Riverwood Homeowners Association Resolution of the Board of Directors

ENFORCEMENT RESOLUTION

RECITALS

- A. The Association is the Riverwood Homeowners Association ("Association"), an Oregon nonprofit corporation.
- B. The Association is governed by the 2010 Amended and Restated Covenants, Conditions and Restrictions for Riverwood Homeowners Association, recorded October 20, 2010 as Instrument No. 2010-131839, in the records of Multnomah County, Oregon ("Declaration") as amended; the 2010 Amended and Restated Bylaws of Riverwood Homeowners Association recorded October 20, 2010 as Instrument 2010-131840 ("Bylaws") (collectively the "Governing Documents"). The Association is also governed by the Oregon Planned Community Act, ORS Chapter 94.550-94.783.
- C. ORS 94.630 and Article VIII, Section 1(b) of the Bylaws vest the Board of Directors with all of the powers and duties necessary for the administration of the affairs of the Association.
- D. ORS 94.630(1)(a) and Article VIII, Section 1(a) of the Bylaws empower the Board of Directors to adopt Rules and Regulations.
- E. ORS 94.630(1)(n), Article XII, Section 1(b) of the Declaration, and Article VIII, Section 1(e) of the Bylaws provides that the Board of Directors may levy reasonable fines for violations of the Declaration, Bylaws and Rules and Regulations of the Association after notice and an opportunity to be heard, if the fine is based on a *Schedule of Fines* adopted by a resolution of the Board.
- F. ORS 94.709 provides that fees, late charges, fines and interest imposed, pursuant to ORS 94.630(1)(n), are enforceable as assessments.
- G. From time to time, the Board of Directors receives complaints from owners regarding alleged nuisances; improper, offensive or unlawful activities or use of the premises; or other alleged violations of the Governing Documents, Rules or Regulations.
- H. For the benefit and protection of the Association and of the individual owners, the Board of Directors deems it necessary and desirable to establish a formal procedure for the handling of complaints and the enforcement of the Declaration, Bylaws and Rules and Regulations to ensure that owners receive notice and an opportunity to be heard in cases involving alleged violations of the Declaration, Bylaws or Rules and Regulations.
- I. The Board deems it necessary and desirable to adopt a *Schedule of Fines* to be used by the Board in imposing sanctions for violations of the Declaration, Bylaws or Rules and Regulations of the Association.

RESOLUTION

NOW, THEREFORE, IT IS RESOLVED that:

- I. All prior Enforcement Resolutions or Financial Penalties Resolutions, if any, are rescinded and are no longer of any force.
- II. The procedure set forth below shall now be the process for handling complaints and enforcement of violations of the Declaration, Bylaws and Rules and Regulations.

ARTICLE 1 OVERVIEW OF PROCESS

- 1.1 Complaint. An owner may file a written complaint with the Board of Directors regarding a violation of the Declaration, Bylaws or Rules and Regulations by another owner, tenant or guest. The Board of Directors may also initiate a complaint (Article 2).
- 1.2 <u>Investigation</u>. The Board of Directors has the discretion to investigate the complaint and decide if it is valid (Article 3).
- 1.3 <u>Violation and Notice</u>. If the Board of Directors finds there is a violation, the Board must send notice to the Alleged Offending Owner. The notice must contain certain provisions which have been violated. The Alleged Offending Owner must be given the opportunity for a hearing (Article 4).
- 1.4 **Hearing.** If requested, the Alleged Offending Owner may present testimony or evidence regarding the violation at the next board meeting (Article 5).
- 1.5. Fines. The Board may impose fines pursuant to the Schedule of Fines if the violation is not remedied or ceased within the time specified in the notice, provided the owner has the opportunity for a hearing (Articles 3, 6 and 7).

ARTICLE 2 ORIGINATION / INITIATION OF COMPLAINT

- 2.1 <u>Board of Directors</u>. A complaint may be initiated by the Board of Directors based on information from a management agent, owner or other information the Board deems reliable.
- 2.2 Owners. An owner ("Complaining Owner") who desires the Board of Directors to take corrective action against another owner or tenant ("Alleged Offending Owner") must submit a complaint to the Board of Directors. The complaint must be in writing and must include:
 - (a) The name, if known, and address of the Alleged Offending Owner;
 - (b) A description of the offending behavior or activity, including the date(s) and approximate time(s); and

(c) Whether or not the Complaining Owner attempted contact with the Alleged Offending Owner regarding the alleged violation.

