

COMMON INTEREST COMMUNITY BOARD

MINUTES OF MEETING

The Common Interest Community Board (Board) met on September 6, 2018, at the Department of Professional and Occupational Regulation (DPOR), 9960 Mayland Drive, 2nd Floor, Board Room 3, Richmond, Virginia 23233.

The following members were present:

Lucia Anna Trigiani, Chair
Maureen A. Baker
Kimberly Kacani
Eugenia Lockett Reese
Paul Orlando
Lori Overholt
Katherine E. Waddell

Board members Mary Elizabeth Johnson and Scott Sterling were not in attendance at the meeting.

DPOR staff present for all or part of the meeting included:

Trisha L. Henshaw, Executive Director
Heather Gillespie, Ombudsman
Joseph C. Haughwout, Jr., Board and Regulatory Administrator
Tanya M. Pettus, Administrative Assistant

Joshua Laws, Assistant Attorney General with the Office of the Attorney General, was present.

Finding a quorum of the Board present, Ms. Trigiani, Chair, called the **Call to Order** meeting to order at 9:38 a.m.

Ms. Trigiani advised the Board of the emergency evacuation procedures. **Emergency Evacuation Procedures**

Ms. Henshaw advised the Board of amendments to the agenda. Ms. Baker moved to approve the agenda as amended. Ms. Kacani seconded the motion which was unanimously approved by: Baker, Kacani, Lockett Reese, Orlando, Overholt, Trigiani, and Waddell. **Approval of Agenda**

Ms. Kacani moved to approve the June 7, 2018 Board meeting minutes as presented. Ms. Baker seconded the motion. After discussion, Ms. Kacani amended her motion and moved to approve the June 7, 2018 **Approval of Minutes**

Board meeting minutes as amended. Ms. Baker seconded the motion which was unanimously approved by: Baker, Kacani, Lockett Reese, Orlando, Overholt, Trigiani, and Waddell.

There were no members of the public present to address the Board on matters other than the case file to be presented.

**Public Comment
Period**

In the matter of **File Number 2018-03372, Ann Marie Redlund**, the Board members reviewed the record which consisted of the application file, transcript, and exhibits from the Informal Fact-Finding Conference, and the Presiding Officer's Summary and Recommendation.

**File Number 2018-
03372, Ann Marie
Redlund**

Ms. Redlund was present to address the Board and thanked them for their time and consideration. Ms. Redlund stated that she is a different person than she was thirteen years ago, and she regrets that her past mistakes have taken the Board's time. Ms. Redlund took responsibility for her actions and stated that she makes efforts every day to repair her reputation.

After discussion, Ms. Overholt moved to accept the recommendation of the Presiding Officer and approve Ms. Redlund's application for a principal or supervisory employee certificate. Ms. Waddell seconded the motion which was unanimously approved by: Baker, Kacani, Lockett Reese, Orlando, Overholt, Trigiani, and Waddell.

Mr. Haughwout provided an update on the current status of the regulatory review processes for the Board's regulatory packages:

**Update on
Regulatory Review
Process**

Executive branch review of a notice of intended regulatory action (NOIRA) for a general review of the CIC Management Information Fund Regulations was completed on August 22, 2018. The NOIRA will be published in the Virginia Register on September 17, 2018. A public comment period will be held from September 17, 2018 to October 17, 2018. The CIC Management Information Fund Regulatory Review Committee is scheduled to meet on September 27, 2018 to review the CIC Management Information Fund regulations.

Amendments to the Time-Share Regulations as a result of HB674/SB443, which passed during the 2018 General Assembly session, were adopted by the Board on June 7, 2018. Following the revision of forms affected by the amendments, the regulatory package will be submitted for publication.

Ms. Henshaw presented the Board with the list of stakeholders who will serve on the CIC Management Information Fund Regulatory Review

**Management
Information Fund**

Committee scheduled to meet on September 27, 2018. Ms. Henshaw asked the Board to consider inviting Dave Watts to serve on the Committee as an association representative even though he is no longer a member of the Board. After discussion, Mr. Orlando moved to authorize staff to extend an invitation to Mr. Watts to serve on the Committee as an association representative. Ms. Waddell seconded the motion which was unanimously approved by: Baker, Kacani, Lockett Reese, Orlando, Overholt, Trigiani, and Waddell.

**Regulatory Review
Committee Update**

Due to changes in Board membership, Ms. Henshaw asked the Board to consider updating the membership of the Training Program Review Committee. After discussion, Mr. Orlando moved to appoint Ms. Baker, Ms. Lockett Reese, and Ms. Waddell to the Training Program Review Committee. In addition, Mr. Orlando will serve as Chair of the Committee. Ms. Overholt seconded the motion which was unanimously approved by: Baker, Kacani, Lockett Reese, Orlando, Overholt, Trigiani, and Waddell.

