

209 HEARING POLICY
for
PELICAN COVE CANAL OWNERS ASSOCIATION

THE STATE OF TEXAS §
 §
COUNTY OF SAN PATRICIO §

I, BERNARD P. BEAULLIEN Secretary of Pelican Cove Canal Owners Association (the "Association"), certify that at a meeting of the Board of Directors of the Association (the "Board") duly noticed, and held on the 26 day of FEBRUARY, 2022, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following 209 Hearing Policy (this "Policy") was approved by not less than a majority of the Board members in attendance.

RECITALS:

1. The property encumbered by this 209 Hearing Policy is that property restricted by the First Amended and Restated Declaration of Conditions and Restrictions, recorded in the Official Public Records of Real Property of San Patricio County, Texas under County Clerk's File Volume No. 360030, as same has been or may be amended from time to time ("Declaration"), and any other property which has been or may be subsequently annexed thereto and made subject to the authority of the Association.
2. Article Ten, Section 10.6 of the Declaration grants to the Association the power and authority to enforce all covenants, conditions and restrictions set forth in the Dedicatory Instruments (as defined by the Texas Property Code).
3. Section 209.007 of the Texas Property Code ("Code") sets forth notice requirements to provide an Owner with an opportunity to cure a violation or delinquency, including providing the Owner with an opportunity to request a hearing with the Board.
4. The Board desires to adopt a procedure for conducting a hearing that is consistent with Sections 209.006 and 209.007 of the Code and applicable provisions in the Dedicatory Instruments.
5. This Policy replaces and supersedes any previously recorded or implemented policy that addresses the subjects contained herein, if any, adopted by the Association.

BOARD HEARING PARAMETERS

In the event that an Owner requests a Board Hearing pursuant to the Texas Property Code and/or Association's Governing Documents Enforcement and Fining Policy or Collections Policy, the following parameters will govern the Board Hearing:

I.
Definitions

- A. "Committee" means the Association's architectural review authority, as defined by Section 209.00505 of the Code. A person may not be appointed or elected to serve on the Committee if the person is:
 - a. A current board member;
 - b. A current board member's spouse; or
 - c. A person residing in a current board member's household.
- B. "Committee Notice" means the notice of Committee denial sent to the Owner by the Association pursuant to Section III(A) of this Policy.
- C. "Board Hearing" means any hearing before the Board pursuant to this Policy.
- D. "Code" means the Texas Property Code.
- E. "Dedictory Instrument" has the meaning as defined by Section 209.002(4) of the Code.
- F. "Hearing Notice" means the notice of hearing sent to the Owner by the Association pursuant to Section II(B) of this Policy.
- G. "Hearing Packet" means the packet provided to the Owner by the Association pursuant to Section IV(B) of this Policy.

II.
Rules Applicable to All Hearings

- A. The Board Hearing shall be held no later than the thirtieth (30th) day after the date the Board receives the Owner's request for a Board Hearing. The Board or the Owner may request a postponement and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Notwithstanding the foregoing, the Board Hearing may be scheduled outside of these parameters by agreement of the parties.
- B. The Board shall provide a Hearing Notice setting forth the date, time, and place of the Board Hearing, to the Owner not later than ten (10) days before the date of the Board Hearing. The Board Hearing may be held by virtual or telephonic means, in which case the access information for the virtual or telephonic Board Hearing shall be the "place" of the Board Hearing for purposes of the Notice.
- C. Owners are expected to provide copies of any documentary evidence the Owner intends to introduce at the Board Hearing to the Board no later than five (5) days before the Board Hearing.