ARTICLE 3 INVESTIGATION OF COMPLAINT

- 3.1 <u>Investigation</u>. Upon receipt of a written complaint, the Board, or a person authorized by the Board, has the discretion to conduct an investigation to confirm the nature and existence of the allegations contained in the complaint.
- 3.2 <u>Determination of Violation</u>. If, after review of a complaint, the Board of Directors determines that there is a violation of the Governing Documents, Bylaws or Rules and Regulations, and the Board determines that it is in the best interest of the Association and owners to address the violation with the Alleged Offending Owner, the Board shall proceed to give notice to the Alleged Offending Owner as described below.

ARTICLE 4 NOTICE PROCEDURE

- 4.1 Notice of Violation. The Board shall give the Alleged Offending Owner written notice of the violation either by hand-delivery or mail.
 - (a) Notice of Violation and Right to a Hearing. The notice required under this section must:
 - (1) Describe the violation;
 - (2) Contain a statement that the Alleged Offending Owner has the opportunity to request a hearing at the next scheduled Board Meeting, and the manner by which to request a hearing; and
 - (3) Contain a statement advising the Alleged Offending Owner that if no hearing is requested, and if the alleged violation is not remedied or ceased by a specified compliance deadline, fines will be assessed, beginning on the day following the specified compliance deadline, pursuant to the *Schedule of Fines* adopted by the Board of Directors as "Exhibit A" to this resolution.
 - (b) Optional Notice Provisions. The notice may also provide, or specify, any or all the following:
 - (1) Specific action the Board is requiring to remedy the violation;
 - (2) The particular language or section from the Declaration, Bylaws or Rules and Regulations which have been violated; and
 - (3) Any other information as directed by the Board of Directors.

- (c) <u>Delivery of Notice</u>. The notice may be hand-delivered to the unit. In the event no individual is at the unit to receive the hand-delivery, the notice shall be affixed to the door of the unit.
- (d) <u>Mailing of Notice</u>. The notice may be mailed to the addresses on record with the Association. In the case of non-owner residents, the notice must be mailed to both the address on record with the Association for the owner and to the lot address.
 - (1) The mailing shall be by:
 - (i) Certified mail, return receipt requested; or
 - (ii) First-class mail with delivery confirmation.
- 4.2 <u>Repeat Violations</u>. Owners who repeat any violation within a 12 month period of receiving a Notice of Violation are not entitled to an additional notice or hearing, regardless of whether or not the owner participated in a hearing as a result of the first violation. For such repeat violations, the Board may automatically begin fines as outlined in the attached fine schedule.
- 4.3 <u>Informal Action</u>. Nothing in this article precludes the President, a designated Board member or other person authorized by the Board from first attempting to resolve the matter either by an informal meeting, telephone call or a warning letter to the Alleged Offending Owner.

ARTICLE 5 HEARING PROCEDURE

- 5.1 <u>Hearings Procedure</u>. In the event an owner requests a hearing, the Board shall utilize the following procedure for violation hearings:
- (a) Appearances at the Hearing. If the Alleged Offending Owner fails to appear within fifteen minutes (15) of the time set for the hearing, the Board may, at its sole discretion:
 - (1) Conduct the hearing without the presence of the Alleged Offending Owner;
 - (2) Allow the Alleged Offending Owner additional time that day to appear;
 - (3) Reset the hearing to another date and time; or
 - (4) Dismiss the complaint.
 - (b) <u>Dismissal</u>. In the case of dismissal, the Board shall notify the Alleged Offending Owner, in writing, that the Complaint has been dismissed.
 - (c) Conduct of Hearing.

- (1) <u>Testimony from Parties</u>. If the Complaining Owner chooses to appear and the Alleged Offending Owner appears, the Board shall proceed to hear from the Complaining Owner and then from the Alleged Offending Owner.
- (2) Evidence and Witnesses. The Complaining Owner and the Alleged Offending Owner may present evidence and witnesses at the hearing. The Board may limit testimony and evidence as it determines is reasonable and necessary. An owner's testimony shall not exceed fifteen (15) minutes.
- (d) <u>Board Determination</u>. Following the testimony and any evidence presented by the parties, the Board has the discretion to re-evaluate its prior determination of violation under Section 3.1 and 3.2 above. The Board also has the discretion to re-evaluate the fine, any required or appropriate resolution for the violation, and any other matter which may result in the resolution of the violation.
 - (1) The discussions must be in open session as directed by ORS 94.640.
 - (2) The Board shall either give its decision at the conclusion of the hearing, or take the matter under advisement and give the decision at a later Board meeting.

