

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SIXTEEN
March 2, 2021
Meeting begins at 9:30 a.m.
Zoom Video and Conference Call Meeting

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone upon the Shareholder contacting Mutual Administration and requesting the call-in information. Please submit your information, including your name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

TO PROVIDE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must (i) notify their director of their intent to speak during Shareholder open forum, or (ii) submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER/PLEDGE
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS:

Ms. Isom, GRF Representative
Ms. Hopkins, Mutual Administration Director
Mr. Harper, Building Inspector
Ms. Barua, Portfolio Specialist

4. SHAREHOLDERS' COMMENTS (2-3 minutes per shareholder)
5. APPROVAL OF MINUTES:
Regular Meeting Minutes of February 2, 2021
6. BUILDING INSPECTOR'S REPORT Mr. Harper
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p. 3)
7. GRF REPRESENTATIVE Ms. Isom
8. **UNFINISHED BUSINESS**
No Unfinished Business
9. **NEW BUSINESS**
 - a. Discuss and vote to approve Monthly Financials (p. 4)
 - b. Discuss and vote to rescind Policy 7560.16 – Apartment Subletting Rentals and adopt Policy 16-7560-1 - Apartment Subletting Rentals (pp. 5-9)
 - c. Discuss and vote to adopt 16-7561-4 – Apartment Subletting Rental Form (pp. 10-12)
 - d. Shareholder's Statement to vote Cumulatively (p. 13)
 - e. Discuss and vote to cancel May 3, 2021 Board Meeting due to the Annual Shareholder's Meeting (p. 14)

- f. Discuss and vote to appoint Accurate Voting Services as Inspectors of Elections for Mutual 16's Annual Shareholder's meeting (p. 15)
- g. Discussion on Mutual 16 Resident Code of Conduct (pp.16-17)
- h. Mutual Monthly Expenditure Recap
- i. Update on Newsletter

STAFF BREAK BY 11:00 a.m.

- 10. SECRETARY / CORRESPONDENCE Mrs. Clawson
- 11. CHIEF FINANCIAL OFFICER'S REPORT Mr. Gillespie
- 12. PORTFOLIO SPECIALIST'S REPORT Ms. Barua
- 13. ANNOUNCEMENTS
**NEXT REGULAR BOARD MEETING: Tuesday, April 6, 2021, at 9:30 a.m.
via Zoom Video and Conference Call**
- 14. COMMITTEE REPORTS
 - a. Grounds and Physical Property
 - b. Emergency Preparedness
- 15. DIRECTORS' COMMENTS
- 16. ADJOURNMENT
- 17. EXECUTIVE SESSION

STAFF WILL LEAVE THE MEETING BY 12:00 p.m.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Mark Harper**

MUTUAL BOARD MEETING DATE: **March 2, 2021**

Print Date 2/27/2021

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
52-F	HEATPUMP	BOTH	12/03/20	03/03/21	NO	2/10/21 FINAL	GREENWOOD

Escrow Activity

UNIT#	NMI	PLI	NBO	FI	FCOEI	COE Date	ROF

NMI: New Member Inspect PLI: Pre Listing Inspect NBO: New buyer Orientation FI: Final Inspect FCOEI: Final COE Inspect COE: Close of Escrow ROF: Release of Funds

Contract Services	Project Discription	Expiration
Fenn Pest & Termite	Termite Inspections	202
Fenn Pest & Termite	Bait Station	08/20
Johns Landscape/Anguiano Lawn Care	Month to Month	
Empire Pipe Sewer Cleaning for Years 2020/ 2022 Outgoing Only - 2021 Outbound & Under Bldg. - 3 Year Total \$965.58		

Site Visits

50-F	1/5/2021	Landscape Drains
54	1/5/2021	Sewer Cleanout
52-F	1/19/2021	Inspect
53-C	1/19/2021	Inspect Correction Notice

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPROVAL OF MUTUAL MONTHLY FINANCES (NEW BUSINESS, ITEM A)
DATE: MARCH 2, 2021
CC: MUTUAL FILE

I move to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, an income and expense statement for the Mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of January 2021.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RESCIND POLICY 7560.16 – APARTMENT SUBLETTING RENTALS AND ADOPT POLICY 16-7560-1 - APARTMENT SUBLETTING RENTALS (NEW BUSINESS, ITEM A)
DATE: JANUARY 5, 2021
CC: MUTUAL FILE

I move to rescind Policy 7560.16 – Apartment Subletting Rentals and adopt Policy 16-7560-1 Apartment Subletting Rentals on a preliminary basis until the 28-day posting period has been completed. The policies will be ratified at the next scheduled board meeting and take effect if then Board receives no comments.

