



Kent Woodlands Property Owners Association

DATE: NOVEMBER 25, 2020
TO: KWPOA MEMBERS
FROM: BOARD OF DIRECTORS
RE: ANNUAL BUDGET REPORT AND POLICY STATEMENT

Dear Association Member:

California Civil Code Sections 5300, et seq. (commonly called the Davis-Stirling Act) requires Homeowners Associations to make certain annual disclosures regarding association policies. To achieve compliance with these requirements, we have enclosed copies of the following:

- KWPOA Architectural Rules
- Architectural Project Fees
- Designated Agent for Receipt of Association Mail
- Secondary Address for Owners
- Posting Location of General Notices
- Individual Delivery Notice
- Availability of Minutes
- Mailing Address for Overnight Payment of Assessments
- Preparation of Financial Review
- Pro-Forma Operating Budget for 2021
- Insurance Coverage
- Schedule of Fees & Charges
- Assessment Collection Policy
- Assessments, Foreclosures and Payment Plans
- Enforcement Policy & Schedule of Fines
- Summary of Association's Dispute Resolution Procedures (ADR and IDR)

These attachments do not include information relating to reserve funds because the Association's long-term repair and replacement responsibilities relate to a very limited amount of common area, which does not contain building components which require long-term reserve planning and funding. It is therefore unnecessary for the Association to assess the homeowners in order to develop reserve funding for these common areas.

Please take note that the Board has fixed and levied the 2021 per parcel assessment in the amount of \$275.00, which is the same as the annual assessment levied for the past six years. However, as to 2020, in reviewing the budget and given the Association's cash position, the Board has also voted to retroactively rebate, on a one-time basis, the sum of \$100 per KWPOA parcel for 2020. That rebate will appear for all KWPOA parcels which paid the assessment in 2020, as a credit against each parcel's 2021 assessment. You will receive your assessment notice during the first week of January 2021, and the payment will be due no later than February 15, 2021.

If you have any questions regarding the contents of this package or your annual assessment, please feel free to contact us at 415-721-7429 or info@kwpoa.com.

Best regards,

Kent Woodlands Property Owners Association
Board of Directors



Architectural Rules

Adopted 8/11/04¹

INTRODUCTION

These Architectural Design Review Guidelines (the Guidelines) were adopted by the Kent Woodlands Property Owners Association (KWPOA) Board of Directors on August 11, 2004, following an extended 30-day public comment period. The goal of the Guidelines is give the property owners guidance, by way of examples and explanation, as to the criteria used by the KWPOA Architectural Committee in reviewing proposed improvements and exercising its broad discretion under the KWPOA's Covenants, Conditions, and Restrictions (CC&Rs).

It is the intent of the KWPOA Board of Directors that adopting the Guidelines will facilitate the design review process by providing examples of how the Architectural Committee is likely to exercise its broad discretion. The Guidelines are not binding restrictions.

KWPOA'S ROLE IN DESIGN REVIEW

The KWPOA By-Laws and CC&Rs give the Board of Directors the authority to enforce the CC&Rs and to appoint an Architectural Committee to conduct design review of Improvements on member parcels. All members seeking to construct or alter any "Improvements" must first obtain the written approval of the KWPOA Architectural Committee. The term "Improvements" is broadly defined in the CC&R's, at Article V, Section 1(b), as the construction, installation, or alteration of any structure, including any building, wall, deck, fence, pool, or sport court. Also included in this definition is any major landscaping project visible from the street or neighboring lots, landscape structures, and drainage or grading projects. If there is any doubt as to whether approval is required, it is always best to check with the Architectural Committee.

The KWPOA Board is also authorized to adopt "Architectural Rules" consistent with the CC&R's to assist the Architectural Committee in its evaluation and deliberation, Article V, Section 5, of the CC&R's authorize the adoption of these guidelines. For the most part, the Guidelines are a restatement of existing requirements. The CC&Rs contain a variety of general criteria relating to Improvements, as well as a variety of very specific criteria. In addition to the requirements set forth in the CC&R's, pursuant to Article V, Section 6(d) of the CC&R's, any proposed Improvement must also be consistent with the current land use plan applicable to Kent Woodlands, which is the Kent Woodlands Land Use Policy Report ("KWLUPR"). The Guidelines therefore attempt to organize the key criteria of the CC&R's and the KWLUPR into 14 subject areas. Once adopted the Guidelines will become a part of the existing KWPOA Architectural Rules (published on KWPOA.com), which deal with issues such as working hours, variance and appeal processes. Once again, the Guidelines are just that – guidelines. They are not binding, but are intended to assist owners, the Architectural Committee, and the Board of Directors so that future architectural approvals will work to maintain the architectural and aesthetic standards and community character prevailing within Kent Woodlands.

