

HOA Board Covenant Change Discussion with Residents 11/17/2021

Tina Pace is the attorney working with the HOA on the proposed covenant changes.

As presented during Annual Meeting, the Board is asking residents to vote on 3 covenant changes. 75% (501 residents) must approve to make change. Residents can vote YES or NO individually on each covenant change proposed.

Covenant Changes are:

1. leasing/rental requirements,
 2. incorporating livestock guideline and
 3. expanding/updating HOA Covenants to comply with Federal, State and Town of Cary ordinances.
- Tina Pace is continuing to work with the Board on wording of changes and presented information to residents. Most newer HOAs already have language allowing enforcement of existing covenants. **Language does not give Board responsibility for policing residents.** Change allows Elite to issue violations that will keep streets clear and clean (street parking, etc.) and address nuisance noise. Elite already takes resident complaints of neighbor violations and maintains confidentially.
 - Links to our website for resident examination of covenant changes and sample ballot. (<https://www.regencycommunities.com/proposed-covenant-changes.html>)
 - Resident, Venessa Harrison, asked Tina – how would Elite enforce covenant change #3? Tina responded that Elite does neighborhood drive inspection and would issue a violation.
 - Example: Chronic noise problems such as dog barking – contact Elite vs. Late night party noise – contact Town of Cary police.
 - Tina cited example of another HOA with a drug house where HOA used provision to fine drug dealer to get them evicted. **Covenant gives HOA ability to fine and send violations.**
 - If approved changes are made to our Covenant Formal Agreement and filed with register of deeds. Violations/fines are used to deter activity. HOA not required to enforce at all but used with discretion. **The difference between “nuisance” (HOA) and “illegal activity” (police).**
 - The reason newer HOA covenant include is to have authority to enforce ordinances via fines. Currently we cannot enforce in a court of appeal so no way to evict a drug dealer but with the covenant we can enforce nuisances (example: city ordinance prevents Billy goats so we could enforce in the future if it’s a problem).
 - Draft ballot is available on website. (<https://www.regencycommunities.com/proposed-covenant-changes.html>)
 - Deadline is November 30, 2022 or once 75% approval received. Elite will mail proposed changes with ballot to homeowners. Once a covenant is approved, Tina will draft formal change and file with the Register of Deeds. Formal change for 1st and 3rd change is replacement language and 2nd change is new so there’s no old language to replace.
 - Venessa Harrison stated that playsets and street cars are not illegal. She recommended a change in language from using “illegal” to perhaps “Town Ordinance” amendment. Tina will work on the title to encompass all.
 - Homeowner, Tom Herndon, asked if renters are given a copy of our covenants? Answer is probably not. Homeowners are given covenants during closing on a property but it would be up to the homeowner (lessor) to give the lessee a copy of covenants.
 - The Board thanked Tina for her time explaining changes to homeowners and she signed off.