

# **EL DORADO ON SPRING PROPERTY OWNERS' ASSOCIATION**

## **ENFORCEMENT POLICY AND FINE SCHEDULE**

The purpose of this Enforcement Policy and Fine Schedule ("Policy") is to encourage compliance with: the Declaration of Covenants, Conditions and Restrictions ("CC&Rs"); the Condominium Plan; the Bylaws; and any Resolutions of the Board; all as the same may be lawfully amended or modified from time to time (hereinafter "Governing Documents").

El Dorado on Spring Property Owners' Association ("Association") is the governing body responsible for the management, maintenance, and administration of the residential development. The CC&Rs provide the Board of Directors ("Board") with the authority to enact and enforce the applicable provisions of the CC&Rs and other Governing Documents and instruments for the management and control of the community. (CC&Rs, Art. IV, §4.3; Civil Code §§ 4340-4370.)

### **I. REMEDIES FOR ENFORCEMENT**

All Owners must be in "good standing" at all times. "Good standing" means that the Owner is in compliance with the Governing Documents, including, without limitation, the timely payment of assessments and the maintenance of his/her Unit. The Board may impose discipline within its reasonable discretion for violations of the Governing Documents. The selection of one remedy does not preclude the Association's right to pursue others. (CC&Rs, Art. XVII, § 17.3.)

Violation of the Association's Governing Documents may result in a warning letter, fine, suspension of privileges, continuing fines as the Board may determine to be appropriate and/or directive to an Owner to evict his/her/its tenant based on a determination by the Board and that the tenant is creating a nuisance in the community, as provided for in the fine schedule below. "Tenant" shall mean any natural person occupying a Unit, except the Owner and his/her immediate nuclear family members (spouse, partner, parents, children, and siblings) residing with the Owner, with or without the payment of rent. In addition to the above, the Board may file a lawsuit seeking judicial relief.

Upon notice and hearing, monetary fines and penalties may be assessed against Owners for violations of the Governing Documents. Any fines levied pursuant to the below listed schedule that are not paid, may result in the Association commencing collection proceedings against the Owner, which may include posting all amounts due to the Owner's account, making a demand for

payment on an open escrow and/or legal action. The Association by way of this Policy is not waiving any of its other rights provided under law, its CC&Rs or otherwise. ***The Association expressly reserves all rights.***

Should a violation occur which imposes a financial obligation upon the Association, including, without limitation, damage caused to the Common Area, the Owner responsible for said violation shall reimburse the Association for this financial obligation, by way of a reimbursement Special Assessment, which may be imposed following notice and hearing. (CC&Rs, § 6.6; Civil Code § 5855.)

## **II. COMPLAINT PROCEDURE**

Where complaints are received from any person or where the members of the Board or its agents witness a violation of the Association's Governing Documents, an officer or member of the Board or its agent shall provide written notice to the Owner of said violation. The notice shall contain as much information as to the time, date, location, persons involved, and other relevant information pertaining to the violation.

The notice shall be directed to the Owner by personal delivery or by first class mail, addressed to the Owner at the most recent address shown in the Association's records of the actual homeowner of record. Service by mail shall be deemed to be delivered and effective two (2) days after the date of the mailing in a regular depository of the United States mail.

## **III. SCHEDULE OF NOTICES AND DUE PROCESS**

The first violation of the Governing Documents will generally result in a warning letter, unless, in the Board's sole opinion, the violation relates to a matter of such seriousness (e.g., threat to personal safety or property) or egregiousness that it is appropriate to proceed immediately to a hearing or other enforcement action.

### **A. Notice of Hearing**

A monetary penalty or suspension of privileges will not be imposed unless the Board first provides written notice to the Owner, by either personal delivery, first-class mail, or by facsimile, e-mail or other electronic means (if the Owner has consented to such delivery in writing or by e-mail), at least ten (10) days prior to the meeting to consider or impose discipline upon an Owner, and provides the Owner an opportunity for a hearing before the Board. The notice shall contain the date, time and place of the meeting, the nature of the alleged violation for which the Owner is subject to discipline, and a statement that the Owner has a right to attend and may address the Board at the meeting.

## **B. Correction of Violation**

In the event the violation is corrected prior to the hearing date, the Board may, if appropriate, discontinue the proceedings at its sole discretion. However, the Board retains the right to impose discipline even if the violation is corrected prior to the hearing date.

## **C. Opportunity to be Heard**

Owners have the right to appear in person before a committee composed of Board members, or the Board, to present evidence as to why they should not be disciplined. Owners also have the right to bring an attorney with them to advise them or to speak on their behalf. If an Owner intends to have legal representation present at the hearing, prior notice of at least five (5) business days must be provided to the Board, so that the Board may be represented by counsel. Failure to timely notify the Board that the Owner will be represented by legal counsel will result in the hearing proceeding without the Owner present. Alternatively, the Board may reschedule the hearing in its discretion. The hearing will be held in executive session.

## **D. Notice of Decision**

Within fifteen (15) days of the Board's decision, the Owner will be given written notice of the decision at the address to which the notice of hearing was directed, by personal delivery, first-class mail or by facsimile, e-mail or other electronic means (if the Member has consented to such electronic delivery in writing or by e-mail). Upon notification to the Owner of the Board's imposition of discipline, including the terms of said discipline, the discipline shall become effective.

## **IV. SUSPENSION OF PRIVILEGES**

In addition to, or in lieu of fines, membership privileges may be suspended.

## **V. FINE SCHEDULE**

The Board has the authority to adopt a schedule of monetary penalties for violations of the Association's Governing Documents. As adopted by the Board, the monetary penalty policy for violations of the Governing Documents is as follows:

### **General Violations**

First Offense:	Warning letter or fine of \$100.00
Second Offense (same violation):	Fine up to \$150.00
Third and Subsequent* Offense:	Fine up to \$250.00

**Health and Safety Violations \***

First Offense:	Fine up to \$500.00
Continuing Violations*:	Fine up to \$100 per day (until violation is cured)

**Rental Violations**

Short Term Rentals (i.e., 30 days or less; Airbnb, VRBO, etc.):	\$1,000.00 per month, until cured
Failure to notify Association of change in tenant/resident*:	\$1,000 per month, until adequate documentation is provided
Failure to provide copy of lease to management*:	\$1,000 per month, until adequate documentation is provided

**Architectural Violations\***

Failure to seek and obtain written approval for improvements to Unit or any Exclusive Use Common Area or Exclusive Use Association Property*:	\$1,000 per month, until adequate documentation is provided
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*\*The Board may impose continuing fines (i.e., daily, weekly or monthly) for repeated violations not remedied.*

Failure to pay fines within thirty (30) days may result in legal action to collect said fines. If the Association is forced to retain an attorney to ensure compliance, collect fines, etc., the Owner may be liable for those attorney fees and all related expenses in addition to the fines.