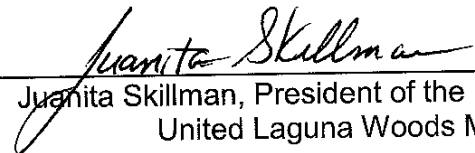
*Discuss and Consider Contractual Matters*

April 10, 2018

*Discuss and Consider Litigation Matters*

**19. Adjourn**

The meeting was adjourned at 5:02 p.m.

  
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Juanita Skillman, President of the Board  
United Laguna Woods Mutual



## **Co-Occupancy Policy**

### **I. Purpose**

The purpose of this document is to define the policy of United Laguna Woods Mutual (ULWM) regarding Shareholders who seek an individual to be Co-occupant.

### **II. Definitions**

- a. Application – the form prescribed by ULWM to apply for approval to Co-occupy the Unit (Exhibit A).
- b. Approval – written authorization to Co-occupy the Unit granted by ULWM or authorized VMS staff member(s).
- c. Assessment – the monthly amounts which Members are bound to pay pursuant to the terms of their respective Occupancy Agreements. Also known as carrying charges.
- d. Charge – fee, fine, and/or monetary penalty that ULWM may levy upon a Shareholder(s) pursuant to the Governing Documents.
- e. Co-habitant – persons who live together as spouses or persons who are domestic partners within the meaning of Section 297 of the Family Code.
- f. Community – Laguna Woods Village.
- g. Co-occupant – Qualifying Permanent Resident as defined by Civil Code §51.3 (Addendum 1) and any person who seeks to reside with a Qualifying Resident, who is approved by the Board of Directors for occupancy, and who shall certify on the application submitted to the Corporation that he or she satisfies at least one of the following criteria and shall provide such additional certification or information as the Corporation or Staff may require:
  - i. At least forty-five years of age; or
  - ii. A spouse of a Qualifying Resident; or
  - iii. A co-habitant of a Qualifying Resident, or
  - iv. A provider of primary economic support to a Qualifying Resident; or
  - v. A provider of primary physical support to a Qualifying Resident.
- h. Golden Rain Foundation (GRF) – the Golden Rain Foundation of Laguna Hills, a California nonprofit mutual benefit corporation.
- i. Governing Documents – all of the following, collectively, the Articles of Incorporation; the Bylaws; Occupancy Agreements; the Rules and Regulations; and any Resolutions or Policies of the Board; all the same may be lawfully amended or modified from time to time.
- j. Identification (ID) Card – photo ID card issued by GRF to Shareholders, Co-occupants, and Lessees of the Community authorizing use and access to the Community Facilities.



- k. Member – Shareholder(s) entitled to Membership in the Corporation and approved by the Board of Directors. Also known as Shareholder and Qualified Resident.
- l. Occupancy Agreement – the agreement between the Corporation and its Shareholder(s), respectively, under the terms of which said Shareholder(s) are entitled to enjoy possession of their respective Units and the use of facilities owned by ULWM and GRF.
- m. Qualifying Resident – any person who is at least 55 years of age and who has been approved by the Board of Directors for occupancy of a Unit.
- n. Shareholder – a Qualifying Resident approved by the Corporation to exclusively occupy a Unit and to whom a Stock and/or Membership Certificate of the Corporation has been issued. Also known as Member.
- o. Staff Member – individual employed by Village Management Services, Inc. (VMS) authorized to act on behalf of ULWM.
- p. Sub-Lessee – any person or persons who sub-lease a Unit from a Member for such a period of time and on such forms as authorized by the Board of Directors, and shall be permitted by the Rules and Regulations adopted by the Board of Directors from time to time.
- q. ULWM – is a non-profit cooperative housing corporation which owns and manages all real property within the original 21 cooperative mutuals. In a cooperative, Shareholders are members of a corporation which own all real property, including the dwelling units, carports, and laundry facilities within the Mutual's boundaries, and each Shareholder is entitled to occupy a specific dwelling unit under the terms of an Occupancy Agreement. Also known as Corporation.
- r. Unit – a dwelling unit owned by the Corporation, and the Member's separate interest; specifically, the exclusive rights to occupy a specific portion of real property within the Development. Also known as Manor.
- s. Vehicle Decal – identifying marker, supplied by GRF, to residents; a decal is required for parking within the Community other than by guests or contractors.

### **III. Fees**

See Schedule of Fees.

