

The Transition Process

In our first posting from the Transition Team, we shared with you the factors that control the Transition from Developer Home Owners Association to a Resident Home Owners Association. Florida Statute Chapter 720 paragraph 307 provides guidance for this Transition.

Lennar has sold and closed 90% of the planned homes in the community and therefore the Transition process to a fully resident controlled community is beginning. You will receive a letter from Lennar announcing the election of a majority owner BOD. This is called TRANSFER OF CONTROL because control of the HOA will be transferred from a BOD controlled by the Declarant (Lennar) to a BOD controlled by the owners. The letter will include a form to fill out and submit if you wish to run for election to the BOD. We will elect 7 directors to the board. It should be noted that each unit/home has ONE BALLOT for the selection of seven resident Board of Directors (BOD). Regardless of the number of names there are on the purchase contract, there is only one ballot where you can vote for seven candidates.

Within ninety (90) days after Transfer of Control, the Declarant is required to deliver to the association a long list of documents related to ownership and operation of the HOA (see F.S.720.307 (4) for the detailed list.)

This completes the Transition process as outlined in the statute.

Please note that this process has NOTHING TO DO WITH THE AMENITY FACILITY. The Amenity will continue to be owned by WCI and while we continue to have certain rights of use, we will have no management control and will continue to be required to pay assessments set by the Amenity owner who unilaterally prepares the budget.

The Transition Team was constituted by Elliot Lipson as the duly elected Resident HOA BOD member. Some members volunteered their expertise and Elliot requested others to participate. The role of the Transition Team is to prepare recommendations for the newly elected BOD to consider. The Transition Team can review documents, budgets, and governing documents and make proposals, but the actual decision making will be done by the new BOD. When the newly elected BOD is constituted they will have a monumental list of things that need to be accomplished as we move into a Resident Controlled community.

What's Happening Next?

The letter from Lennar to all home owners is scheduled to be mailed on May 19, 2023 announcing that the election will be held on July 18th at 2:00 p.m. The letter will include the agenda for both the “Turnover Meeting” and the “Board of Directors Organizational Meeting”. In addition, the letter will include a Candidate Application form to submit if you wish to run for election to the BOD. This Application Form is due no later than June 8, 2023. There will be NO nominations allowed at the election meeting, so if you miss the deadline for returning your indication to run form, you will NOT be on the ballot. Candidates will also have an opportunity to submit a one page description of their qualifications and/or reasons for running for the board that will be sent to all residents along with the list of candidates at least **14 days before** the election. An official, structured, “meet the candidate forum” will be held. We are working with Troon to have the forum accessible via Zoom. After the election on July 18th, there will be an organizational meeting of the Board of Directors consisting of 7 home owners. Lennar will then have three months to completely hand over all of the legal documents required to run the community. Additionally there will be a Consent to Electronic Voting and/or Electronic Association Notices that you can select to complete. This option could be particularly helpful for those who travel a good bit or who are seasonal residents.

Troonⁱ, our new HOA/Amenity managers, will be holding a town hall style meeting May 22, to introduce our new General Manager to the community and review routine, normal, HOA operations. While Troon will be helping us with the transition process, that’s not the purpose of this meeting.

The Transition Team, through this webpage Transition News, will provide updates on the Transition process and information on what the Team is considering for recommendation to the new BOD.

What Will Actually Happen at the Transfer of Control

The new, resident only BOD elected July 18th, will have authority to manage the community in accordance with the appropriate laws and community documents, independent of the Declarant. Some of the immediate tasks ahead for the new Resident BOD will include:

- A. Review, establish, adopt and implement procedures for routine and ongoing management of the community, including decisions about the contractors we use. A schedule for BOD meetings will need to be established and published; Committees to assist the BOD will need to be established and populated with volunteers; documents will need review and potential modification, and oversight of financial operations will be more formally established. In addition, major policy issues such as the establishment of Reserve funding and possibly an Improvement Fund will need to be considered.
- B. The BOD will need to determine if the Declarant has fulfilled all its responsibilities for completion of the Transition process. This will likely require:
 - 1. Engineering experts to determine the adequacy of design and identify possible defects in any of the facilities that are a part of the HOA.
 - 2. Financial experts to review and recommend correction of financial transactions since the inception of the community.
 - 3. Legal advice, and if necessary, legal actions necessary to ensure that the Developer has met all its obligations to the community and satisfactorily completed the Transition process.
- C. Determine if the Amenity Center should be purchased and if so, carry out the necessary actions to execute the transaction.

It is important to remember the Transition Team is merely researching and preparing recommendations to be presented to the new BOD that will be elected on July 18, 2023. All decisions will be made by the newly elected BOD.

Elliot Lipson
Resident Director.
Susan Speece
Communications Chair
