

**CAMBRIDGE HALL CONDOMINIUM ASSOCIATION, INC.**  
**POLICY RESOLUTION**

**ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCEDURES**

**WHEREAS,** The New Jersey Condominium Act (the “**Act**”), at N.J.S.A. 46:8B-14, and Article XV of the Association’s By-Laws provide in part:

An association shall provide a fair and efficient procedure for the resolution of housing-related disputes between the individual unit owners and the association, and between unit owners, which shall be readily available as an alternative to litigation. A person other than an officer of the association, a member of the governing Board or a unit owner involved in the dispute shall be made available to resolve the dispute...

**WHEREAS,** The Board desires to comply with the Act and applicable laws and to establish an appropriate committee to implement the law and to establish appropriate procedures.

**WHEREAS,** The Association’s Master Deed and Bylaws (the “**Governing Documents**”) empower the Board to perform all duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of the Condominium.

**WHEREAS,** The Governing Documents authorize the Association’s Board of Trustees (the “**Board**”) to adopt and enforce rules and regulations governing the operation and use of the condominium development.

**WHEREAS,** The Governing Documents mandate compliance by Unit Owners and residents with the Governing Documents, including the Association’s rules and regulations.

**WHEREAS,** The Board wishes to establish and maintain an Alternative Dispute Resolution Committee (“**Committee**”) formerly the Covenant’s Committee as per Article XIV, Section 6 c of the By-Laws and the due process procedures to be followed in connection with the actions of the Committee.

**WHEREAS,** This resolution is intended to supplement the existing provisions regarding alternative dispute resolution (“**ADR**”) as set forth in the Association’s Governing Documents and is not intended to replace or contradict any such provisions or any applicable laws.

**NOW, THEREFORE, BE IT RESOLVED** on or as of \_\_\_\_\_, 2023 that an Alternative Dispute Resolution Committee is hereby established and shall be governed by the following supplemental policies and procedures:

## **I. DUTIES.**

1. The primary responsibility of the Committee is to hear and resolve disputes between individual unit owners and the Association or between individual owners regarding violations of the Governing Documents (hereinafter meaning and including Association resolutions, rules and regulations) and other housing-related disputes.

2. "Housing-related disputes" do not include Association claims for delinquent common expense assessments, unless and to the extent required by applicable law, such as may be required under the Bell Tower Appellate Division decision.

3. In fulfilling its responsibility, the Committee shall perform functions which include, but are not necessarily limited to, hearing complaints, and resolving disputes which constitute violations of the Governing Documents or rules and regulations in accordance with the due process procedures outlined herein.

4. Any action, ruling or decision of the Committee will be deemed final unless one of the parties chooses to pursue litigation. The Committee's decision is not appealable to the Board.

5. The Committee shall have such additional duties, powers and authority as the Board in its discretion may from time to time provide by resolution. The Board may relieve the Committee of any of its duties, powers and authority, either generally or on a case-by-case basis. The Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Governing Documents.

6. Notwithstanding the foregoing, no action may be taken by the Committee without giving the persons involved at least ten (10) days prior written notice and affording them the opportunity to be heard, with or without counsel, with respect to the violations asserted.

## **II. ORGANIZATION.**

1. **Membership:** The Committee shall be comprised of not less than three (3) members appointed by the Board from among the membership and/or from nonmember third parties. Committee members shall serve for a two (2) year terms. In accordance with the Act, no officers of the Association or members of the Board shall serve on the Committee.

2. **Chairperson:** A Chairperson shall be appointed by the Board and shall serve for a one (1) year term. The Board may remove a Chairperson with or without cause at any time.

3. **Recorder:** The Chairperson shall designate a recorder from among the members of the Committee. The recorder shall be responsible for producing Committee correspondence,

written recommendations and, in general, maintaining and filing all Committee documentation and data.

4. **Vacancy:** If a vacancy occurs on the Committee, the Board may appoint a replacement member to serve for the remainder of the unexpired term of the vacated member.

### **III. OPERATION.**

1. **Conduct.** The Committee shall conduct its business in accordance with the due process procedures set forth herein, the Governing Documents, concepts of fairness and due process and applicable laws.