¹ Except as otherwise noted.

ROLE OF THE COUNTY OF MARIN IN DESIGN REVIEW

The County's Community Development Agency through the Planning Department and the Planning Commission, rely upon the County Plan as modified by the KWLUPR to make its own design review of any proposed project in Kent Woodlands. The County may acknowledge but cannot enforce the KWPOA CC&Rs.

To build in the County of Marin, a KWPOA member applicant must obtain the approval of both the KWPOA and the County. A non-KWPOA member applicant must obtain the approval of the County only. However, the County does request an evaluation from the KWPOA of a non-member's project, and therefore KWPOA recommends and encourages non-members to seek a preliminary review by the KWPOA.

COMMUNITY INPUT INTO THE DESIGN REVIEW GUIDELINES

The KWPOA Board and the Architectural Committee worked for some time to develop and adopt a set of design review guidelines that would help the community and the KWPOA evaluate improvements in Kent Woodlands. The Board sought a wide spectrum of opinion through the introduction of a design review oriented survey and two community workshops. The results of the survey and workshops were published in the KWPOA newsletters. The Board evaluated additional comments received in the comment period.

Through this effort the KWPOA has obtained a clear sense of the Kent Woodlands community on the relative merits of a wide range of design review concepts. In brief, our membership has identified preservation of privacy/sense of seclusion, woodland character, and views as the most important characteristics of our community.

OBJECTIVES OF THE DESIGN REVIEW GUIDELINES

After receiving Community input, the KWPOA Board adopted the Guidelines to meet the following objectives:

- a) Assure consistency in the design review process while accommodating wide variations in parcel characteristics;
- b) Provide guidance to the Community on the Architectural Committee's expectations; and
- c) Satisfy the County Planning Commission's request for guidance.

IMPLEMENTATION OF THE DESIGN REVIEW GUIDELINES

These design review guidelines are intended to assist new members and potential design review applicants in understanding the KWPOA design review process. By introducing these design review guidelines the KWPOA intends to alleviate the concerns of potential applicants and to allow the Architectural Committee to work in harmony with the applicant to achieve a mutually satisfactory result.

Once again, it is important to understand that the Architectural Committee shall use the design review guidelines as only one important source in evaluating design review applications. The design review guidelines establish guidelines for proposed works of improvements, but do not take the place of the broad discretion which is exercised by the Architectural Committee when it makes decisions on applications.

The Board hopes that the new guidelines will be widely used by the Architectural Committee in evaluating Design Review applications, by member and non-member Kent Woodland residents considering remodels or development, by the County Planning Department and Planning Commission, and by Realtors, Architects, Developers and Contractors working in Kent Woodlands. They will also be published in the New Resident Welcome Pack and made available for download on the KWPOA.com website.

