

CORONADO CAYS HOMEOWNERS ASSOCIATION
RULE CHANGE COMMENT NOTIFICATION

This Notice is being published for member comment at the direction of the Board of Directors. The Board of Directors discussed this proposed Rule at its Open Board Meeting held on May 2, 2024. The Board is providing this Notice to the members for a 28-day member comment period prior to the adoption of the Rule.

The Board of Directors will vote to adopt Resolution 24-02 or as Resolution 24-02 may be amended, on May 30, 2024, at its Open Board Meeting to be held at 2:00 p.m. in the Grand Caribe Room, located at 505 Grand Caribe Causeway, Coronado, CA. Please take note that, if within 30 days of adopting a new operating rule the Board of Directors receives a petition from members representing 5% or more of the separate interests requesting a membership vote to rescind the new rule, the Board of Directors shall either call a special meeting of the membership or distribute a written ballot for the purpose of voting on rescinding the adopted Rule.

Purpose and Intent: To amend the Member Handbook (Operating Rules) Section 9.14 Improvements Eligible for Administrative Approval and Section 9.16 Waterfront Villas and Condominium Zone Guidelines concerning installation of custom finishes and tile on condominium balconies and landings.

A fatal apartment balcony collapse in California resulted in the enactment of Senate Bill 326 requiring the inspection of exterior elevated elements including entryways and balconies in multi-unit buildings. The tragic event raised concerns for the safety of exterior landings and balconies due to potentially hidden damage leading to catastrophic and sudden failure.

The four condominium villages in the Coronado Cays were designed with balconies and exterior landings in addition to upper and lower units in Antigua, Kingston, Montego, and Mardi Gras Villages. The CCHOA maintains the waterproofing system for these exterior elements but has allowed owners to install custom finishes and tile on balconies and landings with the condition that the owner accepts all responsibility and liability for maintaining the exterior element. Any resulting damage due to the failure of the custom finish or tile is the owner's responsibility. Unfortunately, leaks have resulted from improperly installed and owner maintained custom finishes and tile coverings. Disputes have ensued over responsibility for these tile coverings and custom finishes and for damage caused to lower units. Additionally, the resident of the lower unit is inconvenienced by the water leaks, delays in locating the source of the leak, and the assignment of liability. The Association has spent extraordinary management time, repair costs and legal fees dealing with the issue of who is responsible for the resulting damages. Therefore, the Board of Directors is considering adopting Rules restricting the installation of custom finishes and tile on condominium balconies and landings.

Owners may direct comments concerning this proposed Rule via email to Henry Angelino – General Manager - email: manager@cchoa.org prior to May 1, 2024 or attend the Board meeting on May 2, 2024 and voice comments or concerns in the Open Session.

CORONADO CAYS HOMEOWNERS ASSOCIATION

PROPOSED RESOLUTION 24-02

Amendment to Member Handbook (Operating Rules) Sections 9.14 and 9.16.9

WHEREAS, the Coronado Cays Homeowners Association wishes to amend the Governing Documents (Member Handbook – Rules) regarding the installation of custom finishes and tile on condominium balconies and landings.

NOW, THEREFORE, BE IT RESOLVED that the following amendments are to be adopted on May 30, 2024 by the CCHOA Board of Directors, and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the following rules amendments (specifications) are effective following adoption by the Board of Directors in Open session on May 30, 2024 and notification to members.

APPROVED AMENDMENTS WILL BE ADDED TO:
Coronado Cays Member Handbook

Additions are shown in bold underline

~~Deletions shown with bold strikethrough~~

Current rule shown in plain text.

Amend Section 9.14 Improvements Eligible for Administrative Approval:

~~Tile Addition to Patio Decks or Entry Landings (Upper Condos Only)~~
Custom Waterproofing Finishes (Upper Condos Only)

9.16.9 Custom Finishes and Tile on Balconies and Landings

These guidelines apply to the second and third floor balconies and landings in Montego Village and the second floor balconies and landings in Antigua, Kingston, and Mardi Gras Villages.

9.16.9.1 Custom waterproofing finishes are allowed on second and third floor balconies and landings but must be approved via an Administrative Approval Request prior to installation. They will be sealed as part of the normal maintenance schedule and any additional cost to maintain the custom finish will be at the owner's expense.

9.16.9.2 Tile is prohibited from being installed on second and third floor balconies and landings in order to protect the building structure, minimize the risk of injury to residents due to collapse, and minimize the risk of leaks into units or onto first floor patios. Any replacement of tile that

currently exists is prohibited.

9.16.9.3 Second and third floor balconies and landings with tile already installed must be approved by the CCHOA and have an Indemnity Agreement filed with the County of San Diego. Owners with installed tile coverings are responsible for the proper maintenance of the tile covering and are personally liable for any damage resulting from the alteration. Unapproved tile coverings may be removed at the sole discretion of the Board of Directors and at the owner's sole expense. An approved waterproofing system will be installed by a CCHOA-hired contractor. The installation of a stainless-steel pan beneath existing doors leading to the balcony will be included in the conversion as well as deck to wall flashing. Once the new waterproofing system is installed, the CCHOA will assume maintenance responsibility for the balcony or landing.

9.16.9.4 Owners of approved and indemnified tile coverings will provide evidence of an inspection and proper maintenance within the last four years to the CCHOA. Every four years thereafter, evidence of ongoing inspections and maintenance will be submitted to the CCHOA. If evidence of the required inspection and maintenance is not provided, the Board of Directors may order the removal of the tile covering and the waterproofing of the balcony or landing at the owner's sole expense. Compliance with this administrative requirement does not in any way affect the owner's responsibility for subsequent damages.

9.16.9.5 The installation of a stainless-steel pan tied into the existing waterproofing system will be mandatory for all sliding glass and French door replacements on second and third floor balconies. Owners are responsible for ensuring a stainless-steel pan is properly installed and undamaged. The cost of inspecting and installing a stainless-steel pan will be the responsibility of the owner. The installation of the stainless-steel pan will be included in the Administrative Approval Request application.

9.16.9.6 The CCHOA reserves the right to inspect all second and third floor balconies and landings for the purpose of maintaining the building structure and investigating leaks. Owners who do not immediately correct failed tile coverings and repair any resulting damage, subsequent to the assignment of liability, will be subject to CCHOA intervention to perform the required repairs and protect the building structure. All costs incurred by the Association will be assessed against the Lot and the owner.

Approved by the Board of Directors this 2nd day of May 2024.