

**Lake Pointe Estates Rental Amendment #6 Meeting  
Summary Notes and Minutes**

Monday September 23<sup>rd</sup> 6:00 pm Hampton Inn 6901 S 76th St Franklin -Godsell Meeting Room.

**Agenda Item: Declaration of Restrictions and Covenants Amendment #6**

In attendance

Board members - Don Dorsan, Treasurer. Cindy Lorentzen, President. Bob Sagadin, Secretary. Members – at Large – Lori Schmidt, Lori Mulsoff

Attorney Joseph Franke representing Living for Seniors LLC

20 Lake Pointe Estates Homeowners – sign in sheet in meeting archive

Note the Q&A notes may not necessarily be in the order they occurred. Names have been omitted.

Pre- meeting A homeowner handed out to members a full-page multi- item document listing opposition arguments to the Amendment, the purpose and the process.

Cindy Lorenzen welcomed the attendees to the meeting and stated the procedural rules for the discussion:

The meeting will last one hour. At the meeting the Board will listen to concerns, answer questions, and make any final adjustments to Amendment #6. For everyone with questions or comments on the topic to be heard, speakers will be limited to 5 minutes. You may be recognized by the chair for an additional 5 minutes once others have spoken.

**1.Question** - Is the group home exempt from the Amendment?

**Answer** – Yes, as stated in the Amendment #6 document Section 3 s i

A request from Attorney Franke to change the word owner in section s i to operated. Purpose to identify the facility not the company

Revise the language in same section to refer to the land parcel and not the company which could change.

Note to copy Attorney Franke on changes made.

**2.Question** - If the Group Home changes ownership can it change purpose under the current ordinance or subsequent ordinance refileing? Can the HOA be informed of or restrict that change?

**Answer** - Uncertain. Suggestion that legal advice be obtained to determine course of action.

**3.Question** - Does the Amendment confirm that the fines listed **only** pertain to violations associated with the Rental Amendment #6

**Answer:** Yes. Amendment section 3t line 1 **Violations of the rules specifically set forth in this amendment regards rental violations only.**

**4.Question** Is the purpose of this amendment focused primarily on STR's (short term rentals)?

**Answer:** Short term rentals and long-term rentals are both concerns.

**5.Question** Can I have a shell LLC to rent a house to myself for tax purposes. As long as I live in the house.?

**Answer** HOA will get a legal opinion.

**6.Question:** What if I buy an additional house to rent in the neighborhood?

**Answer** Not permitted under the “no investment property ownership” restriction.

**7.Question:** How do I appeal for hardship exception? Is the granting decision purely subjective. Is there an appeals process?

**Answer** The appeal needs to be in writing to the Board. The entire Board will review the request, a subsequent meeting will be arranged where the homeowner will appear to review the request with Board members.

The appeal process will follow the same format

**8. Question** Will the board provide a brief, clear, plain language bullet point explanation of what is in the next revision of the document pinpointing exactly what voters would be voting for is they so choose.

**Answer** Yes. This will be sent out in conjunction with the Amendment #6 revision #3.

**9.Question:** A request to rectify the time frame discrepancy between section ii b line 3 and 4 and iii a. There is also a typo in ii b line 4

**Answer** Will correct in next revision.

**10.Question** What was the “flash point” that set this process in motion?

**Answer** Several years ago a house was sold to a family who initially chose to use the property as temporary housing for seasonal/ summer employees. The owner later moved in and remained there for several years. The house is now for sale, but a concern is that the owners may revert to rental or some other form of tenant or transient occupancy.

Another separate situation arose where the HOA received complaints about issues associated with the group home’s employee behavior and incidents where the police needed to be called. Questions were asked about how the home got to be there and is there any recourse for LPE to resolve these issues and prevent another group home from coming into the neighborhood.

These combined situations prompted the Board to begin to investigate what our Covenants and Restrictions provided for as far as rental usage rules. The answer was – almost nothing. This began the process of research, investigation, drafting ideas and getting legal opinions about that can be done.

