

OLD BRAESWOOD PROPERTY OWNERS ASSOCIATION, INC.

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January 3, 2022

Dear Neighbors,

Greetings and happy new year!

My name is Ann Garnett and I have lived in Old Braeswood for over 29 years. I have been on the Executive Board of the Old Braeswood Property Owners Association (“OBPOA”) for the last two years. I am a corporate/business attorney with 30 years’ experience and have a lot of experience in the creation and implementation of Bylaws. One of my assignments from the OBPOA is to update its Bylaws.

I recently received a summary of proposals for changes to our Bylaws and deed restrictions from our neighbor, George Hittner, for which he is seeking votes. Many of his suggestions are positive and will be evaluated further by the OBPOA. However, other suggested changes would **threaten our neighborhood safety and security and make us more vulnerable to external attack.**

The following are my thoughts on a few of Mr. Hittner’s proposals based on my recent experience on the Executive Board and as chairman of the Bylaws Committee:

1. **The first three suggested proposals to Amend Article VIII of the Bylaws to require a dedicated “Beautification Fund”.** These proposals would require either 25%, 10% or 3% of the Membership Dues received by the OBPOA to be deposited into a Beautification Fund.
 - a. **Problem:** We do not have mandatory membership dues and **only approximately 60% of Members contribute dues on an annual basis.** As a result, the dues received barely cover the OBPOA’s expenses on a yearly basis. If 25%, 10% or even 3% of dues must be diverted to a Beautification Fund, the OBPOA will have to cut back on its major expenses, such as security (SEAL service), insurance and mosquito spraying.
 - b. **Problem Solver #1:** Mandatory dues and patrol subscriptions will need to be instituted as part of Mr. Hittner’s proposal. Amending the Bylaws for mandatory dues requires approval from owners of at least 60% of the property in the subdivisions comprising the POA. The last initiative in 2015 to institute mandatory dues failed by 30 votes. The Executive Board has been reluctant to ask for another vote to institute mandatory dues as some neighbors have suffered hardships due to Covid and its effects. Polling the Members on this issue will require a lot of door-to-door meetings. This is not prudent given the current Covid backdrop.

- c. Problem Solver #2: An alternative proposal is to create a new ad hoc committee for a Beautification Fund fundraising that could work with other existing Board committees, the Old Braeswood Park Corporation (its 501(c)(3) charter includes beautification efforts) and the Garden Club. For example, we have in the past conducted home tours which could be expanded into more of a fundraising event (following Covid procedures) with proceeds every year going to the Beautification Fund.
 2. **The fourth suggested proposal to amend Article VIII of the Bylaws to require that 4/5s of the Executive Committee vote to approve the payment of legal fees from the OBPA funds and for the retention of legal counsel that would be paid with OBPOA funds.**
 - a. Major Problem #1: This proposal is a **major threat to our neighborhood**. We currently have 9 people on the Executive Committee which includes 8 current officers and our past president. A 4/5ths vote requires 8 people on the Executive Committee to approve the hiring of legal counsel if the neighborhood is sued or needs to file suit. 2 no votes on the Executive Committee would mean the OBPOA could not **hire a lawyer to protect itself to defend a lawsuit filed against us. In addition, 2 no votes would mean the neighborhood will not be able to enforce our deed restrictions if violated.** In the 1950's/1960's, the neighborhoods' deed restrictions lapsed on the north side of Dorrington Street when the neighborhood failed to enforce them in a legal action. As a result, owners of property on Dorrington Street can open and operate businesses on that street. A lot of businesses, including medical offices, a dental office, flower shops and a bank operate on Dorrington. In addition, multi-party residences are no longer prohibited on Dorrington, and many have been built on that street. In the worst-case scenario, the rest of this neighborhood could theoretically follow suit if the OBPOA is limited in its ability to hire legal counsel.
 - b. Problem #2: In the event the OBPOA cannot act, individuals in the neighborhood will need to raise the money from property owners in the neighborhood each time the neighborhood is sued or there is a need to enforce one of the deed restrictions.
 3. **The Fifth, Sixth and Seventh Proposals to (1) suspend the current Architectural Guidelines, (2) establishment of an ad hoc committee to review the Architectural Guidelines and (3) resolution to approve amended Architectural Guidelines.**
 - a. Problem Solver: The OBPOA has already taken action to review these issues. OBPOA president, Dr. Samia Khalil, instituted the following in the fall of 2021:
 - i. created a task force (the "Task Force") to investigate neighborhood concerns regarding the Architectural Review Committee ("ARC"). Three members of the Executive Committee (including Erica Hittner, Fred Steves, and Alex Roberts) have interviewed neighbors and are compiling information on responses. As soon as the Task Force has completed its review and provided the results to Dr. Khalil, that information will be evaluated and acted upon.

- ii. Concurrently, Dr. Khalil is studying the framework for the ARC and new ad hoc Architectural Guidelines Review Committee and will include her own findings with the findings of the Task Force to make recommendations and potential changes.
 - iii. As the process is already underway, the current Architectural Review Guidelines should remain in place until they have been refreshed, updated, reviewed and approved by the new Architectural Guidelines Review Committee appointed by Dr. Khalil, the members at large and the Executive Committee.
 - iv. A new State law allows for an appeal of an ARC decision by a Property Owner to the entire Executive Committee. The first appeal to the Executive Committee resulted in a decision for the homeowner. A second appeal is scheduled to occur in the near future.
4. **9th Proposal to approve the employment contract of the external neighborhood manager (currently Evalyn Krudy) by a minimum of 21% of the eligible voting Members.**
- a. Problem Solver: It is the Executive Committee's responsibility to discuss and approve the hiring of the external neighborhood manager each year which includes soliciting and evaluating proposals from management companies. Members could potentially approve the external neighborhood manager's contract at the Annual Meeting by a majority vote of those in attendance. As previously discussed, votes by the full membership will require polling all property owners, either by door-to-door meetings or some other means. Door to door meetings currently are not prudent due to Covid. It is important to remember that the members of the Executive Committee and ad hoc committee members are all volunteers. It is therefore important to hire a good and experienced external neighborhood manager in a timely manner.

Thank you for indulging the length of this email. I only touched upon the proposals that are the most concerning to me. I think it is important for every voter to have all the facts and information available before a vote is cast on any important change to the Association's Bylaws.

If you have any questions. Please let me know.

Best regards and happy new year!

Ann Garnett, Vice President
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