### **IV. Terms and Conditions**

- a. General Information
  - i. ULWM is an independent-lifestyle and age-restricted senior citizen community, as defined by California Civil Code §51.3. No form of healthcare or assisted living is provided by ULWM. Each resident is responsible for his/her own health, safety, care and welfare.
  - ii. Authorization for Co-occupancy shall be effective only when approved in writing by ULWM and issued in writing by an authorized VMS staff member(s) of ULWM.
  - iii. An Application to reside in a Unit shall be made on the form prescribed by ULWM (Exhibit A). Any changes in such form shall

not be deemed a change in this Occupancy Policy which requires notice to the Shareholder(s) of ULWM.

- iv. Approval of the Co-occupancy Application by ULWM, in and of itself, does not confer any right on the Co-occupant other than the revocable right to occupy the Unit named on the Application.
- v. ULWM shall, to the extent required by law, provide notice of potential asbestos-containing materials used during construction (Exhibit B).
- vi. Appearance of the Community is important, and residents are required to keep their balconies, patios, walkways, and carports free of clutter per the Governing Documents.
- vii. The Resident Services Department will notify the Shareholder(s) of the approval or denial status of the application within seven business days of submittal of the complete application.
- viii. Shareholders are required to check with the Manor Alterations Division before making any structural or landscape alterations. Please contact the Manor Alterations Division at (949) 597-4616. Contractor's trash must not be put into Community Dumpsters.
- ix. Guest occupancy is permitted for a maximum period of 60 days per twelve month period, per guest, solely in conjunction with the occupancy by a Qualifying Resident or Co-occupant.
- x. Unless otherwise required by law, the maximum number of persons allowed to occupy a Unit is equal to the number of original construction bedrooms plus one; no more than two persons in a one bedroom Unit; no more than three persons in a two bedroom Unit. There is an additional monthly GRF fee for each person in excess of two.
- xi. ULMW and Shareholder(s) have the right to terminate Co-Occupant status at any time, without cause; however, Civil Code §51.3 may be interpreted to inhibit this right of termination under certain circumstances.

b. Occupancy

- i. Co-occupant(s) shall be entitled to occupy the Unit indicated on the application.
- ii. The Shareholder(s) and Co-occupant cannot have a landlord-tenant relationship and no remuneration will be paid or collected during the duration of the Co-occupancy.
- iii. Co-occupant(s) and Shareholder(s) will reside in the Unit; when necessary, the Board reserves the right to require proof of residency.
- iv. Individuals may reside in the Unit only if they co-occupy with the Shareholder(s) who is/are in residence, and meet the requirements of a Co-Occupant; or are the parents of children who purchased prior to November 8, 2016 (Resolution U-89-94 rescinded) with one Qualifying Resident at least 55 years of age.

- v. Co-occupant(s) may use the facilities and receive the services made available by GRF. The facilities and services may be modified or discontinued by GRF at any time.
- vi. Shareholder shall be responsible for the conduct and deportment of the Co-occupant.
- vii. Co-occupant shall be subject to the same rules, regulations, restrictions, and Occupancy Agreement that are applicable to the Shareholder(s), except with respect to payment of carrying charges. If Co-occupant ever shall become the legal or equitable owner of the Membership, Co-occupant will apply for Membership and execute an Occupancy Agreement in ULWM in the form generally used by ULWM and will pay all amounts due pursuant to the Occupancy Agreement.
- viii. Shareholder(s) and Co-occupant(s) shall be equally responsible for payment of any charges incurred by Co-occupant(s) in respect to service provided by GRF or ULWM.
- ix. Shareholder(s) agrees to pay to ULWM an additional sum each month for each Co-occupant in excess of two at the rate prescribed by ULWM.
- x. Shareholder(s) shall be responsible for cancelling the Co-occupancy status and returning Co-occupant's ID Card and Vehicle Decal when Co-occupant ceases to reside in the Unit.
- xi. Co-occupant shall not have been convicted of a felony within the last 20 years or a misdemeanor involving moral turpitude within five years immediately preceding the date of application.

## **V. Procedure**

- a. The Shareholder(s) must complete and submit the Occupancy Application for Board review. The Application is available for download at [www.lagunawoodsvillage.com](http://www.lagunawoodsvillage.com) or upon request from the Resident Services Department.
- b. The Application and additional documentation must be submitted to the Resident Services Department. Additional required documentation:
  - 1. Proof of age/identity (copy of driver's license, birth certificate, or passport) for each Co-occupant.
  - 2. Department of Justice Criminal Background Report for each Co-occupant.
  - 3. Credit (FICO) Score for each Co-Occupant provided by TransUnion, Experian, or Equifax.
  - 4. Proof of Income (Social Security, Bank Statements/Deposits, Pensions, Annuities, etc.)
  - 5. Emergency Contact Information for each Co-occupant (Exhibit C).
- c. The Board or authorized VMS staff member(s) will review the Application and approve or deny the request in writing.
- d. Upon receipt of an Application, the Resident Services Department will research if the Shareholder(s) has/have received notices of rules

