



MINNESOTA LEGISLATIVE WORKING GROUP ON COMMON INTEREST COMMUNITIES AND HOMEOWNER ASSOCIATIONS

December 20, 2024
Capital Building Room 120

CHRIS CHARBONNEAU

Involved with Common Interest Communities for 30 years

Current Affiliations:

Black Forest Condominiums

- Fridley, MN
- 258 Unit low rise was built in 1974
- 18 years Homeowner and 7 years volunteer Board of Directors

Community Associations Institute of MN

- Member for 5 years and 2024 volunteer Board President

HOA Leadership Network

- Member for 3 years

Certified Manager of Community Associations (CMCA)

Historical Common Interest Communities Affiliations:

1227 SE 4th Street Apartments - Minneapolis, MN (5 years - Live in caretaker)

- 24 Units low rise was built in 1950
- Bought by Riverton and converted to Housing Co-op

Chateau Student Housing Cooperative - Minneapolis, MN (6 years - Co-op member and Volunteer Board of Directors)

- 127 Units was built in 1973
- Chateau formed Riverton Community Housing and converted 6 apartments to Housing Cooperatives'. The current total number of housing units at 578.

NASCO Properties/North American Students of Cooperation – (2 years - Volunteer Board of Directors)

- A co-op of student housing co-ops. NP assists new housing co-ops to finance and manage the purchase of homes/apartments and convert to student housing cooperatives. We worked with other organizations such as Northcountry Cooperative Foundation (NCF). [Guide for Successful Community Development](#)

Falls and Pinnacle HOA – Minneapolis, MN (2 years - Renter in HOA)

- 257 Units was built in 1983
- One nineteen-story building and one twenty-eight story building



FROM MY EXPERIENCE

1. Most HOA board volunteers want to be successful in their role and have a cohesive community.
2. Most HOA homeowners have good intentions and choose to live in a well-maintained community with shared amenities.
3. Most association managers work hard by guiding the board, overseeing operations, and supporting the community.
4. Many of the testimonies I've heard before this committee seem to be exceptions to the norm.
5. More education and better communication, by all parties, would certainly have helped in these situations.
6. All HOA board volunteers and homeowners would benefit by taking advantage of education resources.
7. All communities would benefit by practicing transparency and consistent communication.
8. To build better communities, I feel like we (CIC residents, board volunteers, and managers) need to better understand the workings of our community by being reasonable, following the governing documents, being transparent, preventing conflicts, and educating ourselves.



FREE
REFERENCES
AVAILABLE
TO HOA
HOMEOWNERS
AND
BOARD
MEMBERS

- [The Office of the MN Attorney General Condominium and Townhome Associations](#)
- CAI-MN has a website (www.cai-mn.com) with the past 15 years of the [Minnesota Community Living Magazine](#) and [Communities Guide](#) that includes equality pledge and recommended policies to help build better communities.
- [HOA Resources](#)
- [First-Time Homebuyers Guide to HOAs](#)
- [Essential Guide for Homeowner Leaders/Community Association Living.](#)
- [MN Homeowners Association Quick Reference Guide](#)
- [CAI-MN HOA Video](#)



BEST PRACTICES FOR BOARDS

1. **Understanding and Adhering to Governing Documents:** Thoroughly familiarize yourself with the HOA's governing documents and MCIOA. These documents outline the board's powers, responsibilities, and limitations.
2. **Open and Transparent Communication:** Maintain open and transparent communication with homeowners through newsletters, emails, community meetings, and a website. Encourage feedback and address concerns promptly.
3. **Financial Responsibility:** Prioritize financial responsibility by creating a realistic budget, managing finances effectively, and conducting reserve studies every 3 years. Be transparent about the HOA's financial health.
4. **Fair and Consistent Enforcement:** Enforce rules and regulations fairly and consistently to maintain a harmonious community. Be prepared to address violations objectively and impartially.
5. **Community Building:** Foster a sense of community through social events, volunteer opportunities, and other activities that bring residents together. For example, host a National Night Out and Holiday Parties.
6. **Seek Professional Guidance:** When necessary, consult with legal counsel, property managers, or other professionals to ensure compliance with laws and regulations and to make informed decisions.
7. As a **Fiduciary**, do the best job you can and do what's best for the Association.



BEST PRACTICES FOR HOMEOWNERS

- 1. Understanding Governing Documents:** Familiarize yourself with the HOA's Governing Documents (Bylaws, rules and regulations). This knowledge is crucial for understanding your rights and responsibilities as a homeowner.
- 2. Stay in the Know:** Read all communications (mail, email, website, postings, flyers, etc.). Read the newsletter. Attend Board meetings and read the meeting minutes.
- 3. Paying Dues and Assessments Promptly:** Timely payment of HOA dues and assessments is essential for maintaining the community's financial health and funding necessary services and improvements.
- 4. Respecting Neighbors and Community:** Be mindful of your neighbors and the community as a whole. Follow the rules and regulations and be considerate of others' needs and preferences. Be a good neighbor.
- 5. Resolving Disputes Amicably:** If you have a dispute with a neighbor or the HOA board, strive for a respectful and amicable resolution. Always be civil.
- 6. Getting Involved:** Consider volunteering for community events or serving on a committee or the HOA board. Your participation can make a significant difference in improving the community.

By following these best practices, homeowners can contribute to a positive and thriving community, protect their property values, and enjoy the benefits of living in an HOA



RECOMMENDATIONS

- 1. Homeowner/Board Education:** Encourage voluntary education for all homeowners and board members. This approach ensures that education initiatives align with the unique needs of each CIC and reinforces that board members adhere to their governing documents and applicable laws, while maintaining transparency in meetings and decision-making. This involves conducting open and fair elections, providing access to records, and disclosing any conflicts of interest.
- 2. Realtors/Manager Education:** Promote voluntary education for Realtors and CIC Managers.
- 3. Housing Improvement Areas (HIA) Required in All Cities:** This would provide relief to the burden of high construction costs to maintain aged communities. This is especially important with recent changes in insurance landscape.
- 4. Collection of Delinquent Assessments and Foreclosures:** We need fair, efficient, and equitable methods for collecting delinquent assessments. This is to protect homeowners and community associations alike. Foreclosures should be a final resort, only on common expense assessments, after other reasonable attempts have been made. Consider a minimum amount (\$3K).
- 5. Homeowner Advocacy:** Have the state provide a mediation group to assist in issues that cannot be resolved through normal communications. Allow a 3rd party to discuss the issue with both parties and reach a resolution without the need to involve attorneys or the court system. State-funded or, worst case, split equally between participants. Associations should not be expected to foot the bill for mediation.

THANK YOU

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