2. **Meetings.** Meetings and hearings shall be held as often as needed to carry out assignments and responsibilities. A meeting may be called by the Chairperson and a majority of the members shall constitute a quorum.

3. **Committee Function.** The Committee shall assess the conditions and needs within its area of responsibility to propose for Board adoption action to achieve the goals and objectives under this Resolution. In addition, the Committee will act as the Board may direct.

4. **Chairperson Function.** The Chairperson will manage meetings of the Committee and supervise its activity to assure that Committee responsibilities are met. The Chairperson will prepare all reports to the Board.

5. **Channels of Communication.** All official communication with the Board will be in written form and signed by the writer and the Committee Chairperson.

**BE IT FURTHER RESOLVED THAT** the following due process procedures are hereby established:

1. **"Due Process"**, as used in this resolution, refers to and includes the following basic rights and principles:

- (a) Respondent will be notified of the charges.
- (b) Respondent will have an opportunity to respond and/or to be heard at a hearing of the ADR Committee.
- (c) Basic principles of due process and fairness will govern.
- (d) Strict adherence to Court Rules and Rules of Evidence is not required or expected and such matters may be determined in the discretion of the ADR Committee and/or any ADR hearing officer as it deems appropriate from time to time.

2. **"Unit Owner"** or **"Owner"** as used in this resolution refers to an owner or co-owner of a unit.

A matter will be referred to the Committee only upon the filing of a written complaint.

## **I. ADR PROCEDURES**

1. **Informal Actions.** Before any formal process is initiated against an Owner, an informal request may, but need not, be made by any Owner, Trustee, or management to the offending Owner to cease or correct the action or omission which constitutes a violation of the Association Governing Documents or is the subject of a housing-related dispute. Such informal request shall be made to and the Association's managing agent who shall, unless otherwise directed by the Board, communicate to the offending Owner.

2. **Notice of Violation.** If informal action is not taken or proves unsuccessful, then correspondence may be personally delivered or sent by regular mail, certified mail, return receipt requested, and/or electronic mail giving notice of the violation (a "**Notice of Violation**") to the Owner delivered to or addressed to the Owner at the address appearing on the books of the Association. (Nothing in this resolution requires the Association or the Committee to pursue a violation and prosecution or pursuit of any violation is within the discretion of the Board and the Committee.) Service by mail will be deemed effective upon delivery or three (3) business days after posting in a regular depository of the United States mail. The Notice of Violation letter must reasonably describe, where applicable (a) the provisions of the Governing Documents which the Owner has violated and (b) the date(s) the violation was observed. The notice may also request the Owner to cease and desist the alleged violation within a specified time. The violation letter must state that if the Owner disputes the charge and would like to be appear before the Committee, the Owner must respond in writing to the Committee within fourteen (14) days of receiving the letter. (Unless otherwise stated, communication with the Board shall be through the Association's managing agent.)

3. **Response by Subject.** Within fourteen (14) days of receiving a Notice of Violation, the subject of the complaint (hereinafter "**Respondent**") must file a written response with the Board if the Respondent disputes the charge. At that time, the Respondent may request a hearing before the Committee.

4. **Failure to Respond.** If the Respondent fails to respond and fails to remedy the violation within the specified time periods, the Board may refer the matter to the Committee for further action pursuant to this resolution. The Board may also take any action it deems appropriate as authorized by the Governing Documents. If the Respondent fails to respond to the Board within fourteen (14) days of receiving a Notice of Violation, the Respondent shall be deemed to have been offered dispute resolution as required by the Act and shall be deemed to have waived its right to ADR under the Act.

5. **Confirmation of Hearing.** In the event the Respondent makes a timely request for a Committee hearing, a confirmation of hearing must be sent to all parties, setting forth the time, place and date of hearing. The confirmation notice shall confirm that the Respondent may but need not be represented by counsel, may present any relevant evidence, and will be given the opportunity to cross-examine all witnesses against the Respondent regarding the alleged

violation. The confirmation notice shall also confirm that the Respondent is entitled to request the attendance of witnesses and the production of books, documents, or other items by applying to the Association sufficiently in advance of the hearing date and, in any event, at least seven (7) days before the hearing date. The hearing date may be adjourned by either the Committee or the Respondent for good cause, but in no event may it be scheduled more than sixty (60) days from the original hearing date. If the Respondent fails to reasonably cooperate in the scheduling or rescheduling of the hearing, the Committee may commence the hearing without the presence of the Respondent.

