



Next Owner's Zoom Meeting

**September 24th
7 p.m. to 8:30 p.m.**

You will receive a Zoom Invitation

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Legal Updates

Concern remains over the current board's perceived conflict of interest in negotiating two of board member Elena Mondragon's lawsuits, which may result in a monetary settlement.

1. Her suit #BC692702 was filed in February 2018 against the Association and the directors of past boards. It alleges differential treatment, retaliation, and harassment. The court dismissed the directors from all charges, except one, and Ms.

Mondragon was ordered to pay their attorney's fees. In addition, the Association filed a Cross-complaint against her for alleged Violation of Governing Documents, Nuisance, and Declaratory relief. The Association charges, "harassment and intimidation of employees, vendors, Management, and Board members".

2. In December 2018, Ms. Mondragon and six other plaintiffs, filed Case #18SMCV0046, accusing past board directors of Breach of Fiduciary Duty for, "unauthorized approval of a capital improvements Plan".

Six of the plaintiffs have now dropped out of the suit and, as the only plaintiff, she has added more defendants and allegations, including a claim that proper procedures were not followed with Management Council (Essex) for the approval of expenditures. *(in a related item, Essex is now demanding that the current board cease and desist alleged violations of governing documents, including eliminating key personnel, without the approval of Management Council).*

How will the board handle its potential conflict of interest with Ms. Mondragon's litigation and the MCC bylaw that prohibits board approval of settlements over \$7,500 without a membership vote?

Owners asked the board and the Association's new attorney those questions at the last board meeting, and they hope an answer is forthcoming before any decision is made on the settlement of a fellow board member's lawsuits.

[See Legal Continued, Page 3]

New Restaurant Corporation Bylaws?

At the last Owner's Zoom meeting, a Restaurant Board Director said the new board had revised the Restaurant Bylaws. This came as a surprise, because there has been no information that the board was making such a change, which would likely require legal expertise. An inquiry to Restaurant Board President Mark Greenberg was not answered. Two legal analyses agree that a restaurant bylaw change is necessary. The restaurant is registered as a non profit corporation, but it's current bylaws are for a profit making corporation. This conflict will likely cause legal confusion and disputes and needs to be fixed.

Restaurant Liquor License problem

Past COA and Restaurant Board Director, Marie Rassman, is concerned that the restaurant is operating without a Liquor License. According to the state's Alcoholic Beverage Control records, the restaurant license expired June 30th and names on it are past directors. Although the bar has been closed, the restaurant offers wine by the bottle for delivery. MCC already has to pay a \$500 fine for letting the license lapse and if the issue is not resolved, Ms. Rassman fears we could be in for bigger problems. Owners were assured that a restaurant meeting would be announced by now, but it has not been scheduled.



MCC Owners' Voice

To make Marina City Club the best it can be!

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Volunteers Wanted

Thank you to

Tina Oswald

&

Linda Finn

For reporting property concerns



Amenities: Who is Paying for What and Why?

Many owners have asked why they must pay for amenities they can't use during Covid-19 restrictions.

MCC owners pay for Club Membership in their monthly Association/Maintenance fees. After weeks of all amenities being closed, **Resident Owners**, and their families living here, may now have limited use of the pool and spa, tennis courts, and takeout/delivery only from the Restaurant. The gym and children's play area remain closed to everyone.

Many Owners rent their condos to others. They typically include the use of their memberships, giving their **Resident Tenants** the same access to the pool, spa, tennis courts and restaurant services as the Resident Owners. Promenade renters are residents and have the same access.

Outside members live elsewhere and pay a fee for a club social membership or a tennis membership. Outside member fees have been put on hold, and they cannot use any of the amenities, although there is an option

to reactivate Tennis Memberships only.

Owners are asking, if outside members don't have to pay their fees for amenities, why don't owners get the same break? With MCC's personnel costs reduced shouldn't that also reduce owner's fees?

HOA-Industry experts report that HOAs nationwide are not reducing their fees. They say community expenses are fixed, and even though the amenities are closed they still must be maintained. They point out that governments aren't reducing their taxes when parks, beaches, libraries, schools, and other services are closed and workers are furloughed, so HOA owners shouldn't expect reduced fees. In fact, some HOAs are not planning to reopen their money-losing amenities.

