

**HILL WALLACK LLP**

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**RIVER RIDGE CONDOMINIUM UNIT OWNERS' COALITION**, an unincorporated association; **ELLIOT CHAN; ELIZABETH LEE;** and **MI SUN KAREN LEE,**

Plaintiffs

vs.

**RIVER RIDGE CONDOMINIUM ASSOCIATION, INC.**, a Non-Profit Corporation of New Jersey; and **NORMAN ADAMS; SHERRI BENEKE; DAVID BEREZIN; MICHAEL DEMATTIA; PAUL KIM; ARIELE KRANTZOW; BOB MOHL; MOUNZER TCHELEBI;** and **JOHN DOE(S), which name or names are fictitious**, in their capacities as Directors and/or Officers of River Ridge Condominium Association, Inc.,

Defendants

**SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION –  
BERGEN COUNTY**

Docket No.

Civil Action

**CERTIFICATION OF SUSAN M. LEE  
IN SUPPORT OF APPLICATION FOR  
PRELIMINARY INJUNCTIVE RELIEF**

I, Susan M. Lee, hereby certify the following:

1. I am a unit owner in the River Ridge Condominium, 200 Old Palisade Road, Unit 1-G, Fort Lee, New Jersey. I co-own and live at this residence with my mother, Elizabeth Lee. I am the president of the River Ridge Condominium Unit Owners' Coalition. I make this certification in support of the plaintiffs' application in

this matter for preliminary and permanent injunctive relief and particularly to apprise the Court of the history that has led to this application.

2. I am a duly licensed attorney of the State of New Jersey and practice community association law with a law firm other than Hill Wallack LLP. However, my participation in this matter is not as attorney but as a unit owner and president of the Coalition, and I am not serving as legal counsel for the plaintiffs in this matter.

3. River Ridge Condominium contains 243 condominium units. Each unit owner is a member of the River Ridge Condominium Association, Inc.

4. I moved into Unit 1-G at the River Ridge Condominium in June, 2020 and during the peak of the COVID-19 pandemic. My mother, who was living in her own one-bedroom unit, Unit 19-D, moved into Unit 1-G at the end of August, 2020. In November, 2020, I was elected to the Condominium Association's Board of Directors.

5. During early spring, 2021, the Board reviewed specifications prepared by Falcon Engineering for full exterior façade repair and restoration. The specifications went out for bids. During late spring, it became apparent that the majority of the Board intended to select a contractor and execute a \$5.5 million dollar construction contract without seeking any input from the unit owners.

6. In my experience, most common interest ownership communities require approval from a percentage of the unit owners to authorize a substantial capital expenditure or to specially assess the unit owners a large sum, so I was concerned regarding the Board's authority. I reviewed the Association's governing documents and discovered that the original By-laws had contained a provision allowing a special

assessment to be imposed on the units but only if approved by a 75% vote of the owners. In 2004 the By-laws were amended, and that section was eliminated. It is not clear whether the elimination of the authority to specially assess was by mistake or intentional. However, the effect is that while removing the requirement that the Board obtain unit owners' approval for substantial assessments, it also removed the Board's ability to issue special and emergency assessments.

7. I suggested that the Board seek legal counsel from the Association's attorney, Patricia Herbert, Esq., as to the extent of its authority. After some resistance from other Board members, we learned that another attorney, Benjamin Lambert, Esq., had been consulting with the Association's president, Norman Adams. Mr. Adams informed the Board that the Board had no authority to impose a special assessment.

8. Therefore, the majority of the Board decided they would raise the funds for the construction project by injecting the entire amount of the project into the Association's annual budget. Applying \$1.6 million already in the reserve account, the balance needed would be paid by the unit owners through their annual assessments, thereby funding the entire construction project within one year. The result would be that all unit owners' monthly common expense assessments (maintenance fees) would be doubled.