- D. The Board is not required to deliberate or reach a determination during the Board Hearing. Rather, all information gleaned from the Board Hearing may be taken under advisement by the Board. The Association or its managing agent may inform the Owner of the Board's decision in writing within thirty (30) days of the date of the hearing. If there is no written communication from the Association or the managing agent within this timeframe, the violation will remain standing.
- E. The Board may set a time limit for the Board Hearing, to be determined at the Board's sole and absolute discretion, taking into account factors including but not limited to the complexity of the issues and the number of exhibits. The Board may communicate the time limitation in any manner to the Owner and will make every effort to communicate the time limitation to the Owner in advance of the date of the hearing. The time limitation will be strictly adhered to and is intended to strike a balance between: (i) allowing the Association ample time to present its case; (ii) allowing the Owner ample time to present the Owner's response; (iii) the Board's finite amount of time available to consider such issues.
- F. All parties participating in the Board Hearing are expected to treat each other professionally and respectfully. The Board reserves the right to terminate a Board Hearing if the Board, in its sole and absolute discretion, determines the Board Hearing has become unproductive and/or contentious. The Board, in its sole and absolute discretion, reserves the right to reconvene any Board Hearing that is terminated pursuant to this Section II(F).
- G. Either party may make an audio recording of the Board Hearing.
- H. This Policy does not apply to instances where the Association files a suit seeking a temporary restraining order, or temporary injunctive relief, or files a suit that includes foreclosure as a cause of action. Further, this Policy does not apply to a temporary suspension of a person's right to use Common Areas that is the result of a violation that occurred in a Common Area and involved a significant and immediate risk of harm to others in the subdivision. The temporary suspension is effective until the Board makes a final determination on the suspension action after following the procedures prescribed by this Policy.
- I. Owners are entitled to one hearing, unless the Board in its sole and absolute discretion agrees to allow additional hearings.
- J. In accordance with Section 209.007(e) of the Code, an Owner or the Board may use alternative dispute resolution services.

III.
**Additional Rules Applicable to Hearings in
Connection with Denial of a Committee Application**

- A. In accordance with Section 209.00505(d) of the Code, a decision by the Committee denying an application or request by an Owner for the construction of improvements in the subdivision may be appealed to the Board. A Committee Notice of the denial must be provided to the Owner by certified mail, hand delivery, or electronic delivery. The Committee Notice must:
- a. describe the basis for the denial in reasonable detail and changes, if any, to the application or improvements required as a condition to approval; and
 - b. inform the Owner that the Owner may request a hearing on or before the thirtieth (30th) day after the date the notice was mailed to the Owner.
- B. During the Board Hearing, the Board (or a designated representative of the Association) and the Owner (or the Owner's designated representative) will each be provided the opportunity to verify facts and discuss the resolution of the denial of the Owner's application or request for the construction of improvements, and the changes, if any, requested by the Committee in the notice provided to the Owner under Section 209.004(d) of the Code.
- C. Following the Board Hearing, the Board may affirm, modify, or reverse, in whole or in part, any decision of the Committee as consistent with the Association's Dedicatory Instruments.

IV.
Additional Rules Applicable to Other Hearings

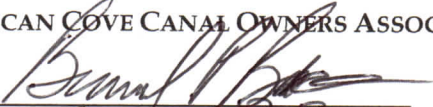
- A. Subject to the exceptions set forth in Section II(H) of this Policy, this Section IV shall apply to Board Hearings in connection with:
- a. the levying of fines for violations of the Dedicatory Instruments;
 - b. suspension of an Owner's right to use the Common Areas;
 - c. the filing of a lawsuit against an Owner other than a suit to collect regular or special assessments or foreclosure under the Association's lien;
 - d. charging an Owner for property damage; or
 - e. reporting of any delinquency of an Owner to a credit reporting service.

- B. The Board shall include with the Notice, a Hearing Packet containing all documents, photographs, and communications relating to the matter which the Board intends to introduce at the Board Hearing.
- C. If the Board fails to provide the Hearing Packet to the Owner at least ten (10) days before the Board Hearing, the Owner is entitled to an automatic fifteen (15) day postponement of the Board Hearing.
- D. During the Board Hearing, a member of the Board or the Association's designated representative shall first present the Association's case against the Owner. An Owner, or an Owner's designated representative is then entitled to present the Owner's information and issues relevant to the dispute. The Board may ask questions of the Owner or designated representative.


I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing 209 Hearing Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of San Patricio County, Texas.

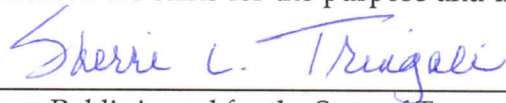
TO CERTIFY which witness my hand this the 3 day of MARCH, 2021 

PELICAN COVE CANAL OWNERS ASSOCIATION

By: 
 Printed: BERNARD P. BEAULIEU
 Its: Secretary

THE STATE OF TEXAS §
 §
 COUNTY OF SAN PATRICIO §

 BEFORE ME, the undersigned notary public, on this 3 day of MARCH, 2021 personally appeared BERNARD P. BEAULIEU, Secretary of Pelican Cove Canal Owners Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.


 Notary Public in and for the State of Texas

