

POLICY
OF LIBERTY SQUARE CONDOMINIUM ASSOCIATION
POLICIES AND PROCEDURES FOR COVENANT AND RULE ENFORCEMENT

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings, and imposition of fines.

PURPOSE: To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: August 7, 2024

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association:

Updated: a new administrative fee structure is in place to issue, track, inspect, and follow up on all notices issued for Public Health or General Violations, per House Bill 1137. This Policy states that fees and costs related to enforcement, or the delinquencies incurred by the Association, including those charged by management, will be the obligation of the Owner and posted to their account. The following fees will be charged for the following actions:

PUBLIC HEALTH OR SAFETY VIOLATIONS

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| • Violation Letter Posting + Mailing | \$35.00 |
| • Inspection Fee (72 Hours After Violation Letter) | \$35.00 |
| • Post-Inspection Follow-Up Letter | \$35.00 |
| • Forward to Attorney Fee | \$100.00 |

OTHER VIOLATIONS

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| • First Violation Letter + Mailing and Posting | \$50.00 |
| • Inspection Fee (30 Days After Violation Letter) | \$35.00 |
| • Post-Inspection Follow-Up Letter | \$35.00 |
| • Second Violation Letter + Mailing | \$35.00 |
| • Forward to Attorney Fee | \$100.00 |

1. Reporting Violations. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, Board member(s), or committee member(s) by submission of a written complaint.

2. Complaints. Complaints by Owners or residents, members of the Board of Directors, a committee member, or the manager shall be in writing and submitted to the Board of Directors. The complaining Owner or resident shall have observed the alleged violation and shall identify the Complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.
3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board-designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.
4. Violation Which Threatens Public Safety or Health. Concerning any violation of the Declaration, Bylaws, Covenants, or other Governing Documents of an Association that the Board of Directors reasonably determines threatens the public safety or health, the Association shall provide the Unit Owner an initial letter of the violation informing the Unit Owner that the Unit Owner has seventy-two (72) hours to cure the violation, or the Association may fine the Unit Owner.
 - a. If, after an inspection of the Unit, the Association determines that the Unit Owner has not cured the violation within seventy-two (72) hours after receiving the notice, the Association may impose fines on the Unit Owner every other day, not to exceed five hundred dollars (\$500.00). It may take legal action against the Unit Owner for the violation.
 - b. Violation Cured by Unit Owner. Once the Association determines that a Unit Owner has cured a violation, the Association shall notify the Unit Owner, in English and in any other language, that the Unit Owner has indicated a preference for correspondence and notices pursuant to C.R.S. 38-33.3-209.5 (1.7)(a)(I).
 - i. That the Unit Owner will not be further fined with regard to the violation, and
 - ii. Of any outstanding fine balance that the Unit Owner still owes the Association.
5. Violation Which Does Not Threaten Public Safety or Health. If an Association reasonably determines that there is a violation of the Declaration, Bylaws, Covenants, or other Governing Documents of the Association, other than a violation that threatens the public safety or health, the Association shall provide a warning letter regarding the violation to the Owner and providing up to ten (10) days to cure the violation. Upon expiration of the initial cure period, if the violation continues to exist, the Association shall provide an initial letter regarding the violation and inform the Unit Owner that the Unit Owner has thirty (30) days to cure the violation. Upon expiration of the initial thirty (30) days, the Association, after conducting an inspection and determining that the Unit Owner has not cured the violation, may fine the Unit Owner.

