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9 HUNTINGTON CONTINENTAL TOWN  
10 HOUSE ASSOCIATION, INC.

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF ORANGE**

In re HUNTINGTON CONTINENTAL  
TOWN HOUSE ASSOCIATION, INC.,

Petitioner.

CASE NO. 30-2022-01299074-CU-PT-CJC

**DECLARATION OF MARGARET  
RAHM IN SUPPORT OF PETITION TO  
REDUCE PERCENTAGE OF  
AFFIRMATIVE VOTES TO AMEND  
CC&RS (CIVIL CODE § 4275)**

*[Filed concurrently with Petition to Reduce  
Voting Percentage; Table of Exhibits; and  
[Proposed] Order for Notice and Setting]*

**Date:**  
**Time:**  
**Dept:**

**DECLARATION OF MARGARET RAHM**

I, Margaret Rahm, declare:

1. I am Director of Community Management with Optimum Professional Property Management, Inc., the managing agent for Petitioner Huntington Continental Town House Association, Inc. (“Association”). I have received the professional distinction of Certified Manager of Community Associations (“CMCA”), a credential earned by individuals working in the community association management industry, which is based on experience and the completion of acceptable coursework and testing on community associations.

1           2.       I make this Declaration in support of the Association’s Petition to Reduce  
2 Percentage of Affirmative Votes Required to Amend the CC&Rs (“Petition”). I have personal  
3 knowledge of the facts set forth in this Declaration and, if called as a witness, I could and  
4 would competently testify thereto.

5           3.       The Association is a community consisting of 445 townhomes located in South  
6 Huntington Beach, California. Under the direction of the Association’s Board of Directors, I  
7 am responsible for supervising the day-to-day management of the Association and assisting in  
8 carrying out its responsibilities under the current Articles of Incorporation (“Articles”), By-  
9 Laws, and Declaration of Restrictions (“CC&Rs”) recorded on February 28, 1963, in Book  
10 6449 Page 238 of the Official Records of Orange County, California (collectively “Governing  
11 Documents”). True and correct copies of each are attached to the accompanying Table of  
12 Exhibits as *Exhibits E (Articles), F (By-Laws) and G (CC&Rs)* respectively.

13           4.       I am responsible for maintaining the Association's records and distributing  
14 notices to members as required by law, such as budgets, financial statements, insurance  
15 summaries, and in this particular instance, all notices, ballots, and other relevant  
16 communications pertaining to the vote on the Restated CC&Rs. I am generally familiar with  
17 the Association's Governing Documents, and I also attend Association Board meetings.

18           5.       Pursuant to the current CC&Rs, any amendment requires approval of at least  
19 seventy-five percent (75%) of the membership (i.e., at least 334 of the 445 votes).

20           6.       The current CC&Rs are nearly 60 years old. They were never amended to  
21 comply with adoption of the Davis-Stirling Act or to reflect current law regarding common  
22 interest developments. This has led to confusion with the membership, management, and the  
23 Board as certain restrictions either cannot be enforced because they would violate the Civil  
24 Code or they are simply outdated. A true and correct copy of the proposed First Amended and  
25 Restated Declaration of Covenants, Conditions, Restrictions and Easements (“Restated  
26 CC&Rs”) is attached in its entirety to the accompanying Table of Exhibits as *Exhibit H*.

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1                   **Association Efforts to Solicit or Permit Vote of the Full Membership**

2           7.       The Association has been working closely with its Membership to successfully  
3 restate its CC&Rs for nearly two years. As early as mid-December of 2020, the Association  
4 created an Online Questionnaire that permitted all Owners the ability to submit comments to  
5 the Board and the CC&Rs Committee. We received 76 responses.

6           8.       After multiple drafts and revisions, the Association held a series of Town Halls  
7 each weekend in October 2021 to discuss the anticipated amendments and allow all Owners to  
8 voice any issues of concern. These were held both in person and by Zoom and were staggered  
9 between morning and afternoon so Owners could attend as their schedule permitted. Written  
10 invitations were sent to each Owner, along with Facebook reminders, and posted on the  
11 Association’s website. A true and correct copy of the Website Posting, is attached to the Table  
12 of Exhibits as part of **Exhibit C**. The Owners’ comments were then considered by the Board,  
13 which worked closely with legal counsel on further drafts and revisions.

14           9.       The initial voting period for the Restated CC&Rs began in May 2022. The  
15 Association created a “Get Out the Vote – Community Outreach Committee” and held “Train  
16 the Trainer” sessions to help owners talk to their neighbors about the importance of the vote for  
17 the community. Around 50 signs encouraging the vote were placed throughout the community,  
18 including 2 extra large “Uncle Sam” posters at each of the entrances. A true and correct copy  
19 of the Website Posting soliciting assistance for the Outreach Committee is included as part of  
20 **Exhibit C**. Similar postings were made on other forms of Social media.

21           10.      The vote on the Restated CC&Rs was initially set for June 27, 2022. All  
22 Owners were provided the full text of the Restated CC&Rs, as well as a Notice of Election  
23 (which included a summary of the proposed Amendments and their importance). This packet  
24 also included a set of Voting Instructions and Secret Ballot. The voting documents were mailed  
25 in “priority” envelopes to help ensure that they were received by the membership. True and  
26 correct copies of the voting packet is attached to the Table of Exhibits as **Exhibit A**.

27           11.      After the voting information and the ballots were distributed, the Association  
28 created a “How to complete your ballot!” YouTube video to help explain what each of the

1 documents meant and the correct process for voting by Secret Ballot. This video is still active  
2 and can be viewed at <https://www.youtube.com/watch?v=ozpH9gJJ8Dc>.

