

January 6, 2023

RE: LIDO ISLE COMMUNITY ASSOCIATION Directives 31 Update

Dear Community Member(s),

In accordance with California Civil Code Section § 4360, the Board of Directors hereby provides you twenty-eight (28) day notice of proposed rules change under consideration.

The purpose of the changes is to maintain and foster a unique sense of community in support of the Covenants, Conditions, and Restrictions of the Lido Isle Community Association. These rules cover the use, occupancy, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability, and attractiveness of the properties within the Association.

Prior to adopting the proposed changes enclosed, the Board of Directors would like to review your comments and concerns. Please send all comments in writing to the General Manager, Janine Stratton, at <u>lidoisle@ciramail.com</u>.

The next Board shall review all comments at the next General Session meeting on:

Date:	Wednesday, February 8 th , 2023
Time:	6:00PM
Location:	701 Via Lido Soud, Newport Beach, CA 92663

The Board would like to thank you for your continued support in maintaining the beauty of the Lido Isle Community Association.

Sincerely,

On Behalf of the Board of Directors, Lido Isle Community Association

1.	The Association may, in the Board's discretion, seek compliance with the Governing Documents by pursuing any one or combination of the remedies described below, including proceeding immediately with monetary penalty, suspension of privileges, implementing correction of the violation, Alternative Dispute Resolution, or legal action.	
2.	If a violation of the Governing Documents exists or has occurred, a courtesy letter may be sent requesting the Member to cease subsequent acts of this nature or to bring the violation into compliance within a reasonable time specified in the letter.	
<u>3.</u>	_A violation hearing letter may be sent as the first notice orin the following order:	
4. <u>5.</u> 3.<u>6.</u>	 <u>a. First courtesy letter – A courtesy letter is sent regarding the nature of the alleged violation.</u> <u>b. Second Courtesy Letter -</u> after a courtesy letter has been sent and the violation remains or; a subsequent act of the same provision occurred. <u>c. Violation Hearing letter -</u> The Board of Directors may impose a monetary penalty, suspend Membership privileges, and/or implement corrective maintenance and charge the Member for the cost thereof, after the Member is offered an opportunity to be heard on the matter. The violation hearing letter shall contain the following information: (a) A brief description of the violation, a reference to the provisions of the Governing Documents violated and, in the event of a continuing violation, the date by which the violation is to be corrected. (b) The disciplinary, corrective action, and/or penalties which may be imposed. (c) The date, time, and place of the meeting in which the Member has the opportunity to the date of the Description of the violation for the violation of the violation has the opportunity to the date. 	Formatted: List Paragraph, Left, Right: 0", No bullets or numbering, Tab stops: Not at -1"
	attend a hearing before the Board of Directors, view the evidence of the violation, and present a defense including supporting witnesses.	
	Please note that some members may not receive a courtesy notice depending on the nature of the violation.	e Formatted: Indent: Hanging: 0.5"
	The violation hearing letter must be delivered by personal delivery or mailed by first-class mail to the Member at least 10 days prior to the meeting date. The Member shall be entitled to submit a statement of defense to the Board in advance of the hearing. The hearing shall be conducted according to such reasonable rules and procedures as may be set forth by the Board. The hearing shall be conducted in Executive Session, unless the Member specifically requests in writing that the hearing be conducted during the Open Session. Proof of notice for the hearing shall be placed in the minutes of the meeting (i.e., a copy of the notice together with a statement of the date and manner of deliver of the notice). Within fifteen (15) days following the hearing, the Board's written decision shall be mailed to the Member. No disciplinary action against the Member may take effect prior to five (5) days after the hearing date.	
4 <u>.7.</u>	The Board may offer Internal Dispute Resolution ("IDR") to a Member pursuant to California Civil Code Sections 5900 et seq. or elect the Alternative Dispute Resolution ("ADR") process complying, as necessary, with the provisions of California Civil Code 5925 et seq., before bringing any civil action or suit to enforce the Association's Governing Documents.	
5.<u>8</u>.	The Association may file an action in law or in equity to recover monetary damages, for injunctive relief, or any other legal or equitable remedy available to the Association.	
	LIDO ISLE COMMUNITY ASSOCIATION MONETARY PENALTY SCHEDULE	

Compliance Policy, a violation of the governing documents is not corrected by the homeowner, the Board of Directors may impose monetary penalties in the amounts described below, but only after providing written notice to the homeowner and affording the homeowner with an opportunity for a hearing before the Board of Directors. After providing the Member with written notice and the opportunity for a hearing, the Board of Directors may impose monetary penalties in the amounts described below. For each subsequent violation of the same provision of the governing documents, the Board may double the fine after each hearing. (i.e. 1st offense - \$100.00, 2nd offense - \$200.00, 3rd offense - \$400.00 ... etc. 1. Initial Violation For an initial violation of the governing documents, other than the installation or construction of unapproved improvements, the Board may impose a monetary penalty of up to \$100.00, following notice and an opportunity for a hearing. For an initial violation of the governing documents concerning the installation or construction of unapproved improvements, the Board may impose a monetary penalty of up to \$1,000.00, following notice and an opportunity for a hearing 2. Subsequent Violations and/or Failure to Correct Continuing Violation For each subsequent violation of the same provision of the governing documents, the Board may impose a monetary penalty of up to \$250.00, following notice and an opportunity for a hearing. In the event of an Owner's failure to correct a continuing violation, the Board may impose a monetary penalty of up to \$250.00 each month, following notice and an opportunity for a hearing, for as long as the violation remains uncorrected. Violation Types 1st fine 2nd fine 3rd fine Level 1: Architectural \$2,500.00 \$10,000.00 \$5,000.0 related <u>\$500.00</u> Level 2 \$250.00 \$1,000.00 Level 3 \$250.00 \$500.00 \$1,000.00 Level 1 - Architectural violations Level 2 - Exterior maintenance, mooring use, facility use, nuisance, etc. Level 3 - all others

In addition to, or instead of imposing monetary penalties, the Board of Directors may, at any time, commence ADR (Alternative Dispute Resolution) or legal proceedings to obtain a homeowner's compliance with the governing documents if the nature of the violation and the facts and circumstances presented warrant legal action.

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If, following delivery of a courtesy letter to the homeowner as provided for within LICA's