

NORTHSHORE HOMEOWNERS ASSOCIATION

Resolution of the Board of Trustees

- REGARDING:** 1. Rule Making Procedure
2. Complaint, Fining and Hearing Procedures
3. Schedule of Fines

WHEREAS, the Board of Trustees of the Association is empowered to govern and administer the affairs of the Association and to establish rules from time to time;

WHEREAS, the Board deems it necessary and in the best interest of the Association to adopt policies pursuant to Utah law (Utah Code §§ 57-8a-217 and 208) regarding adopting or changing Association rules, as well as enforcement, including complaint, fining, and hearing procedures and fine amounts.

NOW, THEREFORE, IT IS RESOLVED that the following policies are hereby adopted:

1. Definitions. The definitions in the Declaration and the Association Bylaws shall be applicable to these policies. “Rules” include rules, regulations, policies, and Board resolutions that are not recorded with the county recorder and that grant a right to, or impose an obligation on, the Owners. “Governing Documents” means the Association’s articles of incorporation, bylaws, plat, the declaration, and Rules.

2. Adopting or Changing Rules.

2.1 The Board may adopt, amend, modify, cancel, limit, create exceptions to, expand, or enforce the Rules, subject to limitations and requirements of the law, including the right of the Lot Owners to disapprove a rule pursuant to law, and subject to the Board’s duty to exercise business judgment on behalf of the Association and the Owners.

2.2 Before adopting, amending, modifying, canceling, limiting, creating exceptions to, or expanding the Rules, the Board shall:

- (1) at least 15 days before the Board will meet to consider a change to the Rules, deliver notice to the Owners that the Board is considering a change to the Rules;
- (2) provide an open forum at the Board meeting giving Owners an opportunity to be heard at the Board meeting; and
- (3) deliver to the Owners a copy of any change in the Rules approved by the Board within 15 days after the date of the Board meeting.

2.3 The Board may adopt a rule without first giving notice to the Owners if there is an imminent risk of harm to the Common Area, a Lot, an Owner, or an occupant of a Lot. The Board shall provide notice to the Owners of such a rule within 15 days of adoption by the Board.

3. Complaint and Verification Procedures.

3.1. To report a violation of the Governing Documents, a person must submit to the Board a written complaint signed by the submitter, describing the violation in sufficient detail, including dates, times and description and location of the violation, and including the submitter's contact information. The Board has the discretion to refuse to consider any complaint not properly submitted.

3.2. The Board shall take the actions it deems necessary to investigate and verify the allegations in a properly submitted complaint. When the Board determines after fair review and acting in good faith and without conflict of interest that it is more likely than not that a violation occurred, the violation shall be deemed to have occurred. In other words, when the greater weight of evidence (i.e., the evidence that is more convincing or likely to be true or accurate) proves a violation occurred rather than didn't occur, the violation shall be deemed to have occurred. Any question of veracity of a witness or evidence shall be determined by the Board and shall be final and conclusive.

3.3. If the Board determines that no violation of the Governing Documents has occurred, the Association's involvement shall cease, and such decision shall be communicated to the complaining Owner. If the Board determines a violation has occurred, the Board shall proceed with enforcement in the manner it deems fit in its reasonable judgment.

4. Fines. The Board may assess a fine against an Owner for a violation of the Governing Documents by the Owner or any occupant or guest of Owner's Lot in accordance with the following provisions. A tenant and the rental Lot Owner shall be jointly and severally liable for a violation of a provision of the Governing Documents.

4.1 Warning. A written warning ("Warning") shall be sent to the Owner of the Lot. The Warning shall:

- (1) describe the violation,
- (2) state the rule or provision of the Governing Documents that the Owner has violated,
- (3) state that the Board may, in accordance with the provisions of the law, assess fines against the Owner and suspend membership rights if a continuous violation is not cured or if the Owner commits similar violations within one year after the day on which the Board gives the Owner the Warning or assesses a fine against the Owner,
- (4) if the violation is a continuous violation, state a time by which the Owner must cure the violation (which time must be at least 48 hours after the day the Owner is given the Warning), and
- (5) state the amount of the fine that will be assessed if a continuous violation is not cured within the time stated or if the Owner commits similar violations within one year after the day on which the Board gives the Owner the Warning.

4.2 Initial Fine. The Board may assess a fine against an Owner if: (1) within one year after the day on which the Board gives the Owner a Warning, the Owner commits another violation of the same rule or provision identified in the Warning; or (2) for a continuous violation, the Owner does not cure the violation within the time stated in the Warning.