3 12. Prior to the first voting deadline, the Association engaged in a number of  
4 activities to help encourage the community to participate in the voting process and return their  
5 signed ballots. Many of these efforts are reflected in Website and Social media posts, true and  
6 correct copies of which are attached to the accompanying Table of Exhibits as *Exhibit D*.

7 These include:

- 8 • Holding two “Signing Parties” on 5/21/22 and 6/11/22, where snacks and drinks  
9 were provided, and any questions could be answered about the proposed  
10 amendments or the voting process itself; and
- 11 • Email blasts on 5/27/22 and day of the vote 6/27/22 containing the ballot count and  
12 reminding of the available locations for pick up and drop off.

13 13. At the first special meeting for the vote, on June 27, 2022, the Association  
14 received only 161 ballots. Given the voter apathy, the ballots were not opened, and the vote  
15 was adjourned to August 29, 2022, to permit members additional time.

16 14. Understanding the practical challenge to obtain the required membership vote,  
17 the Association continued to solicit votes, and the Board of Directors gave its best effort to  
18 notify and inform the membership prior to the second special meeting. During that two-month  
19 period, the Association again engaged in a series of efforts to attempt to increase voter  
20 participation, including:

- 21 • Focused emails to Owners that had not yet turned in a ballot on 7/11/22, 8/17/22,  
22 8/22/22, and 8/29/22;
- 23 • Door to door canvassing by members of the Board and management on 8/5/22 and  
24 8/12/22; and
- 25 • Hosting a “Movie Night” and signing party on 8/27/22 (photographs of which are  
26 reflected on the final page of *Exhibit D*).

27 15. Due to these efforts, by the second special meeting on August 29, 2022, the  
28 Association had received a significant number of additional ballots, but still fell short with only

1 247 ballots. Again, the Board elected to not open the ballots and instead extend the vote until  
2 September 26, 2022.

3 16. The Association again communicated directly with those individual members  
4 who had not yet returned a ballot. Focused emails were sent to each of these homeowners on  
5 9/7/22, 9/16/22, and 9/23/22. Members of the Board and management again made visits and  
6 telephone calls to emphasize the importance of voter participation and try to encourage each of  
7 the members to vote before the meeting in September.

8 17. The Association still did not receive participation of seventy-five percent (75%)  
9 of members to approve the proposed amendments, and the Board elected to extend the vote one  
10 final time to October 24, 2022. Once again, my office, the Board, and the homeowner voting  
11 committee all continued efforts to encourage the remaining Owners to participate.

#### 12 **Final Tabulation of the Received Ballots**

13 18. Joy Rogers and Courtney Tea with Accurate Voting Services were appointed to  
14 serve as the Inspectors of Election in connection with the vote on the Restated CC&Rs. Neither  
15 of these individuals are members of the Board of Directors, nor are they otherwise currently  
16 employed or under contract with the Association. As Inspectors of Election, their duties  
17 included acceptance, review, and tabulation of the ballots.

18 19. At the extended special meeting on October 24, 2022 (which was the 4th  
19 Special Meeting for this purpose), Ms. Rogers accepted, reviewed, and tabulated all of the  
20 ballots received. Of the 445 total possible members, 294 ballots were returned. 263 members  
21 voted to approve the Restated CC&Rs (which is 59.1% of the total voting power), and 26  
22 members voted against, with 5 members abstaining so the ballot only counted for purposes of  
23 meeting quorum. Notably, this meant that out of those that voted, 89.5% approved of the  
24 amendments. A true and correct copy of the Inspector of Election Report from Accurate  
25 Voting Services, certified by Ms. Rogers and Ms. Tea under penalty of perjury, is attached to  
26 the accompanying Table of Exhibits as *Exhibit B*.

27 20. The current CC&Rs do not require the Association to provide notice to lenders  
28 or mortgagees, or the City or County, prior to amendment. Further, the Restated CC&Rs do not

1 attempt to revise or alter any of the rights held by mortgagees, but instead actually increase the  
2 level of protection afforded to them.

3 21. The voting and solicitation for ballots for the Restated CC&Rs was conducted  
4 in accordance with the Association's Governing Documents and the provisions of the Davis-  
5 Stirling Act (specifically Civil Code sections 5100 through 5135).

6 22. **Paragraph 13 of the CC&Rs** currently states the Declaration may be amended  
7 by the approval of not less than three-quarters (75%) of the Owners. Thus, at least 334 of the  
8 445 Owners would have been required to vote in favor of the Restated CC&Rs in order to be  
9 approved without the assistance of the Court through the current statutory process.

10 23. As a result of the above requirement, the Association did not achieve the  
11 approval for the Restated CC&Rs due to general voter apathy and a clear difficulty in even  
12 obtaining seventy-five percent (75%) of members to participate at all in the election, let alone  
13 to cast an approving vote.

14 24. In my experience and the experience of those I work with, it is generally  
15 difficult in most common interest developments to get members to participate in votes or  
16 attend meetings. Only a small number of members in the Association attend regularly  
17 scheduled Board meetings and annual meetings. The Board of Directors, my office, and a very  
18 proactive homeowner committee all attempted to encourage strong voter turnout for this  
19 election but was ultimately unsuccessful. Based on my experience in the community and the  
20 number of attempts made to get the members to vote, including numerous social events, direct  
21 reminders and ballot extensions, I do not believe that further efforts would result in a  
22 significant increase in voter participation.

23 I declare under penalty of perjury under the laws of the State of California that the  
24 foregoing is true and correct. Executed this 21st day of November 2022 at Irvine, California.

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27 Margaret Rahm, CMCA  
28 Director of Community Management