- a. Process to Cure Violation. If a Unit Owner cures the violation within the cure period afforded the Unit Owner, the Unit Owner may notify the Association of the cure, and the Unit Owner sends notice to the Association with visual evidence that the violation has been cured, the violation is deemed cured on the date that the Unit Owner sends the notice. If the Unit Owner's notice does not include visual evidence that the violation has been cured, the Association shall inspect the Unit as soon as practicable to determine if the violation has been cured.
 - b. Violation Cured by Unit Owner. Once the Association determines that a Unit Owner has cured a violation, the Association shall notify the Unit Owner, in English and in any other language that the Unit Owner has indicated a preference for:
 - i. That the Unit Owner will not be further fined with regard to the violation, and
 - ii. Of any outstanding fine balance that the Unit Owner still owes the Association.
 - c. Failure to Cure Violation by Unit Owner. If the Association does not receive notice from the Unit Owner that the violation has been cured, the Association shall inspect the Unit within seven (7) days after the expiration of the initial thirty (30) day cure period to determine if the violation has been cured. If, after the inspection, the Association determines that the violation has not been cured, the Association may impose a fine not to exceed five hundred dollars (\$500.00) per violation. A second letter shall provide an additional thirty (30) day period to cure.
 - d. The Association may take legal action pursuant to this section if the two (2) thirty (30) day periods described above have elapsed and the violation remains uncured.
6. Initial Letter. If the violation has not been cured following the warning letter, an initial letter shall be sent to the Unit Owner. The letter must be sent via certified mail, return receipt requested if not a public safety or health threat. The letter must explain the nature of the violation and the action or actions required to cure the alleged violation. The written notice shall be in English and in any language in which the Unit Owner has indicated a preference for correspondence. The letter shall provide a Fine Notice.
 7. Second Letter. If the alleged violation is not resolved within thirty (30) days of the initial letter, this will be considered a second violation for which a fine or legal action may be imposed following notice and opportunity for a hearing. A second letter shall then be sent to the Unit Owner and shall include a Fine Notice.
 8. Fine Notice. The letter(s) shall further state that the Unit Owner is entitled to a hearing on the merits of the matter in front of an impartial decision-maker, provided that such hearing is requested in writing within ten (10) days of the date on the initial or second letter. On a violation that is a Safety/Health violation, since the letter only provides seventy-two (72) hours to cure, any request for a hearing will be after that period runs, but the hearing has to be prior to any fines being applied.

9. Notice of Hearing. If a hearing is requested by the Unit Owner, the Board, committee, or other person conducting such hearing as may be determined in the sole discretion of the Board may serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.
10. Impartial Decision Maker. Pursuant to Colorado law, the alleged violator has the right to be heard before an "Impartial Decision Maker." An Impartial Decision Maker is defined under Colorado law as "a person or group of persons who have the authority to make a decision regarding the enforcement of the Association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the Association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association." Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, any other individual or group of individuals.
11. Hearing. At the beginning of each hearing, the presiding officer shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Neither the Complainant nor the Unit Owner or alleged violator are required to attend the hearing. The Impartial Decision Maker shall base its decision solely on the matters set forth in the complaint, results of the investigation, and such other credible evidence as may be presented at the hearing. Hearings will be held in executive session pursuant to C.R.S. 38-33.3-308(4)(e).

The Impartial Decision Maker shall, within a reasonable time, not to exceed 14 days, render its written findings and decision and impose a fine, if applicable.

12. Failure to Timely Request Hearing. If the Unit Owner fails to request a hearing or fails to appear at any hearing, the Impartial Decision Maker may make a decision with respect to the alleged violation based on the complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the Unit Owner may be assessed a fine pursuant to these policies and procedures.
13. Notification of Decision. The decision of the Impartial Decision Maker shall be in writing and provided to the Unit Owner within 14 days of the hearing, or if no hearing is requested, within 14 days of the final decision.
14. Fine Schedule for Violations that Do Threaten Public Safety or Health. The following fine schedule has been adopted for all covenant violations that threaten Public Safety or Health:

First Notice Initial Letter

After a Unit Owner has failed to cure a violation that threatens public safety or health within seventy-two (72) hours of being provided written notice of such violation, the Association may fine the Unit Owner fifty dollars (\$50.00) every other day until the violation is cured and may turn over to an attorney to file suit.

Any fine notice shall notify the Unit Owner that failure to cure may result in a fine every other day, and only one hearing shall be held.

15. Fine Schedule for Violations that Do not Threaten Public Safety or Health. The following fine schedule has been adopted for all covenant violations that do not threaten public safety or health. The total amount of fines imposed per violation may not exceed five hundred dollars (\$500.00):

First notice of violation (of same covenant or rule) Thirty (30) days to comply	Initial Letter \$250.00
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Second notice of violation (of the same covenant or rule) Additional thirty (30) days to comply	Second Letter \$250.00
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The Association may turn over any violation to the Association's attorney to take appropriate legal action once the two (2) thirty (30) day periods described above have expired.

16. Waiver of Fines. The Board may waive all or any portion of the fines if, at its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the violation being resolved and staying in compliance with the Articles, Declaration, Bylaws, or Rules.
17. Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means that are available to the Association through its Declaration, Bylaws, Articles of Incorporation, and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.
18. Definitions. Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
19. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement to the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
20. Amendment. This Policy may be amended from time to time by the Board of Directors.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of Liberty Square Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Policy was adopted by the Board of Directors of the Association, and in witness thereof, the undersigned has subscribed their name.

Liberty Square Condominium Association,
a Colorado nonprofit corporation

By:



Jeffrey Clark (Aug 6, 2024 11:07 AM)

Its: President