MUTUAL OPERATIONS

RESIDENT REGULATIONS

RESCIND

Apartment Subletting Rentals

~~In Article 7 of the Occupancy Agreement currently being used, all Members have agreed not to sublet his/her dwelling unit, and not to assign the Occupancy Agreement, without the written consent of Seal Beach Mutual No. 16.~~

~~Under Assembly Bill 3182, codified as California Civil Code §4741 and effective January 1, 2021, unreasonable restrictions concerning the rental or leasing of a Member's subletting of his/her dwelling unit to another will be prohibited.~~

~~The Board of Directors of Seal Beach Mutual No. 16 generally forbids a Member to sublet his or her own dwelling unit, because our governing documents require that our Mutual serve as residential accommodations for seniors 55 years of age or older, meeting certain financial requirements. However, as long as Civil Code §4741 is effective and has not been overturned by the Courts or withdrawn or modified by the State Legislature, our Mutual will hereby place a sublease rental cap of twenty five percent (25%) of the dwelling units at our Mutual. Should this maximum sublease rental cap ever be met, Members wishing to sublet will be placed on a waiting list, with priority dependent on the date of any such request in writing.~~

~~Our Mutual prohibits transient or short-term rentals of a dwelling unit for a period of 30 days or less, and reiterates that our dwelling units are to be used for residential purposes and not for Airbnb short-term rentals or the like, as set forth in Article 5 of the Occupancy Agreement.~~

~~Any Member must deliver a copy of any proposed sublease to the Mutual before the same is executed, and such sublease must be in a form acceptable to the Mutual.~~

~~The aforementioned sublease must require in writing that the sublessee will abide by the terms of the applicable Member's Occupancy Agreement, and, shall give to our Mutual an irrevocable power to dispossess or otherwise act for the Member in case of default under the sublease.~~

~~The Member shall continue to be liable for all obligations under the Occupancy Agreement notwithstanding the fact that a Member may have sublet the dwelling unit with the approval of the Mutual, and shall be responsible to the Mutual for the conduct and/or misconduct of Member's sublessee, as set forth in Article 7 of the Occupancy Agreement.~~

~~Any and all costs and/or expenses from the Golden Rain Foundation presented to the Member and/or Mutual arising out of, or pertaining to, the aforementioned sublease,~~

MUTUAL OPERATIONS

RESIDENT REGULATIONS

RESCIND

Apartment Subletting Rentals

~~may and will be passed on to the applicable Member for direct payment/or reimbursement.~~

~~Should a Member enter into an approved sublease concerning the Occupancy Agreement, then, all rights and amenities of such Member (including but not limited to the use of recreational facilities, gate access and parking) shall, and will, be assigned to such sublessee as an entire and complete assignment of such benefits to the sublessee (so that the premises are not subject to duplicate and redundant use by both the Member and the Sublessee).~~

~~All sublessees must qualify for residential status, upon the same terms and conditions of age and income as the applicable Member, and the sublessee must meet the eligibility requirements of membership as set forth in Article III of the Mutual's By-Laws.~~

~~If accepted, the sublessee must attend an orientation session, in order to become familiar with the premises, terms of the Occupancy Agreement and the Mutual's policies and practices.~~

~~The processing time necessary to comply with the above regulations would normally approach ninety (90) days, however, the Mutual is prepared to approve emergency subletting not exceeding ninety (90) days when the Member applies for permission to rent his/her apartment under urgent circumstances, as determined by the Board of Directors in its sole discretion.~~

~~All Members requesting permission to enter into a sublease agreement must complete the standard form (7561.16) in order to request such permission from the Board of Directors.~~

~~This policy and the rules and regulations incorporated herein shall be effective and in force on January 1, 2021.~~

Mutual _____ Adoption

Sixteen: _____ 11-03-2020

SEAL BEACH MUTUAL NO. SIXTEEN

Mutual Operations – Resident Regulations

Apartment Subletting Rentals

In Article 7 of the Occupancy Agreement currently being used, all Members have agreed not to sublet his/her dwelling unit, and not to assign the Occupancy Agreement, without the written consent of Seal Beach Mutual No. 16.

Under Assembly Bill 3182, codified as California Civil Code §4741 and effective January 1, 2021, unreasonable restrictions concerning the rental or leasing of a Member’s subletting of his/her dwelling unit to another will be prohibited.

