

Diamondhead 2020 Committee Charter

Background

The Diamondhead Property Owners Association, Inc. (the POA) was incorporated in 1970 to, among other things, manage, operate and maintain community amenities. In 1984, the POA acquired the right to impose assessments on lots as needed to fund the common expenses of the POA. In 1989, the POA acquired the right to enforce architectural control over residential lots. Diamondhead was developed incrementally, based on a "Phase" structure. The lot owners in each Phase (or Unit thereof) are subject to separate declaration of covenants. There are nearly fifty (50) different sets of covenants in effect across Diamondhead. Most have different expiration dates, and some have no expiration dates. The covenants give the POA the right to enforce architectural and other controls over the residential lots along with the right to impose assessments on lots as needed to fund the common expenses of the POA. Most of the covenants require that 85% of those lot owners subject to a particular set of covenants consent to an amendment of the covenants, including extension beyond their expiration date. The first set of covenants which cover portions of Phase I of Diamondhead expire on June 17, 2020. Many of the covenants expire in 2021 with the majority of lots not subject to covenants no later than November 2022. The expiration of covenants and ability to collect dues could result in the loss of POA amenities for the Diamondhead community.

Purpose

This document details the establishment of a committee to formulate a variety of courses of action that the Diamondhead Property Owner's Association may take to accomplish the extension of the covenants in perpetuity for each Phase of Diamondhead. . The committee will formulate courses of action and make recommendations to the POA Board. The courses of action should include proactively advertising the value of extending the covenants; educate property owners regarding the expiration and consequences and implement strategies to extend the covenants in perpetuity. The individual courses of action should include the assumptions the committee made, the associated risks, any costs and a list of pros and cons for each course.

Meeting Frequency and Format, Notice, Agendas and Minutes

Meeting Frequency –as decided by the Committee Chair

Location – will be announced by the Committee Chair.

Agenda – will be published by the Chairman of the Committee one week prior to the meeting which will be electronically archived by the POA Board Secretary.

Notice – the Committee Chair shall provide notice of each meeting via email to the members of the committee no less than one week prior to the meeting, said notice to include a copy of the agenda for the meeting.

Minutes – the committee will keep minutes of meetings, which will be electronically transmitted, to the Board Secretary for archival purposes.

Membership

Subject to approval of the Board of Directors:

- The Diamondhead POA Board President shall appoint the committee Chairman.
- The committee will be made up of POA members who are in good standing and who will be vetted by the President, Committee Chair and the Administration committee.
- Two POA board members recommended by the President will be members of the committee.

Chair – POA Member

Member – POA Member

Member – POA Member

Member – POA Member

Member – POA Member

Member – POA Board Member

Member – POA Board Member

Hierarchical Structure

The Committee Chairman reports directly to the President of the Diamondhead POA Board. The Chairman will make an official written report monthly to the President regarding the committee's activities and progress. The Chairman may communicate with the President at any other time the Chairman sees fit. The Committee may form sub-committees as needed. Such sub-committees will be overseen by the parent committee and will report as the Chairman directs. The committee may consult with legal counsel as necessary.

Committee Report

The Committee shall issue its formal written report to the Diamondhead POA Board President no later than 90 days from the date this Charter is adopted by the Board of Directors. An interim report is due 45 days from formation of the Committee.

Submitted for consideration by the Board of Directors this _____ the day of _____, 2018.

Robert Marthouse
President, Diamondhead POA Board