## RECREATION CENTERS OF SUN CITY WEST, INC. POLICY STATEMENT – L 8 Corrective Fines and Schedule of Non-Compliance Fines (Effective July 1, 2019)

## 1.0 Purpose:

1.1 Recreation Centers of Sun City West, Inc. (the "Association"), an Arizona planned community association, has the power and authority to enforce compliance with restrictions in the various recorded CC&Rs in Sun City West, and does so as much as possible by seeking voluntary compliance. The goal is to keep Sun City West as a premier retirement community by keeping properties maintained.

1.2 If owners do not voluntarily comply with CC&R restrictions, the Association Governing Board has the power of a planned community association to impose non-compliance fines for violations of the CC&Rs in Sun City West. The Association, in addition to imposing monetary penalties, reserves the right to enforce the community's restrictions in any other legal manner.

## 2.0 Policy and Fine Schedules:

2.1 The following fine schedule and procedure is intended to be a guide only and is not intended to create any rights.

2.2 The Governing Board reserves the right to impose a non-compliance fine on the first date of a violation, to accrue the fine daily or bi-weekly based on the type of violation until the violation is cured, and to impose fines in amounts in excess of those set forth in this schedule.

2.3 <u>RV Parking Fine Schedule</u>. The general fine schedule listed below (in 2.4) does not include violations for the parking of recreational vehicles (this includes RVs, mobile homes, trailers of any type, boats or any other type of recreational or commercial vehicles) on any lot, street or common area in any subdivision over the allotted 72 hours/calendar month as per the CC&Rs. The hearing process in 2.4.6 does apply to RV violations.

2.3.1 The fine for these violations is \$25 for each day the violation exists.

2.3.2 The Association may in its discretion provide a First (Courtesy) Notice stating that fines will not start until a later date.

2.4 <u>General Fine Schedule</u>. Fines/procedure for all other CC&R violations are as follows:

2.4.1 FIRST (COURTESY) NOTICE: An initial notice of the violation observed by inspection after a complaint shall be mailed to the homeowner requesting compliance within 21 days - NO FINE. An inspection will follow the deadline, and any subsequent deadlines below.

2.4.2 SECOND NOTICE: If the violation still exists after a second inspection a second notice requesting compliance within 14 days shall be mailed to the homeowner. The homeowner will be advised that a \$50.00 non-compliance fine will be charged with a third notice, giving the homeowner the opportunity to appear for a hearing before the Board.

2.4.3 THIRD NOTICE: If the violation still exists after a third inspection, a third notice requesting compliance shall be mailed to the homeowner advising that a \$100.00 non-compliance fine will be charged to the homeowner for each 14-day period that the violation is not corrected.

2.4.4 CONTINUING VIOLATIONS: If the violation continues without resolution after the third notice, a non-compliance fine of \$100.00 shall be assessed every 14 days until the violation is resolved. In addition, the Association shall have the right to take any legal or equitable remedy, including seeking an injunction or suing for a money judgment.

2.4.5 REPEAT VIOLATIONS: A Repeat Violation is defined as the same type of violation occurring within a one-year period from the date of compliance with respect to the prior violation. There will be no courtesy "First Notice". The homeowner with the Repeat Violation will receive the "Second Notice" above, giving the homeowner an opportunity to appear for a hearing, with a \$50.00 fine if the violation is not corrected within 14 days. Thereafter, the procedure continues as above.

2.4.6 HEARING PROCESS: When a homeowner wants a hearing related to a violation and non-compliance fine, the homeowner must send or deliver a written request for a hearing with the Board so that it is received within 14 days of the Second or Third non-compliance fine notice.

2.4.6.1 The homeowner shall demonstrate extenuating circumstances, which require deviation from the CC&R's and/or guidelines.

2.4.6.2 The written request for hearing or verbal testimony shall include all pertinent backup information to support the existence of the extenuating circumstance. 2.4.6.3 All decisions of the Board after the hearing are final and may not be further appealed.

2.4.6.4 The homeowner will be given written notice that the hearing is scheduled and may be called as well.

2.4.6.5 The hearing shall be held in Executive Session, subject to the right of the homeowner to request an open meeting pursuant to Arizona law.

2.4.6.6 The Chair will introduce all parties.

2.4.6.7 Homeowner will have the opportunity to be heard for 20 minutes.

2.4.6.8 The homeowner who is appearing will be asked to state their case and present any documentation that is applicable.

2.4.6.9 The Board will have the opportunity to ask the homeowner specific questions regarding the homeowner's objections to the non-compliance fine and/or the finding that a violation exists.

2.4.6.10 Upon completion of the question and answer period, the Chair will state that the appeal has been heard and the Board representatives will make their decision in closed session.

2.4.6.11 Then "Written Notice" will be given to the homeowner of the Board's decision within 14 days, but failure of the Board to do so within that time period shall not be deemed a waiver, nor shall failure of the homeowner to actually receive the Notice.

2.4.6.12 If the homeowner's objection to the non-compliance fine and/or existence of a violation is denied, the homeowner must bring the violation into compliance within 14 days, or such other longer time as the Board states in the Written Notice above. If the violation still exists after 14 days, the homeowner will be subject to a \$100.00 noncompliance fine continuing every (14) days until the violation is corrected. In addition, the Governing Board may seek legal action to remedy the violation.

2.5 INJUNCTIVE RELIEF: If a violation is not cured after the Third Notice, the Board of Directors may request the Association's General Counsel to file an action seeking Injunctive Relief against the Owner to cure the violation(s). However, this Fine Policy shall not limit the Board of Directors' right to seek immediate Injunctive Relief at any time regardless of the presence or absence of notices or fines hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion. 2.6 As permitted by recorded declarations for the various unit subdivisions, the Association may enter properties to remove weeds or debris and charge the homeowner.

2.7 <u>BOARD DISCRETION</u>: Notwithstanding the above provisions of the violation policy, the Board at its sole discretion may at any time assess a fine in an amount up to \$1,000 for any incident the Board deems to be egregious, dangerous, that may threaten the life, health, safety, or welfare of any person, resident or owner, or that causes detriment or damage to any Association or other homeowner's property. The Board may levy this fine despite any past violation history or lack thereof.

The Board of Directors shall consider the fines set forth in this Fine Policy and schedule to constitute damages sustained by the Association, and they are intended to compensate the Association for the administrative burden of addressing the violation and the adverse impact of the violation on the community.

The Board of Directors reserves the right to deviate from the fine amounts set forth herein if, after a hearing on the matter, the Board finds good cause to reduce the amount of the fine levied in a particular case.

2.8 COMPLAINTS CONCERNING VIOLATIONS: Owners and Residents should report an alleged violation directly to the Association by mailing or delivering to: Compliance Department, Recreation Centers of Sun City West, 19803 R.H. Johnson Blvd., Sun City West, AZ 85375. Forms are available in the office or online on the Association's website. NOTE: Arizona law may require disclosing the identity of a complainant to the alleged non-compliant owner.