## **HOA Findings** Presented

By Phyllis Makuck

The North Carolina House Select Committee on Homeowner Associations, having devoted the first four months of the year to gathering information, presented its findings in May. North Carolina has over 17,000 homeowner associations (HOAs), collectively representing over 2 1/4 million households, and that number is expected to grow as the state's population

The most common complaint the committee heard is lack of an easy and affordable way to settle propertyowner disputes with HOA boards. Suggestions include designating a State agency to enforce the statute, known as the Planned Community Act, which governs HOAs and has some provisions for hearings, or authorizing mandatory mediation and having alternative methods of resolving disputes.

The committee found "a need for greater disclosure by sellers of homes in planned communities concerning the restrictive covenants...." The Real Estate Commission is aware of this issue and plans to consider "revisions to the disclosure statement."

The House Select Committee also found a need to clarify the Planned Community Act with regard to "obligations of the declarant" (developer). The "obligations" at issue include transferring property control to homeowners, paying assessments on developer-owned property, and failure to complete actions stipulated in declarations such as storm-water systems.

The committee heard complaints "that the law gives homeowners few rights to challenge the actions of the association's Board" and concluded "there is a need for additional consumer protections to better protect homeowners from abusive homeowner association practices."

The committee learned "that although the Planned Community Act authorizes the use of foreclosure proceedings to satisfy homeowner association liens, the foreclosure statute was never intended for this purpose and there are a number of incongruities between the statutes." Suggestions include amending the Planned Community Act "to prohibit or limit use of foreclosure in all or some cases."

And, finally, the committee has proposed a clarification in the Solar Access Law "to limit or remove the visibility exception," which some homeowner associations have used to prohibit all their homeowners from installing solar-energy systems. The intent of the Solar Access Law was to encourage use of solar devices.

It is uncertain whether there will be any legislative action on the above findings in the current session, which is scheduled to end July 1. For more information, go to http://www.ncga.state.nc.us and click on "Committees" and then "Select Committees."

## June 2010 The Shoreline **County Commissioners' Meetings**

By Dennis Tomaso and Charlie McBriarty

The regular monthly meeting of the Carteret totaled \$74,920,000, which represents a \$1,130,000 County Board of Commissioners convened in the Commissioners' Board Room in Beaufort at 6 p.m. on May 3. The meeting was attended by Commissioners Faircloth, Joyce, Robinson, Harris and Nelms. A onepage meeting agenda was handled with dispatch, evoking little disagreement among the commissioners. The public-meeting portion concluded at just after 6:30 p.m.

Highlights of the meeting included the following:

The consent agenda consisting of six items was unanimously approved with no discussion. Among the items in this agenda was the approval of \$108,000 for Department of Social Services and \$124,000 for CCATS. Proclamations were announced declaring May as Mental Health Month and May 8-16 as Tourism

The public-comment section included a request for the commissioners to consider looking into getting the decommissioned U.S. S. Kitty Hawk for the Port of Morehead City. Wilmington is currently also looking into the acquisition of the ship. The ship won't be placed out of service until 2015, but planning needs to start now.

No major items were discussed under the Manager's Report. Wayne Deal said that while still in the learning process, he was thankful for all the help provided to him by the staff.

Vacancies were identified in five committees, councils, boards and agencies. Five individuals were appointed to fill these vacancies.

The public portion of the meeting was adjourned at 6:30 p.m., and the board, in keeping with state regulations, held a closed session to consider confidential information.

The second May meeting of the County Board of Commissioners got underway at 6 p.m., on May 17, at the Commissioners' Board Room in Beaufort. The major portion of the one hour and twenty-two minute meeting was devoted to two agenda items.

The first was a slide presentation on the proposed county budget for fiscal-year 2010-2011 by Dee Meshaw, Assistant County Manager for Finance and Administration. The proposed general fund budget

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decrease as compared to the current budget. An anticipated 5.8% drop in sales and use taxes, 6.9% reduction in receipt of intergovernmental funds and a 9.9% decrease of "other" revenue were identified as the primary cause of this budget decrease. The proposed budget was accepted and will be reviewed in greater detail by the commissioners prior to the public hearing on the budget in June.

The second agenda item that stimulated a series of questions and comments from several of the commissioners dealt with the new Emergency Communications Center, aka Emergency 911 Center. Questions arose regarding the number of staff required, when they were to be hired, what their training requirements were and why the anticipated salaries reflected overall increases. The high cost of the proposed furniture for the center was also questioned. Although not all of the questions were directly addressed, the proposal was unanimously approved and is subject to further review by the commissioners.

Appointments were approved to the following: Criminal Justice Partnership Program Board, Stephanie Coombe (Atlantic Beach); Parks & Recreation Advisory Board, Larry Pittman (Morehead City); and Economic Development Council, Doug Brady (Beaufort); and Tom Kies (Pine Knoll Shores).

The public portion of the meeting was concluded when the commissioners went into closed session to discuss confidential information in conformity with state law.