- violations or is subject to any outstanding Charges and Assessments before approval of the application.
- e. The Resident Services Department will notify the Shareholder(s) of the results within seven business days, unless it notifies the Shareholder(s) that it requires additional time to review and/or requests additional information from the Shareholder(s) while conducting its review.
  - f. The Resident Services Department hours of operation are Monday-Friday, federal holidays excepted, 8:00 A.M. to 5:00 P.M., phone number (949) 597-4323.
  - g. Mailing address is P.O. Box 2220, Laguna Hills, CA 92654-2220.

## **VI. Enforcement**

ULWM is authorized to take disciplinary action against a Shareholder(s) whose dwelling may be found in violation of the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board of Directors has a fiduciary duty to investigate and impose, if appropriate, discipline as set forth in the Governing Documents.

The Board has the authority to impose monetary fines, suspend Shareholder(s) privileges, and/or bring forth legal action. The Shareholder(s) are entirely responsible for ensuring that the Community Rules and policies are followed by anyone they allow into the Community. This includes any Co-occupant, Lessee, Guest, Care Provider, Vendor, invitee or contractor. Disciplinary action against a Shareholder's privileges applies to the Co-occupant(s).

The Shareholder(s) and Co-occupant(s) must read and agree to comply with and be bound by all the Governing Documents and the Community Rules.

Nothing contained herein shall relieve Shareholder(s) of the performance of any obligation owed to ULWM and/or GRF under the Governing Documents.

A complaint may be registered by calling the Security Department at 949-580-1400 or the Compliance Division by calling 949-268-CALL or email to [compliance@vmsinc.org](mailto:compliance@vmsinc.org).

## **Addendum 1**

### **Civil Code §51.3 Senior Citizens Developments**

(a) The Legislature finds and declares that this section is essential to establish and preserve specially designed accessible housing for senior citizens. There are senior citizens who need special living environments and services, and find that there is an inadequate supply of this type of housing in the state.

(b) For the purposes of this section, the following definitions apply:

(1) "Qualifying resident" or "senior citizen" means a person 62 years of age or older, or 55 years of age or older in a senior citizen housing development.

(2) "Qualified permanent resident" means a person who meets both of the following requirements:

(A) Was residing with the qualifying resident or senior citizen prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the qualifying resident or senior citizen.

(B) Was 45 years of age or older, or was a spouse, cohabitant, or person providing primary physical or economic support to the qualifying resident or senior citizen.

(3) "Qualified permanent resident" also means a disabled person or person with a disabling illness or injury who is a child or grandchild of the senior citizen or a qualified permanent resident as defined in paragraph (2) who needs to live with the senior citizen or qualified permanent resident because of the disabling condition, illness, or injury. For purposes of this section, "disabled" means a person who has a disability as defined in subdivision (b) of Section 54. A "disabling injury or illness" means an illness or injury which results in a condition meeting the definition of disability set forth in subdivision (b) of Section 54.

(A) For any person who is a qualified permanent resident under this paragraph whose disabling condition ends, the owner, board of directors, or other governing body may require the formerly disabled resident to cease residing in the development upon receipt of six months' written notice; provided, however, that the owner, board of directors, or other governing body may allow the person to remain a resident for up to one year after the disabling condition ends.

(B) The owner, board of directors, or other governing body of the senior citizen housing development may take action to prohibit or terminate occupancy by a person who is a qualified permanent resident under this paragraph if the owner, board of directors, or other governing body finds, based on credible and objective evidence, that the person is likely to pose a significant threat to the health or

safety of others that cannot be ameliorated by means of a reasonable accommodation; provided, however, that the action to prohibit or terminate the occupancy may be taken only after doing both of the following:

- (i) Providing reasonable notice to and an opportunity to be heard for the disabled person whose occupancy is being challenged, and reasonable notice to the coresident parent or grandparent of that person.
- (ii) Giving due consideration to the relevant, credible, and objective information provided in the hearing. The evidence shall be taken and held in a confidential manner, pursuant to a closed session, by the owner, board of directors, or other governing body in order to preserve the privacy of the affected persons.

The affected persons shall be entitled to have present at the hearing an attorney or any other person authorized by them to speak on their behalf or to assist them in the matter.

