SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION POLICY RESOLUTION 2010-01 Enforcement and Due Process Procedures

WHEREAS, the Arizona Revised Statues (ARS Chapter 16, Article 1, 33-1803), and the Sabino Vista Hills Neighborhood Association (the "Association") Declaration of Covenants, Conditions and Restrictions as well as the Restated Bylaws and Amendments ("Governing Documents") empower the Board of Directors (the "Board") to adopt and publish rules and regulations that govern the conduct of Members which affects the other Members and to impose sanctions for violations of the Governing Documents;

WHEREAS, for the benefit and protection of all Members, the Board deems it desirable to adopt a resolution to establish a process for enforcement of the Governing Documents of the Association to include imposition of sanctions, as necessary, to encourage compliance consistent with the principles of due process and Arizona law.

NOW, THEREFORE, BE IT RESOLVED THAT:

A. PROCESS

There will be a five-step process for violations of the Governing Documents to include:

1. Community Inspections

At the direction of the Board, The Management Company will conduct, at a minimum, monthly inspections of the community to ensure all Members are in compliance with the Governing Documents.

- a) The Management Company will review the results of the inspections with the Board referencing each observed violation to the Governing Documents.
- b) If a Member notifies the Board or the Management Company of an alleged violation, The Management Company will investigate the alleged violation on the next Community Inspection. In the event the Management Company cannot observe the alleged violation, the complaining resident must submit a written complaint form available from the web site or manager and understands their name will be released if requested in writing by the allegedly offending party receiving the violation per Arizona state statute.
- c) Should the issue noted by the complaining Member be determined not to be a violation, the Management Company will respond promptly to the complaining Member in writing, via e-mail or documented verbal feedback.

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2. Courtesy Notification

Following the review of violations, the Board will either a) direct the Management Company to contact the Member(s) committing the violation(s) in writing or b) designate a board member to contact the Member(s) directly requesting that the violation be remedied within a Board approved timeframe.

3. Notification of Violation

If the Member does not remedy the violation within the timeframe requested in the Courtesy Notification, the Board will direct the Management Company issue a formal Notice of Violation. This notice will warn of a potential fine.

4. Hearing

The Member will be advised that he/she has a right to a Hearing with the Board to appeal or contest the Notice of Violation. The Member shall notify the Management Company within 14 days after mailing of the Notice of Violation requesting a Hearing otherwise the Member will be deemed to have waived their right for a Hearing. See **Hearing** below for details about the hearing procedure.

5. Sanctions and Legal Action

The board may impose sanctions including fines (see **Sanctions and Remedies**) on the Member if:

- a) the appeal or contest is denied and the member does not remedy the violation within the timeframe contained in the Notice of Hearing Result, or
- b) the member declines, or does not respond in writing to the Board of his/her desire for a hearing by the deadline contained in the Notice of Hearing and does not remedy the violation within the timeframe specified in the original Notice of Violation.

In addition to sanctions, the Board may seek legal action to remedy the violation. Any judgment rendered in such action shall include the amount of any delinquent fines and any other amounts as the court may award, including reasonable attorneys' fees and other costs.

B. COMMUNICATIONS

1. Courtesy Notification

The Courtesy Notification may be delivered by first class mail, e-mail or documented verbal discussion with a designated board member.

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2. Delivery of Written Correspondence

The Courtesy Notification will be delivered to the Member by hand or by first class mail at his/her address listed in the Association's records and/or the property address. The Notice of Violation, the Hearing Notice, Notice of Hearing Result, and Notice of Fine will be delivered by certified mail to the Member at his/her address listed in the Association's records and/or the property address.

3. Content of Written Correspondence

All communications will contain the nature of the violation, citation(s) of the specific provisions of the Governing Documents which have been violated and clear deadlines for meeting the requirements of the Board and the process. Attached are required templates for the correspondence to the Member.

C. HEARING

- If a Member desires to appeal a notice of violation, he/she must notify the Management Company in writing fourteen (14) calendar days after mailing of the Notice of Violation. A Hearing Request form will be attached to the Notice of Violation.
- 2. Appeals shall demonstrate extenuating circumstances that require deviation from the Governing Documents, and include all pertinent backup information to support these extenuating circumstances.
- 3. The Member appealing the violation will be given written notice at least fourteen (14) days in advance of the scheduled hearing date.
- 4. The appeal shall be heard in Executive Session unless the Member requests an open session. Either the Member or the Board may have additional persons present.
- 5. The Member who is appealing will be asked to state their case and present any applicable documentation. Each Board Member will have the opportunity to ask the Member specific questions regarding the appeal.
- 6. Upon completion of the question and answer period, the Board President will state that the appeal has been heard and Board will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Member within fourteen (14) calendar days.
- 7. All decisions of the Board are final and may not be further appealed.

D. SANCTIONS AND REMEDIES

1. Fines

a) If the violation is not remedied within the deadlines set by the Board, a

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- b) If the violation continues, a fine of \$100 shall be assessed every month until the violation is resolved.
- c) Should the violation for which the fine was imposed recur within 3 months after the original violation, the Member shall be subject to immediate imposition of a \$100 fine with a fine of \$100 every month thereafter until the violation is resolved.

2. Other Remedies

- a) The procedures outlined in this Resolution may be applied to all violations of the Governing Documents, but do not preclude the Association from exercising other enforcement procedures and remedies authorized by the Association's Governing Documents or law, including, but not limited to, the initiation of lawsuit remedies.
- b) Not withstanding the forgoing, the Board of Directors reserves the right to seek Injunctive relief at anytime regardless of presence or absence of notices hereunder, for any violation the Board determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

Attachments, Sample Communicvations

- 1. Courtesy Letter
- 2. Notification of Violation
- 3. Hearing Notice
- 4. Notice of Hearing Results
- 5. Notice of Fine

Approved by the Directors on <u>May 25, 2010</u>. SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

By: Lloyd B. Sydney Its: President

IN WITNESS THEREOF, the undersigned parties, being the President and Secretary of the Association, by executing this policy resolution of the Sabino Vista Hills Neighborhood Association this 16 day of 300 2010 certify that this resolution was approved by a majority of a quorum of Directors at the meeting held on May 25, 2010.

By: President

By: Margant Cambridge Secretary

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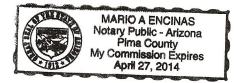
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STATE OF ARIZONA COUNTY OF PIMA

This amendment to the Restated By-laws were acknowledged before this $_l_{l_e}$ day of $\underline{\int \mathcal{U}_{4}}$ by Lloyd Sydney, President and Margaret Cambridge, Secretary of Sabino Vista Hills Neighborhood Association, an Arizona Corporation, for and on behalf of the corporation.

Notary Public

My Commission Expires: Cupril 27,2014



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