

## DESERT GREENS 2001 HOA EXECUTIVE BOARD MEETING

DATE: October 24, 2019  
PRESENT: Buzz Heldt, President; Jerry Holmes, Vice President; Arlene Chandler; Dennis Suter, Treasurer  
(Linda Axford: Secretary for the Board)  
ABSENT: None  
HOMEOWNERS: See attached  
CALLED TO ORDER: 9:58 a.m.  
ADJOURNED: 10:56 a.m.

### AGENDA ITEMS:

Specially called meeting to discuss two items needing a decision.

### NEW BUSINESS

1. Resolution to allow lessees to vote for and hold Board positions. See attached.

Dennis S.: Is new to the Board and not completely up to speed on all the issues, especially the history of this particular one. Has reservations about entering into this agreement against legal advice [from Greg Kerr, Esq. Wolf, Rifkin, Shapiro, Schulman & Rabkin, LLP (WRSS&R)]. This differs substantially from his counsel. At this point would be reluctant to enter into this agreement until we seek additional legal advice. There are two legal documents this resolution would be trying to supersede: our own CC&R's and the NRS (Nevada Revised Statutes 116; Nevada Community Association Uniform Act) and I have not been effectively shown we can legally do this . that is, override these two documents. Additionally, I do not want to encumber a new Board with a legal issue foisted upon them that they had no part in making the decision to adopt. Think we should wait and seek additional legal counsel. The state allows the assessors office to classify the 99-year lease as real property+which affects real estate taxes. I think this might allow the lessees to fulfill the requirements as a member of the HOA per the CC&R's. But we need confirmation from the state regarding the NRS. (Linda: Greg Kerr, Esq. stated that the tax laws *do not* impact or apply to the laws that govern HOA's, i.e. the NRS 116)

Arlene C.: Still does not understand how Pedley Family, LLC obtained declarant rights.

Buzz: The one RV lot that Deserto Verde had inadvertently not conveyed to Pedley Family LLC, then allowed Art Pastel to convey the declarant rights as well to them.

Dennis S.: Deserto Verde turned over all the common property to the HOA. This is a separate issue and not related to declarant rights. The main concern now is that we want the lessees to be able to vote and run for a position on the HOA Board.

Buzz H.: Should we contact a different attorney?

Dennis S.: Has made a phone call to another local attorney who supposedly has some expertise in real estate law. Has not yet heard back from him.

Homeowner question: How is it that this developer could ever lease property in the first place?

Buzz: Jerry H. & Buzz H. went to LV and sat down with Michael Schulman (with WRSS&R). After reading our CC&R's, he stated there was nothing the Board could do to prevent this from happening.

Brief explanation distinguishing tenants+(Do not own the lot or the home . simply renting) from lessees+(Own the home, but do not own the lot.)

Homeowner: The lessees have an executory contract+per their 99-year lease. Therefore they have the right to vote & run for the Board.

Homeowner: Somebody has to step up to the Board spending so much HOA money to fight this because we want a precedent set. Instead of asking if we can do it, just step up and do it. The assessor has determined it's legal property.

Homeowner: I like the idea of getting it through a court case and trying to get a precedent.

Homeowner: Recommend all lessees sign a petition to send to the Real Estate division about having voting rights and get it through the legislature.

Dennis S.: Legislature only meets every two years. There are 3,000 HOAs in NV and many groups with vested interest are trying to get or block legislation every session.

Long discussion about how to work around these problems. Darren has given a letter to every lessee that assigns voting rights. Darren has been informed that the Board's attorney has said this is not legal.

Buzz H.: It looks like we need to table this discussion for now. We will be looking into getting a second legal opinion and exploring the possibility of what might be done with some of the suggestions from today.

2. Pay increase for office help

Tabled until the regularly scheduled meeting on Nov 7.

Arlene C. made a motion to adjourn; Dennis 2<sup>nd</sup> All in favor. Meeting adjourned.

ADJOURNED: 9:56 a.m.

NEXT MEETING(S): Nov 7 and Dec 10

SUBMITTED BY: Linda Axford, Secretary