6. **The Hearing.**

(a) The hearing panel may be comprised of any number of Committee members up to three (3). For each hearing, the Committee will select a person, who need not be an Owner or a member of the Committee, to preside as hearing officer over the hearing. It is the duty of the hearing officer to explain the rules and procedures by which the hearing is to be conducted. Generally, any relevant evidence may be admitted. Hearsay evidence may be used to supplement or explain other evidence but will not be sufficient by itself to support a finding. Each party has the right to make a statement, introduce evidence, testimony and witnesses and question opposing parties and witnesses. Counsel for the Association may be present at all hearings and may serve as hearing officer but shall not make any factual findings or vote on the pending matter.

(b) At the request of either Complainant or Respondent, or on its own request, the Committee may conduct the hearing in private session. The Committee may exclude anyone who is not a party to the hearing. The hearing is not open to the members of the Association or to any third parties.

(c) Technical rules of evidence or procedure may be relaxed by the hearing officer who, nevertheless, may reserve the right to exclude all irrelevant, immaterial, or repetitious evidence. The hearing officer also has the discretion to impose reasonable limits on the time allowed to testify and upon the number of witnesses.

(d) If the Complainant does not appear at the hearing, the complaint may be dismissed in the sole discretion of the hearing officer.

(e) Oral evidence may be taken only on oath or affirmation administered by the hearing officer.

(f) Whenever the Committee has commenced to hear a matter and a member of the Committee withdraws before a decision, the remaining members will continue to hear the case. The Chairperson may name a replacement for the withdrawing member who would make its decision from the existing record.

(g) At any time prior to rendering a final determination, the Committee may accept supplemental information for its consideration.

(h) At any time after issuing a complaint and at least seven (7) days prior to the date for hearing, any party may request the Committee to provide the names and addresses of witnesses to be called and copies of any statements, writings, and investigative reports to be introduced at the hearing. At the discretion of the hearing officer, such information may be required of both parties.

(i) Each member of the hearing panel must be able to perform in a disinterested and objective manner in consideration of the case before the Committee or must disqualify him/herself and have it so recorded in the minutes. Any member of the Committee may be challenged by any other member or by the Complainant or the Respondent for cause. The Board will decide the challenge and all decisions of the Board in this regard are final.

(j) Respondent's failure to appear before the Committee at a scheduled hearing may, in the sole discretion of the hearing officer, be deemed a default. In the event of a default, the Committee may render its decision on the allegations in the Complaint and on the facts before it.

(k) After a hearing on any matter, the Committee hearing panel shall render a decision promptly, but in any event, a written decision on the matter should be rendered within thirty (30) days. To be effective, a decision of the Committee hearing panel must be by a majority vote of those hearing the matter. Copies of any decision shall be provided to the parties in the same manner as a Notice of Violation. The Committee hearing panel shall have the right to reduce or waive any fines imposed by the Board but shall not have the right to increase the fines.

(l) In the event the Committee concludes that a violation of any covenants or rules and regulations of the Association has occurred, the Board shall have the authority to pursue enforcement action as provided for by the Governing Documents.

## **II. EFFECT OF COMMITTEE HEARING PANEL DECISION**

The decision of the Committee hearing panel is deemed to be binding and there will be no further administrative process within the Association, including any appeal to the Board. All parties will be free to pursue their legal remedies following during and following the conclusion of the hearing.

## **III. MEDIATION OPTION**

1. If the parties agree in advance, they may forgo the formal hearing process involving the ADR Committee outlined above and request that a Mediator be appointed in an attempt to reach a negotiated resolution of the dispute. In addition, the Board at its sole and exclusive option may determine that the matter is better suited for mediation. In which case, the Board shall appoint a mediator.

