

Quick recap

The meeting focused on updating the community's declaration and bylaws to comply with Washington's Uniform Common Ownership Interest Act, with discussions on various amendment options and voting requirements. The group explored strategies for presenting multiple amendments to the community for vote, including both uncontroversial changes and more contentious issues like land value-based assessment allocation. They also discussed simplifying the organization's bylaws, covenants, rules and scheduling upcoming meetings.

Next steps

- Committee: Prepare recommendations for the Board of Directors on which options to take when adopting RCW 64.90
- Task Force: Decide on a strategic approach for adopting the Washington Uniform Common Ownership Interest Act amendments and provide a recommendation to the Board
- Board: Decide on the final approach for WUCIOA adoption based on Task Force recommendations
- Committee: Provide a board report summarizing the meeting discussion about adopting RCW 64.90
- Committee: Consider categorizing amendments into four types: opt-in amendments, consistency amendments, non-controversial recommended amendments, and potentially controversial recommended amendments
- Committee: Evaluate whether amendments should be presented as all-or-nothing or as separate items for voting
- Committee: Determine which amendments should be included in the initial voting process to avoid risking the entire adoption effort
- Task Force: Review the draft documents provided by attorneys and provide feedback
- Task Force: Determine whether to pursue Option 1, Option 2, or Option 3
- Board: Prepare for the adoption of Washington Uniform Common Ownership Interest Act by January 1, 2028
- Board: Consider amending governing documents to align with state law before January 1st to take advantage of the lower voting threshold
- Board: Review the potential "loophole" in the legislation regarding document alignment with 64.90
- Board: Evaluate the cost-benefit of document conversion versus potential future litigation costs

- Board: Decide on voting structure
- Legal counsel: Provide guidance on separating recommended amendments into "no-brainer" and potentially controversial categories
- Management: Plan for a potential vote without meeting in 2026, which could remain open for up to 6 months to achieve the required threshold
- Management team: Prepare for meeting with 30% quorum requirement for WUCIOA adoption vote

Summary

Community Bylaws Update Plan

Birch discussed the need for updating the community's declaration and bylaws to align with the Washington Uniform Common Ownership Interest Act, which will take effect on January 1, 2028. He explained that the board had already started working on this process with their new legal firm, Kelly Sicken and Davis, and aimed to complete it by June 2026. Birch emphasized that failing to update the documents could lead to legal issues and conflicts between state law and the community's governing documents. The board had attended a seminar to better understand the requirements and implications of the new law, and decided to act proactively to avoid potential problems.

Uniform Common Ownership Act Adoption

Birch explained the complexities of adopting Washington's Uniform Common Ownership Interest Act (64-90) before January 1st, 2028, highlighting that while the legislation lowered the threshold to 30% quorum with 66.7% approval, the plain language might allow simply adding an amendment to existing documents without full alignment. The attorneys suggested three amendment types: an opt-in amendment requiring 66.7% of a 30% quorum, consistency amendments to match 64-90 requirements, and recommended amendments for specific changes. Birch emphasized that achieving 66.7% member approval in current governing documents would provide the strongest legal position against potential challenges.

Community Association Meeting Simplification

Birch explained that the community association currently holds two annual meetings, one in June and one in November, which is unusual as most associations have only one. He suggested simplifying this by combining the meetings, as it would save money and staff time. Birch also discussed a proposed amendment regarding a progressive assessment allocation, which could be controversial and might risk the failure of other amendments if included in the same vote. The task force was advised to categorize amendments into "no-brainer" and other amendments

to avoid losing support for the entire package. Birch emphasized the need for the board to decide on the voting approach, as attorneys need a strategic direction to proceed with the draft documents.

Amendments and Voter Threshold Discussion

Birch discussed three options for amendments provided by attorneys, focusing on the combination of opt-in and consistency amendments to meet state law requirements. He emphasized the importance of passing these amendments by 2026, noting that if unsuccessful, there would be another opportunity in 2027. Birch also highlighted that the vote can be extended for up to six months without a meeting, allowing for door-to-door outreach to ensure a high voter turnout. He stressed the need for 66.7% of members to vote in favor, with all votes in favor needed for passage, and discussed the potential for a legal challenge that could lower the threshold to 20%.

Hybrid Strategy for Amendment Voting

Birch and Margreta discussed different options for approaching amendments, focusing on a hybrid strategy that combines elements of options 2 and 3. They agreed to group non-controversial recommended amendments together in one vote, while separating more contentious amendments for individual consideration. Birch emphasized the importance of securing opt-in and consistency amendments as the minimum goal, suggesting a two-part voting approach to address both uncontroversial and controversial amendments effectively.

Community Amendment Voting Strategy

Birch proposed presenting multiple amendments together to the community for a vote, including both uncontroversial "housekeeping" changes and more contentious issues like land value-based assessment allocation. He argued that this approach would allow the community to directly express their preferences, rather than leaving decisions to the board, and would provide clear justification for any controversial measures. The group discussed the need to educate voters about the proposed changes and their compliance with new state codes, with Birch noting that their attorneys were unsure which amendments were actually required for compliance.

Birch Bay Village Document Updates

Birch discussed the need to update the governing documents of Birch Bay Village, highlighting outdated provisions such as the membership committee and first right of refusal that hinder current residents' ability to access reverse mortgages. The group considered options for amending these documents, with a focus on combining opt-in and consistency amendments

while keeping recommended amendments at a higher threshold. They agreed to leave the final decision on the amendment structure to further debate, aiming to address both legislative requirements and community needs.

Bylaws and Covenant Revision Plan

The group discussed revising the organization's bylaws and covenants, with Birch explaining plans to simplify and streamline these documents. Birch noted that while bylaw changes require a 50%+1 vote, covenant changes need 60%, and suggested bundling related amendments for efficiency. The team agreed to review Birch's annotations in the shared documents, with Birch committing to provide a comparison document from Shelter Bay and an R&R Part 2 template to help guide the revisions. They also discussed implementing an "all above" voting option to increase approval chances, and agreed to provide regular updates to the Board through written reports.

Upcoming Meeting Schedules and Updates

The group scheduled two upcoming meetings: October 10th at 10 AM and November 14th at 10 AM, both via Zoom. They agreed to keep meetings to approximately one hour, with Patrick requested to provide availability for October before the board meeting on October 23rd. The group discussed potentially adding Veterans Day as a holiday, though this was not finalized for the current year.