

# **Paramount Owners Association, Inc.**

## **Enforcement Policy Update As adopted by the Board of Directors Effective January 1, 2019**

### **Background**

The Board of Directors (“Board”) of Paramount Owners Association Inc., (“Association”) desires to update its rules and to adopt a clear policy and procedure for enforcing rules, covenants and restrictions in accordance with Idaho law. Covenant enforcement is an essential part of managing the Association. The restrictions that have been set for the Paramount Subdivision are designed to preserve the property's value, desirability and attractiveness, and to ensure a well-integrated, high-quality development. The below procedures are designed to provide an outline of the process to swiftly deal with each violation, while giving the Owner ample time to comply or respond.

### **Legal Authority**

The Association’s authority derives from the *Master Declaration of Covenants, Conditions, Restrictions and Easements for Paramount Subdivision*, recorded as Instrument 104047957 on April 21, 2004, as it may be and has been amended from time to time (the “Declaration”). The Association is also empowered and governed by the Bylaws of Paramount Owners Association, Inc. (the “Bylaws”).

The Association can adopt rules and regulations pursuant to Article VI, Section 6.05(e) of the Declaration. The Association can enforce the Declaration’s provisions pursuant to Article VI, Section 6.05(b) of the Declaration, and is entitled to collect all attorney fees and costs incurred in an enforcement action, whether or not a lawsuit is actually filed, pursuant to Article X, Section 10.01 of the Declaration. The Association is also entitled to impose reasonable violation fines pursuant to Article VI, Section 6.05(b)(i) of the Declaration, as it was amended in 2017, against any Owner who violates the terms of the Declaration. A schedule of fines is included below. Such costs and violation fines are to be added to and become a part of the assessment obligation of that Owner and his/her Lot.

Idaho’s Homeowners Association Statute governs the Association’s right to take legal action, impose violation fines, and impose and collect assessments for costs and legal fees incurred, so long as the following process is adhered to. I.C. §55-115. This law has been amended so as to be effective July 1, 2016. This new rule change is in the best interest of the Association to comply with that change in the law and ensure proper enforcement of the Declaration.

## **Procedure**

This rule change shall be effective January 1, 2019. A copy of this notice of rule change shall be kept in the Association records, available for inspection. Further, the Board shall arrange to have this procedure distributed to each Owner, member and resident.

## **Inspections**

The Property Management Company hired by the Board performs regular inspections on behalf of the Board. Violations are noted, and sent to the Board in summary.

## **Neighbor Concerns**

Neighbor concerns are taken in writing or by phone. When a complaint is received, a neighbor complaint letter will be sent, representing the Owner's first notice of the violation. Anytime a higher governing agency can address the concerns, the Owner may be referred to this agency. For example: a dog barking complaint may be referred to animal control, or a noise disturbance may be referred to the police.

## **Emergency Actions**

In the event a violation is deemed by the Board to require immediate action, the Board reserves the right to expedite the procedures herein, within the bounds of the law and reasonableness. The Board will take all steps to ensure that proper fair procedure is followed, but recognizes that certain violations will require emergency action on the part of the Board.

## **Procedure for Enforcement**

When a violation is noted, either through neighbor complaints or inspections, the Board will determine if the violation is actionable. If the violation is determined to be actionable:

- 1) A notice of the violation will be sent to the Owner and will note the violation, reference which provisions of the Declaration are being violated, advise violating Owner that they may be responsible for the imposition of violation fines or enforcement costs if they do not resolve the violation and will request correction of the violation ("First Notice").
- 2) If the violation has not been corrected within twenty (20) days of receipt of the First Notice and the Owner has not contacted the Property Management Company and the Board determines that further action is necessary, a second notice and final will be sent to the Owner by certified mail or personal service ("Second Notice") requesting compliance. The Second Notice will notify the Owner of the time, date, and place of the next Board meeting that is scheduled not earlier than thirty (30) days from the date of the Second Notice and request the violating Owner to appear and discuss the violation.
- 3) If the violation remains uncured as of the date of the Board meeting indicated in the Second Notice and the Owner did not appear in front of the Board to deliberate the

violation, the Board will vote whether or not further enforcement action is appropriate, including imposing violation fines, turning the violation over to legal counsel, or employing some other enforcement remedy. Legal action will be taken if deemed appropriate based on the violation, Owner situation, and out of pocket expense to the Association. All enforcement and legal costs incurred will be billed to the Owner, if the Board decides to move forward with such actions at the meeting. Any violation fines, if imposed, will be added to the Owner's assessment account, in accordance with the Declaration.

