

Minutes of the Bay Indies Homeowner's Association Resident Meeting
April 5, 2016, Indies House

The meeting was called to order at 7:00PM by Co-President George Alexander.

Board members present were George Alexander, Dick Lovelace, Joan Sass, Tony Tremonto, Rick Petruzzi, Veronica Wasserman, Greg Schwartz and Carl Kruse. No one was absent.

A short welcome/introduction was given by George Alexander during which he thanked everyone for attending and introduced the Board members. He then introduced Anthony Pinzone who gave a presentation on the HOA negotiations and proposed contract with ELS.

He began by introducing himself as a past HOA president and the current chief negotiator. He also introduced the other members of the negotiating team which included George Alexander, Dick Lovelace, Joan Sass, and Richard Welch, a former HOA Board member. He further gave a brief explanation of Florida Statute 723 as it pertains to Manufactured Home Parks. He explained that 723 does not require park owners to negotiate a long term rental agreement but that through the efforts of the HOA Bay Indies has had agreements in place for all but one of the last twenty years. Anthony did note, however, that under Statute 723 lot rent increases could not be unreasonable or arbitrary, and went on to explain the various routes which were available to an HOA if these kinds of rental increases did occur.

Tony then gave the background to the current negotiations which began in July of 2015 and continued for a total of seven meetings attended by Anthony and George Alexander. Through the efforts of the negotiating team these meetings led to an agreement which was being presented to the membership at this meeting. Tony stressed, however, that the HOA had no standing to approve or reject any agreement without the backing of the entire HOA membership. He explained that the new agreement was for a three year term and included lot rent increases of 4% annually. These increases, however, would be capped at \$30.00 per month for current residents. There would also be no cap on Market Rates set by ELS, and ELS would continue to offer rent concessions on sales of their own homes. These rental concessions are offered at all ELS owned parks throughout the country. He did, however, concede that these concessions could make it harder for residents to sell their homes when competing with ELS owned properties in the park. The Board, however, felt that the agreement was a good one and that "the devil we know is better than the devil we don't know" as it was expressed.

Anthony then opened the meeting up to questions about the agreement.

Charmaine Englesman – West Cayman

Asked about Market Rate and how it was determined. It seems that the market rate is set by the rental amount ELS can charge for a home, not by the sale price of a home. Charmaine also asked if the pass-through tax was deductible and was told that it depended on the advice of a resident's individual tax adviser.

George Blair – Freeport E

George said that he appreciated the efforts of the Negotiating Team but that rents were still going to go up \$30.00 per month for the next three years.

Sue Kekel – Windemere E

Sue wanted to know if the HOA Board was able to see the ELS budget for Bay Indies Anthony said no, that this information was confidential and would not be shared with the HOA. What you can see is Schedule 10 of the annual report which shows rental income and expenditures. She went on to ask whether or not the HOA ever discussed cost saving measures with ELS; things like limiting the hours lights are on, water saving measures and thermostat monitoring. Tony replied that the HOA can suggest but ELS does not have to listen. The HOA has no power except to try to negotiate. Finally, Sue asked if any changes to 723 were ever proposed. Tony explained that the HOA has employed a lobbyist and has, in the past, sent busloads of residents to Tallahassee and has also testified there. He explained that through all of these efforts the best we have accomplished is to defeat harmful changes that were proposed for 723.

John Rinicelli – Ybor W

John has lived at Bay Indies for 18 years and thanks the HOA for their efforts, but said he felt that ELS was only interested in how much money they could make. He asked who sets the Ad Valorem tax rate and was told it was a combination of the city and the state. He also asked why we had to pay the pass-through tax and was told that it was permitted under Statute 723. When he asked why we never tried to eliminate the pass-through tax during negotiations he was told that the law allows ELS to charge it so why would they not? Anthony expressed the fact that ELS was in the business to make money and would not stop charging something they had every right to collect.

Gina Destro – Trinidad W

Asked if we at Bay Indies are indeed paying higher lot rents than other parks could we then take ELS to court? Tony explained that if there is no agreement with ELS and the HOA feels rents are excessive we could go to court if the entire membership agrees.

Louis Lorenzo – Xanadu E

Expressed his feelings that he felt it was unfair that he had to pay the same lot rent for his small older home that owners of newer and larger homes were paying.

Karen Greer – Andros

Thanked the HOA for their efforts and wondered if the agreement would pertain to her since she was currently renting but would finally own her home as of June 2017.

At this point Anthony called for a show of hands as to whether they would accept the proposal. There was an overwhelming majority of the residents in favor of the proposal.

Joan Sass – Service Committee

Joan gave an enthusiastic talk about the Service Committee, explaining that it was a liaison between residents and management. She explained that she was the committee chair and that the members of the Service Committee were Board members George Alexander, Rick Petruzzi and Tony Tremonto and residents Misty McDuffie, John McCall and Jan Hoy. The Committee monitors the common areas at Bay Indies including the pools, lighting, irrigation, the Community Channel, RCF's and many other topics including inappropriate residents, prohibited rentals and anything else affecting the well-being of the residents of Bay Indies. She stressed that all residents and/or guests must be approved. If not, they pose a risk to the safety of others. Joan also mentioned the lighting problems being one of the most serious

issues here at Bay Indies and explained that because of the efforts of the volunteers on the Service Committee electricians were here working to correct problems in the park for the first time in 30 years. At the last Service Committee meeting ELS Regional Jason Hernandez attended and gave us the opportunity to bring problems directly to him. We also work with management on a day to day basis bringing immediate problems directly to them. Joan went on to mention many specific improvements made recently at the park including new and repaired pool heaters, repair of serious lighting problems, evictions of inappropriate residents, and many more. She concluded her presentation with the question "if you ask what does the HOA do for you, this is a small sampling, in return we ask that you support us by joining the HOA. Together we will maintain our lifestyle.

Membership Committee – Veronica Wasserman and Greg Schwartz

Veronica thanked everyone for coming to the meeting. She explained that the HOA was formed in 1986 and continues to work towards the goal of making Bay Indies a safe and enjoyable place to live. Veronica stated that dues paid to the HOA go towards the association's functioning budget and stressed the importance of everyone joining and paying their \$40.00 annual dues. She spoke about the email and regular mail solicitations and stressed the importance of the HOA having accurate contact information for all residents. Veronica thanked the 36 Block Captains currently working with the HOA and said that we could actually use 36 more. Finally, Veronica announced that beginning in October of 2016 the popular HOA sponsored Trivia Nights would be open to HOA dues paying members only, which received an enthusiastic round of applause from the audience. She concluded her presentation by asking all those present to reach out to friends and neighbors and encourage them to join the HOA.

Dick Lovelace – Closing Remarks

Dick spoke about the information presented at the meeting and summed it up in this way. Number one – ELS does not have to negotiate and number two – there is strength in numbers. He asked those present to try to imagine how the Negotiations Team felt going into a meeting knowing that ELS was aware of the fact that barely 50% of homeowners in the park were HOA members. Finally, he stressed the importance of dues money needed for the day to day operations of the HOA. Dick warned that if it was necessary to tap our reserves then we might not have the funds needed to take on ELS in the future if it became necessary. Strength in numbers is important and right now we don't have it.

The meeting was adjourned at 8:15PM.

Respectfully submitted,

Fred Ceruti
Recording Secretary

Joan Sass
Secretary

