

HILLCREST BAY, INC HOMEOWNERS ASSOCIATION MEMBERSHIP

TOWN HALL MEETING

Topic: Amended & Restated Declaration of Restrictions

Saturday, March 16, 2019 @ 9:00 -10:00 am

Location: Havasu Springs Oasis Room

Board of Directors

Dennis Ingram, President
Shari Dage, Secretary
Grace Babcock, Treasurer
Bill Dage, Director/Permits
Tony Elias-Calles, Director
Joe Troya, Director
Bill Horn, Director (absent)

Governing Committee

Dennis Ingram, Chair
Terry Bitrich (absent)
David Dewees (absent)
Carl Loftis
Karen Bowe

Professional guidance is being provided by; CARPENTER, HAZLEWOOD, DELGADO & BOLEN, and LLP, who specialize in Homeowners Associations, to ensure that this document reflects the current practices of the Association and incorporates all of the changes to the Arizona laws.

We support and encourage member involvement in the importance of amending our governing documents. The participation of the community helps strengthen the process making sure all topics are reviewed.

Amended & Restated Declaration of Restrictions 2019

Q & A

Amending

Owners: Didn't understand why the board is changing the CC&R's, feels like they're just trying to tell us what we can or can't do.

Board: The primary motivation for amending CC&Rs is that state laws change, our community needs to stay within state compliance.

The rules themselves have had minimal changes, the focus is correcting errors, bringing them up-to-date with Arizona Statutes.

Draft #1 started with a recommended set of standards for a Homeowners' Association, we're working on draft #5, attempting to revise sections to safeguard what works for Hillcrest Bay.

The Board has made the Amended and Restated Declaration more "user-friendly" by creating a table of contents, adding descriptive paragraph headings and generally improving the organization of the new document to make it easier for the Members and the Board to understand and follow the provisions of the new document.

Owners: Wants to know what is the organization mission and vision statements.

Board: Simply put, the Board's mission is to be a "Good Neighbor".

Please be advised that some of the numbers have changed and are still subject to change from draft-to-draft.

Animals (Article 3)

Owners: Provision 3.14 Animals makes it impossible to take a dog for a walk on the roadways in HB. Dogs urinate, and it is impossible to remove urination from the ground. Unless the word "urinate" is removed from this provision, I cannot vote in favor of the amended CCRs

Board: The attorney will be advised of your concerns, along with our suggestion to remove.

Attorney: The intent here is not to prevent owners from taking their dog on a walk. The intent here is that owners pick up after their pet. I removed urinate and revised pet "waste" to excrement.

Antennas (Article 3)

Owners: I do not understand provision 3.13 Antennas. If this provision prohibits my use of Dish TV, I cannot vote in favor of the amended CCRs. I would really appreciate clarification of this provision, because it doesn't seem reasonable to prohibit owners from receiving TV and Wi-Fi signals.

Board: It states: "Unless governed by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule)." In most cases, yes you can install an outside antenna to receive TV signals. The Federal Communications Commission (FCC) has adopted what is called the Over-the-Air Reception Devices (OTARD) rule, which governs restrictions on the installation of antennas specifically for TV viewing.

Attorney: This provision does not prohibit the use of dish tv or similar services. In fact, it specifically allows the use of such satellite dishes.

Architectural Control (Article 3 & 5)

Owners: An issue with "more restrictive than those established by any federal, state or local law, statute, ordinance, rule or regulation." Stated that this is illegal and the HOA doesn't have the qualifications to enforce.

Board: When you bought into a Homeowners' Association, you agreed in your escrow documents as part of the deed, the resident who purchases in such a community shall abide by the covenants "rules".

All members of the Architectural Committee must be Members of the Association but shall not be required to be an architect or to meet any other particular qualifications for membership.

The board will pursue the necessary participation from Consultants, La Paz County Board of Supervisors, Engineers, Attorney or other Specialists, to provide guidance on any items that require expert opinion.

Attorney: This section is not illegal. Association restrictions may be more restrictive. Generally, if an ordinance and restrictions govern the same thing, the more restrictive regulation will control. For example, if the county rear setback is 10 feet, but the Association's rear setback is 5 feet, the Association setback requirement will control. On the other hand, if the country rear setback is 10 feet, but the Association's rear setback is 15 feet, the county setback requirement will control.

Owners: Do not agree with the Architectural Review Committee.

Board: The purpose of the review committee is to administer the community's guidelines by overseeing changes and modifications to a property through an application and appeal process designed to balance the interests of individual homeowners and the community as a whole.

Owners: Architectural Control. I think reasonable time frames should be established within which an owner can expect either approval or rejection of a project, and owners should be told what those time frames are.

Attorney: These time frames can be set in architectural guidelines.

Owners: “The Architectural Committee shall also have the right to determine which portion, if any, of the deposit, will be nonrefundable.” This needs to be documented as a process in the Architectural Review Guidelines, including scenarios of why you would not receive the full refund, street damage, cleanup, etc. To repair any damage to Areas of Association Responsibility is too broad.

Attorney: While not the perception, this provision is fairly narrow, being limited to damage to areas of association responsibility. If the Association wants to further outline what damage looks like in architectural guidelines, it may do so.

Owners: Concerns about section 5.9 Architectural Committee. "for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use within the Property.”

Attorney: This section should remain as drafted. The last sentence outlines the kind of architectural guidelines that may be adopted. If the language is revised as proposed, the guidelines could only be able to address the procedures for submission of an architectural application and not address certain architectural standards, such as lighting. That obviously is not the intent

Owners: Another concerned with the control of the Architectural Committee as to determining color, lighting, solar etc.