Here at MCC, industry guidelines are being followed. MCC's management says our board will decide if any 2020 budget adjustments are appropriate.

MCC Property Concerns: What about Rules?

No Smoking Rule: Tina Oswald is asking why it is not being enforced. Management answers that it is very difficult to locate from where the smoke is coming. However, much of the smoking is out in plain sight. People are even lounging and smoking on the walkways.

Speaking of Smoking, Linda Finn reports a big trash problem, especially in the smoking areas. She is asking that management place more trash receptacles around the property and that the trash is regularly cleaned up and removed.

Satellite Dishes: Residents have asked why they are perched on balconies, when it is against the rules. It is a sensitive subject, because nobody wants to anger their neighbor, but the dishes are not only unsightly, they can obstruct views.

Pets: Another sensitive subject at the least, but residents have asked why management allows huge dogs when the rules clearly state that only one pet, no more than 25lbs, is permitted. Residents ask, "Are these big dogs all certified as legitimate Service Animals?"

Why All Owners Have a Stake in MCC Property Values

Approximately 30% of MCC's 600 homeowners live somewhere else and rent their units out. But whether you are a non-resident, part-time, or full-time, all owners have a vested financial and personal interest in making MCC the best it can be, and how the Board of Directors operates is critical.

- > The BOD decides and manages the current 8+ million dollar budget (with Management Council approval for Shared Area expenses.)
- > The BOD and Management Council select the Management company for MCC's property.
- > The BOD has a fiduciary duty to protect MCC's property values.

A 2017 evaluation of the property by engineers, architects and contractors determined that we had approximately 37 million dollars of deferred maintenance that needs to be done on MCC's neglected 45 year-old structures. Piping, elevators, roofing, windows, and much more must be fixed.

All of this is why it is important to elect directors who are qualified, honest, and open in their actions; directors who understand what needs to be done, and can work together to figure out how to get the funds, and do it.

Owners may have received Emails about certain residents' dissatisfaction with the current

board, which shows there is a lot of turmoil here. That turmoil, along with the condition of our property, the possibility of an assessment, and the Maintenance Fees plus Ground rent that equal a higher cost to live here, all cause MCC property values to be much lower than nearby luxury condos, and they affect prices of home sales and rentals. To compare prices, check out real estate flyers and brochures.

Realtors point out that MCC is an icon of Marina del Rey, and still the only condo property right on the water, with panoramic views of pleasure boats and the ocean, a restaurant, a full fitness center, tennis, and just steps away from a beach with resort activities. They say if MCC was fixed up, it would significantly increase property values .

It is important for *all* owners to be aware of what is happening here and participate. Without enough votes, it is very difficult to elect good board members and make necessary governing document changes that require a majority vote.

To learn what is happening in the community, join the Owners' Group meetings, read the Newsletter, email us, or post your comments and questions on the Group website, and see what others think.

NEW: MCC Website - by Fred Krogh

Our website: "<https://mcc-owners.org> User: **mcc** Password: **Just4us!** has had many changes since the first announcement. We are looking for more input from others. Anything you would care to add would help us to build a community around the site. A lack of input greatly reduces the value of the site. We are in a phase of "I don't want to post anything because nobody else is", or "Why bother if no one is going to see?". We are hoping to work past this phase with further input, and improvements.

Legal Update - Continued From Page 1

A hearing on another lawsuit against the Association is soon. After the March 2019 election, Erik Senko claimed HOA Elections of California had wrongly rejected Mark Greenberg's proxies because he was a non-owner/member. The case was amended, naming the Association as the defendant.

The March election meeting had to be rescheduled due to lack of quorum. During the trial, it was discovered that the rules to adjourn and reschedule the election meeting may not have been followed correctly. Ultimately, the court decided that HOA

Elections was correct in refusing Mark Greenberg's proxies. The judge also ruled that the Association violated proper election procedures. He didn't recall the directors. Instead, their two year terms were reduced to one year. The election in June resulted.

Mr. Senko now wants the court to name him the winner of the case. The Association said that both sides won a point and lost a point, so there is no winner. The outcome is important. If Mr. Senko prevails, the Association may have to pay his legal fees. The hearing date, time, and place will be announced.