The Board of Directors of Seal Beach Mutual No. 16 generally forbids a Member to sublet his or her own dwelling unit, because our governing documents require that our Mutual serve as residential accommodations for seniors 55 years of age or older, meeting certain financial requirements. However, as long as Civil Code §4741 is effective and has not been overturned by the Courts or withdrawn or modified by the State Legislature, our Mutual will hereby place a sublease rental cap of twenty five percent (25%) of the dwelling units at our Mutual. Should this maximum sublease rental cap ever be met, Members wishing to sublet will be placed on a waiting list, with priority dependent on the date of any such request in writing.

Our Mutual prohibits transient or short-term rentals of a dwelling unit for a period of 30 days or less, and reiterates that our dwelling units are to be used for residential purposes and not for Airbnb short-term rentals or the like, as set forth in Article 5 of the Occupancy Agreement.

Any Member must deliver a copy of any proposed sublease to the Mutual before the same is executed, and such sublease must be in a form acceptable to the Mutual.

The aforementioned sublease must require in writing that the sublessee will abide by the terms of the applicable Member’s Occupancy Agreement, and, shall give to our Mutual an irrevocable power to dispossess or otherwise act for the Member in case of default under the sublease.

The Member shall continue to be liable for all obligations under the Occupancy Agreement notwithstanding the fact that a Member may have sublet the dwelling unit with the approval of the Mutual and shall be responsible to the Mutual for the conduct and/or misconduct of Member’s sublessee, as set forth in Article 7 of the Occupancy Agreement.

Any and all costs and/or expenses from the Golden Rain Foundation presented to the Member and/or Mutual arising out of, or pertaining to, the aforementioned sublease, may and will be passed on to the applicable Member for direct payment/or reimbursement.

Should a Member enter into an approved sublease concerning the Occupancy Agreement, then all rights and Mutual 16 amenities of such Member (including but not limited to the use of carpports, parking, the laundry room, and common turf areas) shall,

(Mar 2021)

GOLDEN RAIN FOUNDATION Seal Beach, California

SEAL BEACH MUTUAL NO. SIXTEEN

Mutual Operations – Resident Regulations

43 **and will, be assigned to such sublessee as an entire and complete assignment of such**
44 **benefits to the sublessee (so that the premises are not subject to duplicate and**
45 **redundant use by both the Member and the Sublessee).**
46

47 All sublessees must qualify for residential status, upon the same terms and conditions of age
48 and income as the applicable Member, and the sublessee must meet the eligibility
49 requirements of membership as set forth in Article III of the Mutual’s By-Laws.
50

51 If accepted, the sublessee must attend an orientation session, in order to become familiar with
52 the premises, terms of the Occupancy Agreement and the Mutual’s policies and practices.
53

54 The processing time necessary to comply with the above regulations would normally approach
55 ninety (90) days, however, the Mutual is prepared to approve emergency subletting not
56 exceeding ninety (90) days when the Member applies for permission to rent his/her apartment
57 under urgent circumstances, as determined by the Board of Directors in its sole discretion.
58

59 All Members requesting permission to enter into a sublease agreement must complete the
60 standard form (16-7561-4) in order to request such permission from the Board of Directors.
61

62 This policy and the rules and regulations incorporated herein shall be effective and in force on
63 January 1, 2021.
64

Document History

Adopted: 02 Mar 21

Amended:

Keywords: Mutual Resident Apartment
 Sixteen Regulations Leasing

65

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO ADOPT 16-7561-1 – APARTMENT SUBLETTING RENTAL FORM (NEW BUSINESS, ITEM B)
DATE: JANUARY 5, 2021
CC: MUTUAL FILE

I move to adopt 16-7561-1 – Apartment Subletting Rental Form on a preliminary basis until the 28-day posting period has been completed. The policies will be ratified at the next scheduled board meeting and take effect if then Board receives no comments.

SEAL BEACH MUTUAL NO. SIXTEEN

ADOPT

Mutual Operations – Resident Regulations

Apartment Leasing Form

NOTE: See Policy 16-7560-1, Apartment Subletting Rentals, for Applicability

Date: _____

TO: BOARD OF DIRECTORS, SEAL BEACH MUTUAL NO. SIXTEEN

Permission of the Board is requested to rent/sublet apartment # _____
at _____, Seal Beach, California, for the period _____ 20_____,
through _____ 20_____,
to _____,
whose permanent address is _____.