4.3 Subsequent Fines for Same Violation. After a fine is assessed against an Owner, the Board may, without further warning, assess an additional fine against the Owner each time the Owner: (1) commits another violation of the same rule or provision within one year after the day the Board assesses a fine (an “*Intermittent Violation*”), or (2) allows a violation to continue for 10 days or longer after the day the Board assesses a fine.

4.4 Notice of Fine. Each time a fine is assessed, notice of the fine shall be sent to the Owner describing the violation, stating the rule or provision of the Governing Documents that the Owner has violated, and stating that the Owner may request an informal hearing before the Board to dispute the fine within 30 days after the day the notice is sent.

4.5 Membership Rights. An Owner’s membership rights, including voting rights, shall be suspended for 60 days from the date a fine is assessed against the Owner, unless otherwise determined by the Board, and provided that at least 15 days have elapsed since the date the Warning was sent. If the Owner timely requests a hearing, no suspension shall begin until the sixth day after the hearing.

4.6 Fine Amounts.

Violation	Fine
Nuisances or Unsightly Conditions or Required Maintenance	1 st fine: \$50. Subsequent fines for Intermittent Violations: double the previous fine. Continuous violations after the 1 st fine: \$100 every 10 days or other longer period as stated in a Warning.
Architectural or Landscaping, Including Failure to Obtain Pre-approval	1 st fine: \$100. Subsequent fines for Intermittent Violations: double the previous fine. Continuous violations after the 1 st fine: \$100 every 10 days or other longer period as stated in a Warning.
Short term Rentals	\$1,500 per occurrence, doubling the fine per each subsequent occurrence
Every Other Violation of the Governing Documents	1 st fine: \$50. Subsequent fines for Intermittent Violations: double the previous fine. Continuous violations after the 1 st fine: \$100 every 10 days or other longer period as determined by the Board.

4.7 Appeal by Owner; Hearing. Any Owner who is assessed a fine or other penalty or who has rights suspended may request an informal hearing before the Board to dispute the fine, penalty or suspension within 30 days after the date notice is sent to the Owner stating that the fine or penalty is assessed or that rights have been suspended (the “*Appeal Deadline*”). A request for a hearing should be sent in writing to: Northshore Homeowners Association, Post Office Box 980352, Park City, Utah 84098 or Northshoreparkcity@gmail.com.

5. **Hearing Procedures.** A hearing shall be conducted in accordance with procedures below, as well as any procedures and standards determined by the Board at the hearing

5.1. Upon receipt of a request for hearing, the president of the Association will schedule a hearing before the Board at such date and time as the president shall decide. At least five days' notice shall be given to the Owner requesting the hearing.

5.2. The hearing will be conducted in executive session at a regular or special Board meeting.

5.3. At the hearing, the Owner shall be entitled to fifteen minutes to present the Owner's position and evidence to the Board. The Board will allow the Owner, a Board member, or any other person involved in the hearing to participate in the hearing by means of electronic communication.

5.4. Following the hearing and due consideration, the Board will notify the Owner of its determination within 10 days of the date of the hearing. The Board may rely on any reasonable information and evidence in determining whether a violation has occurred. The decision of the Board will be final and binding on the Owner and any complainant.

5.5. If an Owner timely requests a hearing, no interest, late fees, or other penalty may arise or accrue until after the hearing has been conducted and the Board issues the Owner a final decision.

5.6. If no request for a hearing is timely made, or if the Owner fails to attend a requested hearing without advance request to change the hearing date, or requests to change a hearing date more than two times, a hearing will be considered waived, and the allegations contained in the notice of violation will be deemed admitted and any prescribed remedy will be instituted.

6. Unpaid Fines, Appeal, Lien.

6.1. A fine shall accrue interest and late fees in the same manner as assessments. All fines are assessments and are collectible as such, as provided in the Declaration and to the extent allowed by law.

6.2. A fine levied by the Association is final and binding for all purposes unless an Owner appeals the fine by initiating a civil action within 180 days after: (1) the day on which the Owner receives a final decision from the Board if the Owner timely requested a hearing, or (2) the Appeal Deadline if the Owner did not timely request a hearing.

6.3. A fine which remains unpaid becomes a lien against the Owner's Lot if (1) the time for appeal described in Section 6.2 has expired and the Owner did not file an appeal; or (2) the Owner timely filed an appeal under Section 6.2 and the district court issued a final order upholding the fine.

6.4. The Association need not pursue a judicial or nonjudicial foreclosure of its lien to collect an unpaid fine but may file an action to recover a money judgment for the unpaid fine without waiving its lien.

Adopted by the Board of Trustees as of 8-4-23 (date).

Sign:  Print Name: John Kucera
President