4) The Board, or its Property Management Company, shall keep copies of all notices sent to violating Owners, including proof of certified mailing or affidavit of personal service for Second Notices. Minutes shall be taken from the Board meetings wherein violations are discussed and enforcement actions voted upon. The minutes shall reflect whether proper notices were sent, whether the violating Owner appeared at the meeting, and the Board's final decision regarding the violation.

5) If a violating Owner receives more than two First Notices during any quarter, or four during any single calendar year, for the same or substantially the same violation, the Board may vote to treat the case as one of repeated offenses and proceed with enforcement actions against the property without holding another Board meeting.

## **FINE SCHEDULE**

**A.** All fines imposed by the Association and noted in this fine schedule are imposed per event or occurrence.

**B.** The Board reserves the right to update this schedule of fines from time to time by a simple majority vote of the Board. The Association's Property Management Company will have a copy of the most current version of this fine schedule and will provide a copy upon request.

**C.** Fines imposed on a monthly/weekly basis shall be imposed in the first instance for the entire period of fining, regardless of the time frame in which the violation is resolved. Fines shall not be pro-rated. For instance, if a fine is imposed on a monthly basis, and the violation is resolved after two weeks, the entire month's fine shall still be imposed and shall be payable by the violating Owner.

**D.** The fines imposed by the Association, pursuant to the Declaration, shall be as follows:

1. Unapproved construction, unapproved painting (except repainting the same color or natural/neutral colors), improvement or modification of any building exterior or improvements without approval or against terms of approval, per Section 5.04 and 5.13 of the Declaration.

- **Fine:** \$100 per week or \$400 per month, until resolved.

2. Unsightly articles, unmaintained landscaping (weeds, lawns, dead trees, etc.), per Section 5.14 of the Declaration.

- **Fine:** \$50 per week, until resolved.

3. Failure to install landscaping upon completion of home, pursuant to Section 5.25 of the Declaration.

- **Fine:** \$150 per week, or \$600 per month, until resolved.

4. Nuisances, per Section 5.04 of Declaration.

- **Fine:** \$25 per occurrence; may be capped at the discretion of the Board.

5. Abuse of or damage to Common Area property, pursuant to Section 7.02 of the Declaration.

- **Fine:** \$100 per event, plus the cost of any repairs or notable increased maintenance.

6. Improper storage of trash cans, per Section 5.14(e) of the Declaration.

- **Fine:** \$5 per day until trash cans are properly stored.

7. Improper parking of vehicles, trailers, boats or other equipment, per Sections 5.16 and 5.20 of the Declaration.

- **Fine:** \$10 per event/day, not to exceed \$100 per week.

8. Improper Signage, per Section 5.22 of the Declaration.

- **Fine:** \$50 per week, until sign is removed.

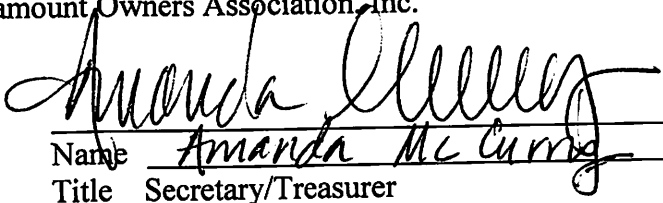
9. Other violations.

- **Fine:** To be determined in the discretion of the Board, beginning at \$10 per occurrence, increasing as necessary to curb the violation.

E. As stated in the Declaration, any unpaid fines, attorney's fees, or enforcement costs incurred in accordance with this policy shall be added to an Owner's assessment balance, and will result in a lien being place on the Owner's property, and any other collections procedures being taken, as determined by the Board.

ADOPTED ON THE 14<sup>th</sup> day of December, 2018, BY THE BOARD.

I hereby certify that this procedure was adopted by the vote of the Board at a properly-called meeting of the Board of Directors of Paramount Owners Association, Inc.

  
Name Amanda McCumby  
Title Secretary/Treasurer