I/we understand and agree that such permission will be for the period and tenant named above only and is not subject to transfer to any other time or tenant. Further, it is understood that:

- a. The tenant will conform to all rules and regulations as set forth in the Occupancy Agreement, the bylaws, and the Articles of Incorporation, together with any Rules and Regulations promulgated by the Board of Directors of this Corporation, including prohibition of quadruped pets.
- b. Upon expiration of the time stated above, or in case of any breach of this agreement and notice is given by the Board, the tenant will immediately remove from the premises, leaving the same in good condition and repair.
- c. I/We remain liable for all obligations hereunder and responsible to the Board for the conduct of the tenant.
- d. Our liability as a Member under the Occupancy Agreement shall continue even though the premises are sublet with approval of the Board.

MEMBER _____ **TENANT** _____

MEMBER _____ **TENANT** _____

APPROVED: SEAL BEACH MUTUAL NO. SIXTEEN

By _____ **Date** _____

(Mar 21)

GOLDEN RAIN FOUNDATION Seal Beach, California

SEAL BEACH MUTUAL NO. SIXTEEN

ADOPT

Mutual Operations – Resident Regulations

Document History

Adopted: 02 Mar 21

Keywords: Mutual Sixteen Apartment Resident
Leasing Regulations
Form

43

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: SHAREHOLDER'S INTENT TO VOTE CUMULATIVELY (NEW BUSINESS, ITEM D)
DATE: MARCH 2, 2020
CC: MUTUAL FILE

Per the Mutual's Bylaws, Article IV, Section 7, Shareholder Unit (Unit Number) , shareholder of Mutual Sixteen intends to vote cumulatively for the elections of Directors for the 2021-2022 term of office.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO CANCEL THE MONTHLY MEETING ON MAY 3, 2021
DUE TO ANNUAL SHAREHOLDER'S MEETING (NEW BUSINESS, ITEM E)
DATE: MARCH 2, 2021
CC: FILE

I move to cancel the Monthly Board Meeting on May 3, 2021 due to the Annual Shareholder's Meeting.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS VOTE TO APPOINT AN INSPECTORS OF ELECTION (NEW BUSINESS, ITEM F)
DATE: MARCH 2,2020
CC: MUTUAL FILE

Policy 7210.16 – Annual Elections, Section 14 and 15 – Number of Inspectors and Who may Serve as an Inspector, states that, “The Board of Directors shall appoint one (1) to three (3) inspectors(s) of election... an inspector of elections may be an independent third party”.

On January 25, 2021, the Executive Committee voted to approve the election provider contract with Accurate Voting Services, as the Inspector of Elections.

I move to appoint Accurate Voting Services as Mutual Sixteen’s Inspectors of Election.

SEAL BEACH MUTUAL NO. SIXTEEN

Rules and Regulations

- Shareholder Rules of Conduct.

- Shareholder Rules of Conduct.

16.3.1. Purpose.

The Purpose of the Shareholder Rules of Conduct is to protect Golden Rain Foundation (GRF) and Mutual 16, including GRF staff, GRF contracted service providers, GRF members and Mutual 16 contracted service providers. Mutual 16 has a duty and a fiduciary responsibility to enforce its governing documents and protect GRF Trust Property, Mutual 16 Property and assets.

The Rules of Conduct apply to Mutual 16 shareholders, qualified permanent residents, co-occupants, renters, caregivers and their visitors.

Rules of Conduct.

Mutual 16 shareholders are responsible for the actions of those associated with their property, including the following: Qualified Permanent Resident, Co-occupants, Renters, Caregivers and their visitors.

Interactions with others must be respectful and non-abusive, both verbally and physically.

Behaviors such as the following are prohibited:

- : Verbal or physical violence, implied or actual (threats);
- : Personal insults and yelling;
- : Any form of discrimination;
- : Unwanted or offensive touching, filming, photography and recording;

SEAL BEACH MUTUAL NO. SIXTEEN

Rules and Regulations

- Unwanted sexually aggressive language:
- Directing objects or substances at another person with intent to harm or intimidate:
- Disruptive behavior, personal attacks or harassment during Mutual 16 meetings:
- Creating a hostile work environment for GRF staff and Mutual 16 contracted service providers:
- Bodily odor or uncleanliness that would be considered offensive and a health and safety hazard to others:
- Willful damage to Mutual 16 property:
- Non-compliance with Mutual 16 Governing Documents.

16.3.2. Non-Compliance. Will result in a penalty (see Exhibit D, Fine Schedule, M16 Rules & Regulations).

16.3.3. To protect M16, repeat offenders may be subject to legal action.

16.3.4. For offenses that are governed by City, State or Federal Laws, the appropriate authorities will be contacted.

16.3.5. Notification of Violation and Right to Hearing. See Procedure 18.18 of Rules and Regulations, Notification of Violation and Right to Hearing Procedures.