**Discuss Training
Program Review
Committee
Membership**

Ms. Henshaw and Mr. Haughwout advised the Board that an inquiry from a representative of a time-share developer was received wherein the time-share developer was seeking permission to maintain a single blanket escrow bond for multiple time-share projects. After discussion, the Board agreed by consensus that all time-share developers must comply with the applicable statutes. The statute referenced in the inquiry, § 55-375 of the Code of Virginia, states the following as applicable to a developer obtaining and maintaining a blanket surety bond in lieu of escrowing deposits:

**Consider Inquiry
Regarding Blanket
Escrow Bonds and
the Time-Share Act**

“B. In lieu of escrowing deposits as provided in subsection A, the developer of a time-share project consisting of more than 25 units may:

1. Obtain and maintain a corporate surety bond issued by a surety authorized to do business in the Commonwealth, in the form and amount set forth in subsection C below; or
2. Obtain and maintain an irrevocable letter of credit issued by a financial institution whose accounts are insured by the FDIC, in the form and amount set forth in subsection D.

“The surety bond or letter of credit shall be maintained until (i) the expiration of the purchaser's cancellation period, (ii) the purchaser's default under a purchase contract for the time-share estate entitling the developer to retain the deposit, or (iii) the refund of the deposit to the time-share purchaser, whichever occurs first.

“C. The surety bond shall be payable to the Commonwealth for the use

and benefit of every person protected under the provisions of this chapter. The developer shall file the bond with the Common Interest Community Board. The surety bond may be either in the form of an individual bond for each deposit accepted by the developer or, if the total amount of the deposits accepted by the developer under this chapter exceeds \$10,000, it may be in the form of a blanket bond. If the bond is a blanket bond, the amount shall be as follows. If the amount of such deposits is:

1. More than \$10,000 but not more than \$75,000, the blanket bond shall be \$75,000;
2. More than \$75,000 but less than \$200,000, the blanket bond shall be \$200,000;
3. \$200,000 or more but less than \$500,000, the blanket bond shall be \$500,000;
4. \$500,000 or more but less than \$1 million, the blanket bond shall be \$1 million; and
5. \$1 million or more, the blanket bond shall be 100 percent of the amount of such deposits.”

A developer who does not meet the requirements to utilize a surety bond or letter of credit, or otherwise chooses not to utilize such option, may hold in escrow any deposit made in connection with the purchase or reservation of a product, pursuant to § 55.375.A.

The Board was provided with current complaint and file statistics as of August 31, 2018.

Ombudsman Report

Ms. Henshaw provided the Board with the most recent financial statements and advised the Board that there have been no claims from the Recovery Fund.

Board Financial Statements

Ms. Henshaw provided an overview of recent events attended by Board staff and the Ombudsman.

Staff Event Calendar

Ms. Henshaw provided the Board with an update from the most recent meeting of the CIC Workgroup of the Virginia Housing Commission, held on August 7, 2018.

CIC Workgroup of the VA Housing Commission Update

Ms. Trigiani reminded the Board members to complete their conflict of interest forms and travel vouchers.

Complete Conflict of Interest Forms and Travel Vouchers

There being no further business, the meeting was adjourned at 10:43

Adjourn

a.m.



Lucia Anna Trigiani, Chair



Jay W. DeBoer, Secretary

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: Lucia Anna Trigiani
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

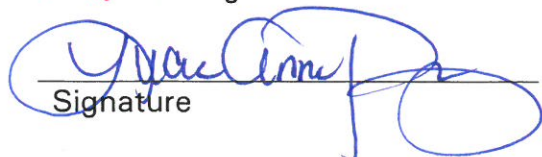
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.


Signature

9/6/2018
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: Maureen A. Baker
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.

Maureen A Baker
Signature

9/6/18
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: Kimberly B. Kacani
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

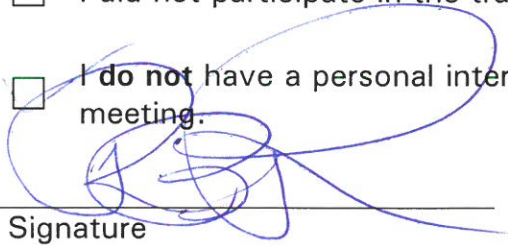
I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.

Signature



Date

9-6-2018

CONFLICT OF INTERESTS ACT

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

- 1. Name: Eugenia Lockett Reese
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

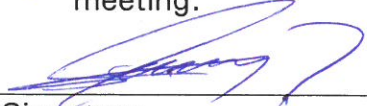
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.


or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.



Signature



Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

- 1. Name: Paul Orlando
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.

P. L. Orlando
Signature

9/6/18
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: Lori Overholt
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.

Lori Overholt
Signature

9/6/18
Date

CONFLICT OF INTERESTS ACT

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

- 1. Name: Katherine E. Waddell
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting September 6, 2018

5. I have a personal interest in the following transaction:

Nature of Personal Interest Affected by Transaction:

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interest in any transactions taken at this meeting.

Katherine E. Waddell 9/6/18
Signature Date