Board: We are modifying the Architectural Control section along with guidelines incorporating several of the issues brought to the board. The objective is to assist owners and protect property values. The guidelines are recommended best practices that aim to set standards, not rules.

- Timeframes associated with the process
- Deposits, itemized breakdown of cost
- Solar
- Paint
- Landscaping

Enforcement

Owners: Who will be monitoring the CC&Rs at Hillcrest? If a homeowner wants to submit a complaint now their name is shown on the form. Suggested that the board needs to send out letters to members who are violating the rules.

Board: The practice of owners submitting concerns in writing for the board to research, is not new for Hillcrest Bay. The board will continue to monitor the governing documents for HBI and send out violation notices. Per the revised Arizona Law (A.R.S. 33-1803) any complaint related to a violation lodged with the Association will not remain anonymous. The law requires that this information must be available to the party who is accused of the violation. The Board members are not Police Officers, we are volunteers that would appreciate owners following the reporting procedures.

Owners: Suggested helping our neighbors that aren't able to clean up their yards, paint, etc.

Exterior Lighting (Article 3)

“No decorative lighting, security lighting, spotlights, floodlights or high-intensity lighting shall be placed or utilized upon any Lot which, in any manner, will allow light to be directed or reflected on any other Lot, except as may be expressly permitted by the Architectural Committee. It is a Lot Owner’s responsibility to reduce wattage, re-direct, or shield any light that illuminates any adjoining Lot.”

Owners: Safety concerns did not want the CC&R’s to ban security type lighting.

Board: The Board is not opposed to outdoor light at night, we just want to manage it in a way that serves the needs of people who need light at night, and preserves the beautiful night skies.

Board: Hillcrest Bay is not banning lighting, were looking at the standards put together for Lake Havasu City.

Attorney: This is a correct statement. The exterior lighting provision does not prohibit exterior lighting, it prohibits exterior lighting from being directed from one lot to another. Architectural guidelines should be adopted that provide further guidance on acceptable exterior lighting.

Owners: Suggestion that the Board review “dark sky” website in Flagstaff.

Important Fact: Arizona has the densest grouping of dark-sky communities in the world, according to the International Dark-Sky Association, we should do our part to protect.

Owners: Recommended lower wattage bulbs

General Provisions (Article 9)

Owner: Provision 9.12 Notices. The US mail is never delivered within 24 hours to out-of-state owners, and it is unfair that it be deemed delivered in that time frame. A more reasonable time frame may be 4 days.

Attorney: This section mimics a legal rule called the mailbox rule that assumes delivery when the item is deposited in the mail. I do not recommend altering any time frames.

Governed By

Owners: Suggested remove reference to the City of Parker. Hillcrest Bay is in rural Parker governed under the County of La Paz, not the City of Parker.

Board: The attorney will be advised of your concerns, along with our suggestion to remove.

Attorney: While not within the City’s jurisdiction now, this could change in the future. The idea is that these restrictions will last in perpetuity, so provisions should be flexible to accommodate future change. See my revisions. I have review reference to Parker replaced it with a general reference to a municipality.

Landscaping (Article 5)

Board: Should not require approval from the ARC, however, owners still needs to comply with approved standards.

Attorney: Again, this section is not a section outlining what must be approved, this section and sentence simply outlines the type of architectural guidelines that may be adopted. If you do not want to require approval for landscaping, then Section 1.17 should be revised to remove landscaping.

Leasing

Owners: Rental Registration Form - wanted to know about filling out the form for renters even on the short stays like AIRBNB, is this standard association policy?

Board: The Board would like to be notified that you have a renter, for both the owners and the Associations protection, primarily in case of an emergency. This form is available on the website at <https://hillcrestbay.com/cf4>

Be advised, any agreement for the lease of a Lot and Residential Unit thereon must be expressly subject to the Declaration, the Articles, the Bylaws, the Association Rules, and any other documents governing the Association.

Owners: Shared they put together a packet of important information for the renters.

Parking

Owners: Not many full-timers in Hillcrest, but in the summer it gets pretty busy in Hillcrest and the parking gets crazy. Concerned about the restrictions concerning the parking.

Board: Over 50% of the current Board are full-time residents. With the assistance of the community, we will monitor the impact the summer months have on parking.

Owners: Wants to know why the board doesn't enforce the current CC&Rs, the main issue was parking.

Board: The Board addresses every issue that is brought to our attention. We cannot enforce violations we are not aware of.

Terminology (Article 1)

Owners: Concerned about the reference to mobile home vs. manufactured homes. Believes the term mobile home refers to units from 1976 and older. The industry changed the term to manufactured homes. Wants to make sure we retain the intent from the current CC&R's, under section 2 "Mobile home moved onto a lot shall not be older than four (4) years.

Board: We'll advise the attorney of your concerns. The age of the unit is still documented under 3.1.1: Not more than one (1) Residential Unit shall be erected or maintained on any Lot. Mobile home Residential Units moved onto a Lot shall not be older than four (4) years.

Attorney: Added the term "manufactured" where "mobile home" is referenced in the CC&Rs. I don't believe we necessarily care what the industry calls it, but we care that whatever it is called, mobile or manufactured, that it is not older than 4 years when moved to the lot.

Message from the Board

The Board is committed to this community, let's assume that our hearts are in the right place and let's assume we are trying to do the right thing. Acknowledging we are human beings and we are going to make mistakes.

So when we deal with each other let's assume we are trying to do the best we can, not only for ourselves but every resident both present and future. Tony Elias-Calles