2. **Mediator's Responsibilities.** The mediator shall be a neutral, independent third party with knowledge of community association law and/or management. No

board member of the Association may serve as mediator, but an ADR Committee member who is trained in mediation or a board member of another association may serve as a mediator. The Board shall identify and arrange for the mediator.

3. **Termination of Mediation.** It is intended that if mediation is conducted for a reasonable period of time, determined in the discretion of the mediator, fails to result in a negotiated resolution of the dispute, the mediator may terminate the mediation.

### **III. MISCELLANEOUS.**

1. **Confidentiality.** The ADR-Mediation process and the writings and statements made therein, shall be held in strictest confidence. The hearings themselves are not to be open to the public. Only those persons directly involved in a dispute are permitted to attend a hearing. The panel members are not permitted to discuss a dispute or the findings and recommendation they make with regard to any dispute to anyone other than the parties and their fellow panel members. All proceedings of, or writings generated in connection with, the hearing, including any position statement, Settlement Agreement, mediator's settlement recommendations, and any statement made by any party, attorney or other participant, shall in all respects be considered settlement negotiations and privileged, and nothing said or disclosed, nor any document produced, which is not otherwise independently discoverable, shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration proceedings or litigation, except that either party shall have the right to enforce a Settlement Agreement in accordance with its terms.

2. **Costs.** Any costs incurred by a party as a result of their participation in the ADR-Mediation process (e.g. costs of hiring legal counsel, costs of gathering and presenting evidence, etc.) shall be borne solely by the party incurring the costs. All costs and expenses of ADR shall be a common expense unless the parties agree otherwise or a court determines otherwise. In the event that the Association decides to hire a professional mediator to mediate a dispute that cost shall be the responsibility of the Association.

3. **Exhaustion of Remedies.** Members or residents must exhaust all remedies provided by this Regulation before resorting to a court of law for any relief.

4. Any provision of this Resolution notwithstanding, participation in any process set forth in this Resolution shall not serve as a bar upon the Association to initiate litigation over issues pertaining to disputes within the community, although the Association may not institute litigation, except in an emergency or with respect to the collection of delinquent assessments,

5. Any inadvertent omission or failure to follow the procedures for due process in this resolution or during any hearing will not invalidate the results of any decision or ruling as long as a prudent and reasonable attempt was made to assure the basic due process rights or if no objection is made during the hearing process.

**6. Recording and Distribution.** The Association's managing agent is authorized and directed to advise the Unit Owners of the adoption of this Resolution. The Association's attorney is also authorized and directed to record this Resolution in the Mercer County Clerk's Office. The Mercer County Clerk is also authorized, requested and directed to note, in the margin (and/or such other appropriate place) on the Master Deed reference to this Resolution which has been adopted in accordance with the terms of the Master Deed or Bylaws. A copy and/or summary of this Resolution shall be provided to all Unit Owners. (However, failure to provide a copy or to include or summarize the information shall not modify, void or otherwise diminish the terms and enforceability of this Resolution.)

**IN WITNESS WHEREOF**, the Board certifies that this was adopted on this 16th day of February, 2023 at an open meeting of the Board.

Ann Harwood  
\_\_\_\_\_  
, Secretary

Midge Guerrera  
\_\_\_\_\_  
, President

**STATE OF NEW JERSEY :**

**SS:**

**COUNTY OF MERCER :**

**BE IT REMEMBERED** that on this 16th day of Februar, 2023 \_\_\_\_\_, personally came before me and made proof to my satisfaction that he/she is the Secretary of **CAMBRIDGE HALL CONDOMINIUM ASSOCIATION, INC.**, (2) \_\_\_\_\_ is the President of said corporation, (3) the execution, as well as the making of this instrument, has been duly authorized by a proper resolution of the Board of Trustees of the said corporation, and (4) this addendum was signed by the President as his voluntary act and deed of the corporation, in the presence of Secretary who subscribed his/her name as attesting witness and by virtue of authority from its Board of Trustees.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

Sworn to and Subscribed  
before me this \_\_\_\_\_ day  
of \_\_\_\_\_ 2023.

\_\_\_\_\_