

Virginia Housing Commission
Common Interest Communities Work Group Meeting
10/21/08
Called to order 1:15 PM

I. Welcome and call to order- Senator Mary Margaret Whipple, Chair

II. Overview

- **Trisha Henshaw-** Executive director of the Common Interest Communities Board
 - o Update on the CIC Board – *see PowerPoint presentation.*
 - o Transferring regulations and development of new regulations.
 - o Public participation guidelines- effective 11/13/2008.
 - o Time share regulations- effective 11/27/2008.
 - o Condominium regulations- emergency process, not exempt action. Horizontal property stays with condominium, everything else comes over to new regulations- effective 11/13/2008.
 - o Emergency Manager Regulations- emergency process; includes requirements for provisional licenses- effective 11/13/2008.
 - o Permanent CIC Manager Regulations- requirements for certified individuals. Expand on emergency regulations- criteria for training programs, review standards, etc.
 - o Regulatory Review committee- will develop recommendations for wording of draft regulations.
 - o Upcoming Actions:
 - Process for association to resolve written complaints.
 - Property owner's association registration regulations.
 - Assessments- .02% will not be enough to break even; need to re-evaluate; funding is a big concern.
 - o Front line managers need to be certified.
- **Heather Gillespie-** Ombudsperson- Compliance and Investigatory Division
 - o Overview of duties of the office of the Ombudsman –*see PowerPoint presentation.*
 - o Called upon to respond to complaints but do not have regulations to use yet.
 - o Overview of complaint process:
 - Currently two levels- general inquiry and then specific concerns regarding mismanagement.
 - Future three-pronged system- 1) general inquiry, 2) complaints to member's associations, and 3) complaints filed with the board.
 - o Do not want to mediate or arbitrate, want to educate members.
 - o Office decisions are non-binding.

III. Comments from Association Representatives

- **Kathleen Snyder**
 - o Concerns with legislation:
 - Education process for smaller Home Owners Associations.
 - Complaint process- certain things are not covered by insurance.
 - Defense costs.
 - Cost implications- limited to how much you can increase dues and funding.
 - Liability is a big issue
- **Kala Quintana**
 - o CICB legislation has unintended consequences.
 - o All CIC and HOA's are grouped into the Koger group.
 - o Concerns:
 - Ombudsman shouldn't take over local control (leave it to the court system, HOA's should not be penalized twice).
 - Individuals can be singled out.
 - What further recourse does the board have if fined.
 - Eliminate unfunded liabilities.
- **Carter Miller**
 - o Concerns with fines on volunteers.
 - o Agree with education for the managers.
- **Clarence Kunstmann**
 - o Similar concerns.

IV. Adjourn - 3:10 pm