

Arapahoe Estates Community Town Hall Meeting

February 27, 2008

Agenda for Town Hall Meeting

- Brief overview of community surveys received
- Review of proposed documents with additional changes
 - Amended and Restated Declaration of Covenants, Conditions and Restrictions (CCRs)
 - Amended and Restated Articles of Incorporations
 - Amended and Restated Bylaws

Community Survey Results

Nov/Dec 2007

Survey Results

# 1	#2	#3
Consolidation of documents	Limitation of dues increase	Board borrowing funds
49 yes	48 yes	1 yes
1 no	3 no	51 no
3 no response	2 no response	1 no response


Survey Results

# 4	#5	#6
Minimum \$ amount in reserves	Reserves do not exceed set \$ amount	ARC process to remain the same
44 yes	42 yes	26 yes
5 no	8 no	15 no
4 no response	3 no response	2 no response

Terminology of Documents

- **Current Documents:** The 8 various documents that currently are used to “govern” our community. These documents have been in use since 1981.
- **Proposed Amended Documents:** The revised documents that were distributed to the community in August 2007 for approval.
- **Suggested Revision of Proposed Documents** – The proposed revised language created by the documents review committee.

Legend

- **Yellow Text = Insertion**
- **Red Text or  = Deletion**

Covenants, Conditions and Restrictions (CCRs)

Recitals

- Current proposed part J moved to part K.
- New addition for part J
 - **The owners of Lots 1 through 6, inclusive, Block 2, Arapahoe Estates Subdivision Filing No. 4 have requested and desire to be Members of the Association and subject to the Declaration and have attached their written consents hereto as Exhibits B-1 through B-2 to evidence such agreement and consent.**

Article 1 – Defined Terms

(u) Townhomes

Townhomes shall mean and refer to Lots **1 through 6, inclusive, Block 2, Arapahoe Estates Subdivision Filing No. 4, and Lots** 61-68, inclusive, Block 1, Arapahoe Estates Subdivision Filing No. 3 ~~and~~ as said Lots 66, 67, and 68 are affected by document recorded in Book 3755 at Page 289, Ratification of Plat, Lot 66, Block 1.

Article 2 – Names & Description of Real Estate/Easements

Section 2.3 Number of Lots

The number of Lots included in the Arapahoe Estates Community is one ~~hundred-fifty-six~~ **hundred sixty-two** (~~156~~**162**).

Arapahoe Estates Expenditures '05 – '07

	2007 ACTUALS	2006 ACTUALS	2005 ACTUALS
RECURRING EXPENSES			
ELECTRICITY	\$714.00	\$688.00	\$580.00
GROUNDS CONTRACT (Mowing)	\$30,164.00	\$30,347.00	\$29,743.00
INSURANCE	\$5,343.00	\$6,019.00	\$3,485.00
MANAGEMENT	\$13,400.00	\$13,200.00	\$13,200.00
TRASH REMOVAL	\$17,002.00	\$15,990.00	\$14,757.00
WATER	\$35,548.00	\$19,938.00	\$11,155.00
	\$102,171.00	\$86,182.00	\$72,920.00
ONE TIME EXPENSES			
ACCOUNTING (Audit/Review/Tax Prep)	\$250.00	\$0.00	\$275.00
BAD DEBT	\$1,608.00	\$0.00	\$0.00
LANDSCAPE GROUNDS	\$6,890.00	\$12,918.00	\$9,877.00
LEGAL	\$10,102.00	\$1,749.00	\$2,136.00
LEGAL REIMBURSEMENT	-\$1,192.00	-\$351.00	\$0.00
MISCELLANEOUS	\$604.00	\$359.00	\$3,262.00
OFFICE SUPPLIES	\$4,627.00	\$4,043.00	\$5,161.00
SPRINKLERS	\$2,361.00	\$3,424.00	\$4,788.00
TAX FEDERAL	\$103.00	\$103.00	\$103.00
TAX STATE	\$17.00	\$17.00	\$17.00
	\$25,370.00	\$22,262.00	\$25,619.00
	\$127,541.00	\$108,444.00	\$98,539.00
YTY Percantage Increase	117.61%	110.05%	

Article 4 – Covenant for Assessments for Common Expenses

Section 4.2 (a) Levy of Annual Assessments

Suggested Revision of Proposed Amended CCR

- (a) The Common Expense Assessment may be made on an annual basis against all Lots and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year, **provided that the annual Common Expense may not be increased more than ten percent (10%) over the Common Expense Assessment for the prior year without a vote of two-thirds of the Owners who are voting in person or by proxy, at a meeting duly called for this purpose.**

Article 4 – Covenant for Assessments for Common Expenses

Section 4.2 (c) Levy of Annual Assessments

Suggested Revision of Proposed Amended CCR

(c) The budgets shall be adopted ~~pursuant to Section 303(4) of the Act and as set forth in the Bylaws, as the Bylaws may be amended from time-to-time.~~ by the Board of Directors, and in the event of a proposed increase over a prior year's budget, those Owners to whom such expenses are allocated shall vote on such increase as stated in subparagraph (a) above.