(4) "Senior citizen housing development" means a residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens that has at least 35 dwelling units. Any senior citizen housing development which is required to obtain a public report under Section 11010 of the Business and Professions Code and which submits its application for a public report after July 1, 2001, shall be required to have been issued a public report as a senior citizen housing development under Section 11010.05 of the Business and Professions Code. No housing development constructed prior to January 1, 1985, shall fail to qualify as a senior citizen housing development because it was not originally developed or put to use for occupancy by senior citizens.

(5) "Dwelling unit" or "housing" means any residential accommodation other than a mobile home.

(6) "Cohabitant" refers to persons who live together as spouses or persons who are domestic partners within the meaning of Section 297 of the Family Code.

(7) "Permitted health care resident" means a person hired to provide live-in, long-term, or terminal health care to a qualifying resident, or a family member of the qualifying resident providing that care. For the purposes of this section, the care provided by a permitted health care resident must be substantial in nature and must provide either assistance with necessary daily activities or medical treatment, or both. A permitted health care resident shall be entitled to continue his or her occupancy, residency, or use of the dwelling unit as a permitted resident in the absence of the senior citizen from the dwelling unit only if both of the following are applicable:

- (A) The senior citizen became absent from the dwelling due to hospitalization or other necessary medical treatment and expects to return to his or her residence within 90 days from the date the absence began.

(B) The absent senior citizen or an authorized person acting for the senior citizen submits a written request to the owner, board of directors, or governing board stating that the senior citizen desires that the permitted health care resident be allowed to remain in order to be present when the senior citizen returns to reside in the development.

Upon written request by the senior citizen or an authorized person acting for the senior citizen, the owner, board of directors, or governing board shall have the discretion to allow a permitted health care resident to remain for a time period longer than 90 days from the date that the senior citizen's absence began, if it appears that the senior citizen will return within a period of time not to exceed an additional 90 days.

(c) The covenants, conditions, and restrictions and other documents or written policy shall set forth the limitations on occupancy, residency, or use on the basis of age. Any such limitation shall not be more exclusive than to require that one person in residence in each dwelling unit may be required to be a senior citizen and that each other resident in the same dwelling unit may be required to be a qualified permanent resident, a permitted health care resident, or a person under 55 years of age whose occupancy is permitted under subdivision (h) of this section or under subdivision (b) of Section 51.4. That limitation may be less exclusive, but shall at least require that the persons commencing any occupancy of a dwelling unit include a senior citizen who intends to reside in the unit as his or her primary residence on a permanent basis. The application of the rules set forth in this subdivision regarding limitations on occupancy may result in less than all of the dwellings being actually occupied by a senior citizen.

(d) The covenants, conditions, and restrictions or other documents or written policy shall permit temporary residency, as a guest of a senior citizen or qualified permanent resident, by a person of less than 55 years of age for periods of time, not less than 60 days in any year, that are specified in the covenants, conditions, and restrictions or other documents or written policy.

(e) Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the qualifying resident, any qualified permanent resident shall be entitled to continue his or her occupancy, residency, or use of the dwelling unit as a permitted resident. This subdivision shall not apply to a permitted health care resident.

(f) The condominium, stock cooperative, limited-equity housing cooperative, planned development, or multiple-family residential rental property shall have been developed for, and initially been put to use as, housing for senior citizens, or shall have been substantially rehabilitated or renovated for, and immediately afterward put to use as, housing for senior citizens, as provided in this section; provided, however, that no housing development constructed prior to January 1, 1985, shall fail to qualify as a senior citizen housing development because it was not originally developed for or originally put to use for occupancy by senior citizens.

(g) The covenants, conditions, and restrictions or other documents or written policies applicable to any condominium, stock cooperative, limited-equity housing cooperative,

planned development, or multiple- family residential property that contained age restrictions on January 1, 1984, shall be enforceable only to the extent permitted by this section, notwithstanding lower age restrictions contained in those documents or policies.

(h) Any person who has the right to reside in, occupy, or use the housing or an unimproved lot subject to this section on January 1, 1985, shall not be deprived of the right to continue that residency, occupancy, or use as the result of the enactment of this section.

(i) The covenants, conditions, and restrictions or other documents or written policy of the senior citizen housing development shall permit the occupancy of a dwelling unit by a permitted health care resident during any period that the person is actually providing live-in, long-term, or hospice health care to a qualifying resident for compensation. For purposes of this subdivision, the term "for compensation" shall include provisions of lodging and food in exchange for care.

(j) Notwithstanding any other provision of this section, this section shall not apply to the County of Riverside.

(Amended by Stats. 2016, Ch. 50, Sec. 5. (SB 1005) Effective January 1, 2017.)