9. On July 2, 2021, at 6:16 pm, the Friday evening of the Fourth of July weekend, the Board issued via email its notice to the Association members of, among other things, its proposed annual budget for fiscal year August 1, 2021-July 31, 2022. A copy of the notice, which includes the 2021-2022 budget, is attached to this Certification as Exhibit A. The notice stated that in 11 days (four of which were part of a major



holiday weekend), the Board would pass an annual budget that would double the unit owners' monthly maintenance fees. Furthermore, the maintenance fee increase would go into effect just 19 days later, giving extremely short notice of an extraordinary (and for some, adversely life-altering) change to many unit owners' personal and financial circumstances. (I had not been informed earlier that notice was to be given in this manner.)

10. On Saturday, July 3<sup>rd</sup>, I sent an eblast to all residents that my mother and I knew at the building. That eblast notified unit owners that their monthly maintenance fees were about to be doubled and that they must read the recent email notice sent by Management. I received responses and communications from a number of people indicating that they had not realized that they had received this important notice. Many were traveling or engaged in Fourth of July family activities.

11. I continued to argue with the Board regarding the proposed annual budget. In particular, I argued that funding the façade project through the annual budget was not the correct funding method because the project is not a repeating operating cost for the Association. Rather, it is a long-term capital improvement that unit owners should not be forced to fast fund within one year. I took the position that the Board should have first canvassed its constituents to determine whether all the families could absorb such an enormous and sudden financial obligation. I also suggested that the Board first seek to amend the By-laws to authorize a special assessment that could be implemented over a stated time frame and also that would have to be approved by a percentage of the unit owners. In addition, I noted that the Board should have applied for a line of credit so that it could offer a payment plan with

more reasonable terms payable over a longer time period. The Board rejected these suggestions.

12. On Wednesday, July 7<sup>th</sup>, I resigned from the Board. That evening, I held a town hall meeting of River Ridge unit owners, and the River Ridge Condominium Unit Owners' Coalition was formed.

13. The Coalition presently has 110 registered members representing 115 units.

14. On July 12<sup>th</sup>, we submitted to the Board a demand signed by or on behalf of 96 unit owners that the Board refrain from adopting the proposed budget and maintenance fee increase and that the Board refrain from approving a contract for the façade project until adequate funding has been secured. A copy of that demand is attached as Exhibit B.

15. On July 13<sup>th</sup>, the Coalition submitted a petition signed by unit owners calling for a special meeting of the membership of the River Ridge Condominium Association for the purpose of allowing the Association's members to vote on amending certain provisions of the By-laws.

16. At the July 13, 2021 open Board meeting, an enormous crowd of distressed and angry unit owners attended, many bearing signs that stated:

- Do Not Pass the Budget
- Amend the Bylaws
- Resign

Notwithstanding this dramatic outcry by the unit owners, the Board passed the annual budget as well as the motion to approve the construction project for \$5.5 million.

17. At no time other than the July 13 meeting did the Board ever call a meeting of the unit owners to discuss the façade restoration project with them, explain the need for it, discuss the possible means of funding the project, ask the owners for their opinions, or enable the owners to ask questions, nor did the Board in any other manner seek input from the unit owners.

18. On July 21<sup>st</sup>, the Coalition submitted a petition for a special meeting of the Association members to vote to remove the entire Board. Initially signed by 124 members, that is 51% of the total 243 unit owners, we have since supplemented the petition with additional signatures. Excluding duplicates, as of today, the petitions contain 131 signatures, or 54% of the owners. Copies of the petitions are attached as Exhibit C.

19. In light of this history, I respectfully request that the Court enjoin the Association and the Board from implementing the 2021-22 budget the Board adopted and its maintenance fee increases and enjoin the Association and the Board from entering into contracts to implement the façade project unless and until the Board can demonstrate the need and reasonableness of its action and at least until the vote on the removal of the Board members takes place.

I certify that the foregoing statements made by me are true. I am aware that of any of the foregoing statements made by me are willfully false, I am subject to punishment.

DATED: 7/27/2021

  
SUSAN M. LEE