Article 4 – Covenant for Assessments for Common Expenses

Section 4.2 Levy of Annual Assessments

Suggested Revision to Proposed Amended CCR

- ~~(d)~~ (e) The omission or failure of the Board of Directors **or its agent** to levy the assessment for any period shall not be deemed a waiver, modification or a release of the lot Owners from their obligation to pay.

Article 4 – Covenant for Assessments for Common Expenses

Section 4.3 Apportionment of Common Expenses

Suggested Revision to Proposed Amended CCR

(a) The Board of Directors will create two budgets annually:

An Annual Operating Budget - to manage the ongoing expenses incurred by the association to maintain and manage the HOA common areas.

An Annual Reserve Budget - to manage the expenses associated with any capital expenditures associated with the HOA common areas. The Board of Directors will be required to report to the Owners on the status and expenditures to date for any capital project funded by the Reserve Budget.

Article 4 – Covenant for Assessments for Common Expenses

Section 4.7 Effect of Non-Payment of Assessments

Suggested Revision to Proposed Amended CCR

- (a) Any assessment, charge or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within ten (10) days after the due date thereof, as established by the Board of Directors, ~~shall bear interest at the rate established by the Board of Directors, on a per annum basis from the due date, and~~ the Association may assess a reasonable late charge thereon as determined by the Board of Directors.

Article 6 – Covenants & Restrictions On Use, Alienation & Occupancy

Section 6.1

Suggest Revision to Proposed Amended CCR

Section 6.1 ~~Flexible Application of the Subsequent Covenants and Restrictions~~

Section 6.2 Authority

Suggested Revision to Proposed Amended CCR

(d) The Board may establish penalties, **which shall be published on the website,** for the infraction of all regulations and Owners will be responsible for fines assessed against their tenants, guests and invitees for violations of the restrictions.

Article 6 – Covenants & Restrictions On Use, Alienation & Occupancy

Section 6.5 Leasing and Occupancy

Suggested Revision to Proposed Amended CCR

- (e) Each Owner who leases his Lot shall provide the Association, upon request, ~~a copy~~ **proof of the term** of the current lease and tenant information including names of all occupants, vehicle descriptions including license plate numbers, and any other information reasonably requested by the Association or its agents.

Article 6 – Covenants & Restrictions On Use, Alienation & Occupancy

Section 6.10 Restrictions on Animals and Pets

Suggested Revision to Proposed Amended CCR

Delete entire sections of (b) and (c).

- (b) The Lot Owner or person having control of an animal reported to be obnoxious to other Owners or occupants shall be given a written notice to correct the problem. If not corrected, that Lot Owner, upon a second written notice, will be required to remove the animal from the Community.
- (c) The written notices provided for herein shall be issued by the authorized representative of the Association or, if there is no authorized representative then by one or more of the members of the Board of Directors of the Association.

Article 6 – Covenants & Restrictions On Use, Alienation & Occupancy

Section 6.13 Vehicular Parking, Storage, and Repairs.

Suggested Revision to Proposed Amended CCR

- (b) No abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked on a Lot or within the Community unless parked or stored within a garage. An “abandoned or inoperable vehicle” shall be defined by Colorado statutes **should be reported to the proper authorities.** ~~governing inoperable or abandoned vehicles on public streets, or as defined by rule or regulation adopted by the Board of Directors of the Association. In the event that the Association shall determine that a vehicle is an abandoned or inoperable vehicle, then a written notice describing said vehicle shall be personally delivered to the Owner thereof or shall be conspicuously placed upon the vehicle. If the abandoned or inoperable vehicle is not removed within seventy two (72) hours after providing such notice, the Association shall have the right to remove the vehicle, and the owner thereof shall be solely responsible for all towing and storage charges.~~

Article 6 – Covenants & Restrictions On Use, Alienation & Occupancy

Section 6.15 No Annoying Lights, Sounds or Odors.