ARTICLE 6 OTHER LEGAL ACTION

- 6.1 <u>Board Actions</u>. In addition to levying fines, action by the Board may include, but need not be limited to:
 - (a) Seeking injunctive or declaratory relief action against any Alleged Offending Owner and tenants, guest, or other occupants of the Alleged Offending Owner; and/or
 - (b) Taking immediate legal action, as the Board finds reasonably necessary, to stop conduct which it determines is in violation of the Governing Documents, Bylaws, Rules and Regulations or applicable state or federal law.

6.2 Additional Corrective Action by Board.

- (a) Right of Board to Take Additional Corrective Action. If the Alleged Offending Owner fails to correct the matter which is the ultimate cause of the violation, the Board may take additional corrective action without prior notice to the Offending Owner or opportunity for a hearing.
- (b) <u>Notice of Additional Action</u>. The Board shall give an Alleged Offending Owner written notice of any additional action taken under Subsection (a) of this section.

ARTICLE 7 MISCELLANEOUS

- 7.1 Renters and other Non-Owner Occupied Lots and Guests. The owner of any unit shall be responsible for the violations of any renter, tenant, guest or family member who violates any portion of the Declaration, Bylaws or Rules and Regulations.
- 7.2 No Fines Pending Resolution of a Hearing. Pending resolution of a requested hearing, no fines may be charged against the account of an Alleged Offending Owner.
- 7.3 <u>Mediation</u>. ORS 94.630(4)(a) provides for dispute resolution prior to any litigation being initiated between the Association and any member of the Association. For purposes of this Enforcement Resolution, the dispute resolution requirements of the Planned Community Act and the Bylaws do not apply to the actions of the Association in its enforcement responsibilities, as long as no litigation has been filed.

BE IT FURTHER RESOLVED that:

- III. The Schedule of Fines attached as Exhibit A is adopted by the Board of Directors to determine the fines for violations of the Declaration, Bylaws and Rules and Regulations of the Association.
- VI. A copy of this Resolution and amendments will be sent to each owner at the address shown in the records of the Association.

Date: 3 - 21-11	
ATTEST:	
President, Board of Directors,	Secretary, Board of Directors,
Riverwood Homeowners Association	Riverwood Homeowners Association

RIVERWOOD HOMEOWNERS ASSOCIATION (RHA) FINE SCHEDULE

- 1. Damage to Association common property: fine shall equal cost of repair/or replacement.
- 2. Construction, alteration or modification of any building (including painting) without prior Architectural Committee/Board approval: fine is \$100 which renews monthly, plus the cost of restoration to be the responsibility of the homeowner. The fine will continue until corrective action is taken.
- 3. Impermissible or unauthorized sign placement or display: \$50 per occurrence.
- 4. Raising, breeding or keeping animals, livestock or poultry other than dogs, cats, or other household pets: \$100 per occurrence.
- 5. Raising, breeding or keeping dogs, cats, or other household pets for a commercial purpose: \$100 per occurrence.
- 6. Permitting any noxious, offensive or unsightly conditions on any part of property: \$50 per occurrence.
- 7. Doing anything on the property that is or may become an annoyance or nuisance to the neighborhood: \$50 per occurrence.
- 8. Failure to leash pets or clean up animal waste: \$25 per occurrence.
- 9. Using a trailer, camper-truck, tent, garage, barn, shack, or other out-building as a temporary or permanent residence on the property: \$75 which renews weekly.
- 10. Impermissible parking of boats, trailers, motorcycles, trucks, truck-campers, and like equipment, or junk cars or other unsightly vehicles on any street or driveway or Lot within the Association: \$75 which renews weekly.
- 11. Towing vehicles parked in violation of the RHA Declaration, By-laws, or Rules and Regulations: the expense incurred by the Association will be charged to owner.
- 12. Unauthorized removal, alteration, or addition of any plant, tree, landscaping, or improvement in any Common Area or recreation area: \$75 per incident and/or actual cost of repair or replacement.
- 13. Failure to observe Pool Rules and Regulations may result in a fine of \$25 to the homeowner or host per event. Continued violations may result in the suspension or loss of pool privileges for up to 12 months.
- 14. Other violations of the RHA CC&R's, By-laws, Rules or Regulations not covered in the above may be fined \$25 renewing weekly.
- 15. Renting a unit without prior permission from the Board of Directors: \$500 per month, renewing monthly, to be paid by the owner of the unit.
- 16. Failure of the landlord to provide the Riverwood Homeowners Association with the names and contact information of renters as well as a copy of a written receipt verifying that the landlord has provided the renter with a copy of the CC&R's, By-laws and Amendments: \$50 per month until this requirement is satisfied.