

Alliance of Brunswick County Property Owners Associations

2018 Homeowners Forum

Disclaimer: Information presented today is not legal advice . In all cases you should contact your legal advisor about your particular issue.

Today's Discussion

- * **North Carolina Community Association Institute's Community Association Mediation Program - "CAMP"**
- * **North Carolina Legislative Report Past, Present & Future**
- * **Federal Emergency Management Agency (FEMA) and Common Ownership Communities Disaster Assistance**

Community Association Mediation Program - "CAMP"

- * Designed to provide a fast and economical way to resolve issues between HOAs and individual owners, not government controlled
- * Mediation assists in resolving conflicts by using a neutral 3rd party
- * CAMP's goal is to deliver an efficient, economic and fair proceeding for the parties
- * Mediators are experienced professionals in the field of association management or law

Mediation Requires Both Parties to Agree to Process

- * Both parties to a dispute must agree between themselves to submit it to mediation
- * CAI-NC cannot assist in the parties reaching this agreement.

What's Required

- * **Basic Fee \$500 split evenly**
- * **Both parties submit a mediation request and pay \$250 by credit card**
- * **Upon receipt by both parties Mediator will be assigned**
- * **Mediation will take place at a mutually agreed time and location**

What's Required

- * Subsequent mediation requested by both parties will be billed at \$300 per hour
- * Further information and an application can be found at:
 - * <https://www.cai-nc.org/page/Mediation>

**** CAI-NC reserves the right to decline any specific mediation for any reason and there is no obligation for the mediator to provide additional mediation**

Results to Date

- * Counter to proposed Legislation that would have required government oversight at higher costs
- * Limited interest to date

NC Legislative Actions and Activity Past, Present & Future

- * Focus on the 2017 Long Session and 2018 Short Session.
- * “Good news” not much took place.
- * Periods of significant turmoil between Legislature and Executive Branch.
- * Veto over rides, NC Constitutional issues, appointments to State Boards almost all issues were controversial.

Legislative Actions

- * **HB 625 / SB 491: Would Require Homeowners Associations, Condominium Associations, and their Management Companies to Acquire Crime and Fidelity Insurance Policies.**
 - * Supported by CAI in 2017, passed the House 104 to 0, referred to Senate Rules where no action was taken
 - * Opposition to this billed in Senate concern by law would “force” organizations to purchase coverage,
 - * Was eligible for consideration during the 2018 Short Session but no action taken

Legislative Actions

- * **HB 1047 - HOA Dispute Resolution: Recommendation of Legislative Study Commission to continue study under direction of the Legislative Performance Evaluation Division (PED)**
 - * **Senate counterpart bill not introduced.**
 - * **Referred to the Senate Rules Committee where no action was taken.**

Legislative Action

- * **Act HB 814: Would amend the Planned Community Act to Create Consistency and Enhance Consumer Protections.**
 - * **Similar legislation has been introduced in past sessions.**
 - * **Referred to Judiciary III Committee, did not receive consideration.**

Legislative Actions

- * **HB 865: Regulate the Practice of Community Association Property Management within the NCREC and to Provide Education and Training for Board Members.**
- * Regularly appears in most sessions in the past and probably in the future.
- * Would require 4 hours of Board member education @ \$75 per member
- * Referred to committee no action taken.

What Happens This Coming Session?

- * Legislative make up will determine
- * Will “veto proof majorities hold?
- * Can expect to see a continuing introduction of legislation we have seen in past Sessions
- * Rodney Moore and John Blust no longer in Legislature.
- * CAI LAC will continue to monitor legislation and advocate for our interests

Disaster Relief Fairness

- * **FEMA considers Associations businesses**
- * **CAI supports modification to the Stafford Act allow associations to be eligible for federal assistance.**
- * **FEMA excludes gated community association roads from receiving federal assistance**
- * **We pay the same taxes as others deserve access to same services**

Disaster Relief Fairness

- * **The Stafford Act allows for financial assistance to states, counties, municipalities, as well as eligible "private nonprofit facilities"**
 - * **Defined as entities that "provide essential services of a government nature to the general public."**
 - * **Gated community association roads do not meet the requirements to be deemed "essential"**

Disaster Relief Fairness

- * Under the Stafford Act community associations will not be reimbursed by FEMA for debris removal. Localities must remove the debris for FEMA reimbursement.
- * FEMA has to issue disaster-specific policy for hurricanes that establishes debris removal from private roads (except gated communities) is in the public interest. This was done in the case of Florence.
- * Localities must have legal authority to remove debris.

Disaster Relief Fairness

- * Florence estimated cost to St James \$425,000, to remove 30,000 cubic yards of debris
- * FEMA has rejected request by town for reimbursement.
- * Continuing problem, attempts to change the law so far unsuccessful

Disaster Relief Fairness

- * To obtain assistance specific process must be followed.
- * Those non-gated communities must coordinate with local governments, verify that local community knows and can follow the process
- * Prior FEMA approval is necessary
- * Fact sheet available

Disaster Relief Fairness

- * **Planning to work at state and federal level to address this issue**
- * **Contact your Senator and Congressman, they do listen**

Questions?