Suggested Revision to Proposed Amended CCR

No light shall be emitted from any portion of the Arapahoe Estates Community in which is unreasonably bright or causes unreasonable glare, and no sound or odor shall be emitted from any portion of the Community which would reasonably be found by others to be noxious or offensive. Without limiting the generality of the foregoing, no exterior spot lights, searchlights, speakers horns, whistles, bells or other light or sound devices shall be located or used on any portion of the Community. ~~except with the prior written approval of the Board of Directors.~~ **Complaints should be directed to the proper enforcement authorities.**

Section 7 – Architectural Review

7.2 Architectural Criteria

The Committee shall exercise its reason-able judgment to the end that all attachments, Improvements, construction, landscaping and alterations to Improvements on a Lot or landscaping of a Lot shall comply with the requirements set forth herein. The approval or consent of the Architectural Review Committee on matters properly coming before it shall not be unreasonably withheld, and actions taken shall not be arbitrary or capricious. Approval shall be based upon, but not limited to, conformity and harmony of exterior appearance of structures with neighboring structures, effective location and use of Improvements on nearby Lots, preservation of aesthetic beauty, and conformity with the specifications and purposes generally set out in this Declaration. ~~Upon its review of such plans, specifications and submittals, the Architectural Review Committee may require that the applicant(s) reimburse the Board for actual expenses incurred by it in its review and approval process.~~

Article 7 – Architectural Review

Section 7.3 Establishment of the Architectural Review Committee

Proposed Amended CCR

The Architectural Review Committee shall consist of a minimum of two (2) members appointed by the Board of Directors.

OPTION 1

The Architectural Review Committee (ARC) shall consist of a minimum of three (3) members appointed by the Board of Directors. Board members may serve on the ARC in a temporary basis until a non-board member can be appointed.

OPTION 2

Same as Option 1 with the removal of the requirement that Board members may NOT serve on the ARC.

Article 8 – Insurance/Condemnation

8.3 (a) & (b) – Insurance Carried by the Association

(a) Entire section deleted.

~~(b) (a) If requested, duplicate originals **certificates** of all **the insurance** policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all holders of first lien Security Interests at least ten (10) days prior to the expiration of the then-current policies **distributed to Owners and first mortgagees.**~~

Article 8 – Insurance/Condemnation

8.3 (c) & (e) – Insurance Carried by the Association

All liability insurance shall include the Association, the Board, the manager or managing agent, if any, the officers of the Association, ~~holders of the first lien security interests, their successors and assigns~~ and Owners as insureds.

Section (e): **Entire section deleted.**

Articles of Incorporation



Article 5. Purposes and Powers of Association

- (g) To do any and all permitted acts suitable or incidental to any of the foregoing purposes and objects to the fullest extent permitted by law, and do any and all acts that, ~~in the opinion of the board,~~ will promote the common benefit and enjoyment of the occupants, residents within the Arapahoe Estates, and to have and to exercise any and all powers, rights and privileges which are granted under the Act, the Declaration, Bylaws and the laws applicable to a nonprofit corporation of the State of Colorado.

Article 9. Board of Directors

- The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors. The Board of Directors ~~may~~ will consist of ~~any number between three and~~ nine persons. This number is set forth in the Bylaws and may be changed by a duly adopted amendment to the Bylaws.

Bylaws

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Article 4. Meetings of Members

Deletion of Section 4.2. Budget Meetings

Article 6. Meetings of Directors

- 6.6 Quorum

At all meetings of the Board a majority of the Directors shall constitute a quorum for the transaction of business, unless there are fewer than ~~three~~ **five (5)** Directors, in which case all Directors must be present to constitute a quorum. The votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute a decision of the Board unless there are fewer than ~~three~~ **five (5)** Directors, in which case, unanimity of the Directors is required to constitute a decision of the Board. If at any meeting there shall be less than a quorum present, a majority of those present may adjourn the meeting.

Article 8. Officers and Their Duties

- Section 8.1 Enumeration of Offices. The Officers of this Association shall be President, Vice-President, Secretary, ~~and~~ Treasurer, and five (5) members-at-large, who shall at all times be members of the Board of Directors, and such other Officers as the Board may from time to time create by resolution. Any two (2) offices, except the offices of President and Secretary, may be held by the same person.

Article 8. Officers and Their Duties

Addition

8.6.5 Members at large. Responsibilities as directed by the board.

Timeline

- What do we do next
 - Distribution/posting of documents for review
 - Voting on the documents