Additionally, since this process started another owner has informed us that they will be renting their home out starting in October or November. As the R & C’s stand now this is allowed.

It was also reported at the meeting that the world has changed regarding rentals. High real-estate prices have forced many out of the market resulting in higher demand for rentals. Rental prices are also up. As reported in a Journal/Sentinel article about a year ago, out of state corporate landlords see the Milwaukee area and a value and are buying up properties for rentals. They can use the high price as a tax write off giving them added incentive.

**11. Question** Should the Board have vetted the idea of an amendment to the HOA before going down the road of creating and spending money to produce a document?

**Answer** That would have been an option. Our decision was based on several factors. We get so little response generally from HOA members about any topic and attendance at Board Meetings is also poor. Creating an organized and legal Amendment document for members to analyze would get people’s attention. Judging by the email traffic and attendance at two open Amendment meetings – that goal was achieved. Revisions between versions #1 and #2 were driven mostly from HOA member input. Without a formal document that input may not have happened.

**12.Question** Are the concerns voiced by some HOA members valid? Is this a real problem that we need to spend time and energy on? Many of us have lived here 30 years without an issue, can’t we all just continue to be good responsible neighbors.

**Answer** Research into other communities and online articles -which we have available - support the concerns. Many “what if” scenarios and actual complaints from other communities were talked about. The HOA felt it has no valid reason to dismiss the concerns. In a perfect world it would be great if everyone was a responsible neighbor. But there are no guarantees that that would continue to be the case. New buyers, current owners with life change situations or any other unforeseen developments – such as a new application for a group home could change things quickly.

**13.Question** Is the Board overstepping its responsibilities?

**Answer** We feel *strongly* that it’s the Board’s duty to address the concerns of members. see answer to #12)

When owners bought into the subdivision, they were aware and agreed contractually what the Restrictions and Covenants were, and that Covenants and Restrictions apply to all. Not living close to or using the common grounds or pond does not affect the dues or responsibilities of members to the Association or the Board to the members

**14.Question** Did money really need to be spent for this? Will this cost more in legal fees in the future.

**Answer** Discussion began as to where to begin; what research was needed and are these policy ideas legal and enforceable. Decision was made that moving ahead required getting legal guidance. It’s anticipated that any revisions required for a final approval document will require some additional expense. The Board saved significant cost by doing research and drafting the amendment verbiage prior to submitting the all drafts to the amendment.

**15.Question** – How do we know if the homeowner’s really want this. Shouldn’t a homeowner be able to do with their property what they want?

**Answer** Yes. the HOA is committed to preserving each owner’s property rights. The Board is also charged with the bigger picture. That’s why we are here. Some members have concerns. Others don’t. Solutions are being developed and presented. Each member makes their own decision based on information that has been presented and discussed.

**16. Question** How can the Amendment be voted on, enacted and enforced?

**Answer** – The amendment process isn't done by vote. It is done by a petition of owners. Sixty five percent of the 91 homeowners in the Association or 60 signatures are required. Each home/lot is allowed one signature. A plan to accumulate signatures is developed. Ideas: If a homeowner would like to have the petition brought to them by a Board representative – that would be one option. A lawn front sign-up table on a certain date(s) is another option. Signing at the HOA annual meeting is the best option. Most likely all these ideas will be used. Enforcement – A fine system for infringements is in the Amendment. #6 Section 3t. Specific ordinance violations -when reported -will be referred to the City or State

**17.Question** What is the timeline for confirmation or rejection of the petition?

**Answer** Pending revisions – at this point early November

### **Ending general discussions**

Discussion about concerns regarding the staff and non- resident conduct at the group home.

Concerns about long term rental restrictions

Concerns about older residents understanding what they are signing for. Need for simple explanation.

With no further questions related directly to the Amendment the meeting adjourned at approximately 7:45 pm