| KWPOA Architectural Design Review Guidelines | | Planning Document References |
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| 1. | <u>Privacy</u> – Applicants should seek to minimize the impact on neighbors’ privacy/sense of seclusion. Additions to residences, especially second stories, and the siting of any new residences should be designed to keep privacy between homes at a maximum. New design proposals will be evaluated for the impact the Improvements and related use will have on the privacy of neighboring owners. The reasonable enjoyment of privacy may be considered to be impacted if the Improvement (i) materially increases the visibility from indoor or frequently-used outdoor areas to private indoor or outdoor areas of adjacent properties, (ii) materially decreases the sense of seclusion by introduction of additional mass (“mass” refers to length, width, height and other attributes of a building) that cannot be addressed with the use of setbacks and height limits, or (iii) would result in an unreasonable increase in noise heard by neighbors (e.g., location of pools, sport courts or noise-producing equipment or activities in proximity to neighboring structures or frequently-used outdoor areas). | KWPOA CC&R Article V, Sect. 6(b), Sect. 6(c); Article VI, Sect. 14 KWLUPR page II-3; CD1.5; CD1.6; CD1.8; EQ8.1 |
| 2. | <u>Woodland Character</u> – All Improvements should be designed to preserve the woodland character (native woods, forest and many trees) of Kent Woodlands. New designs must show that the privacy and seclusion enjoyed by neighboring lots due to existing vegetation will be maintained. If removed, woodland vegetation must be replaced with comparable vegetation screening at the discretion of the Architectural Committee in conjunction with input from neighbors. In restoring screening lost between neighbors, the Architectural Committee may require a landscape plan showing replacement of removed trees and shrubs. | KWPOA CC&R Article V, Sect. 6(b), Sect. 6(c), Sect 6(d) KWLUPR CD1.6; CD1.10 |
| 3. | <u>Views and Ridge-top Preservation</u> – Applicants should seek to minimize any change in visibility resulting from new developments. New designs must show that views reasonably enjoyed from neighboring lots are not materially impacted; however, visibility of any new construction, absent other factors, should not necessarily be a ‘material impact’ on neighbor’s views. Where a proposed project is visible to neighboring lots or streets, the Architectural Committee may seek comment from potentially affected neighbors and the Community at large. Existing views should be protected when (i) they contain landmark or natural features (e.g. Mt. Tam, the Bay, undisturbed natural areas (excluding all of a vacant lot), horizon lines, city skylines, etc), (ii) they are preserved by deed or easement or (iii) they would normally be considered marginal or insignificant but are the only views enjoyed by a neighbor from outdoor living areas or from picture windows in living, dining or master bedroom areas. Natural ridge-tops shall be preserved by new development being sited and designed so that rooflines are below the visual plane of ridges. Where a ridge lot is too flat to allow placement of new construction below the visual plane of the ridge, then a height limit of one story and 18 feet above natural grade should be imposed. | KWPOA CC&R Article V, Sect. 6(c), Sect. 6(d) KWLUPR CD1.4; CD1.5; CD1.6; CD1.7 |
| 4. | <u>Neighborhood Characteristics</u> – Improvements must be in harmony with the external design and appearance of other structures in Kent Woodlands – i.e. compatible in scale, height, bulk, mass and appearance (colors, material and design) to other residences in the immediate neighborhood and integrated with and subordinate to the natural setting. The size of remodels and teardown/ rebuilds is not numerically limited but is constrained by impact on the privacy/sense of seclusion, woodland character preservation and view maintenance criteria above. In general the Architectural Committee will assess whether a lot can accommodate a proposed Improvement without impacting neighbors’ enjoyment of their property and the larger the proposed structure the greater the Architectural Committee will scrutinize and protect potential impact on neighbors. | KWPOA CC&R Article V, Sect 6(b) KWLUPR CD1.3; CD1.4; CD1.7 |
| 5. | <u>Fit With Natural Topography</u> – Proposed designs should preserve and protect significant natural features and fit into and follow the natural topography. This may be achieved by maintaining mature landscape and tree screening, minimizing paved surfaces, avoiding ridgelines and water courses and building with structural lines, forms, materials and colors that follow the natural topography and background. | KWPOA CC&R Article V, Sect 6(b), Sect. 6(d) KWLUPR EQ7.1; CD1.1; 1.2; 1.7 |

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| 6. | <u>Tree Preservation/Replacement</u> – Trees over 6” in diameter (18” in circumference as measured 5’ above ground level) may not be removed without the written consent of the Architectural Committee. If trees must be removed approval will usually require installation of replacement trees at a minimum ratio of 1:1 (one replacement tree for each tree removed). Tree removal requests must include photographic records of screening that will be lost. For trees diseased beyond recovery, a written report by a registered consulting arborist shall be required. For trees deemed severe fire hazards, a written report from Kentfield Fire District and/or the homeowner’s insurance company shall be required. | KWPOA CC&R Article V, Sect. 6(b); Article VI, Sect. 8 KWLUPR EQ4.1, CD1.1, CD1.2 |
| 7. | <u>Visual Impact</u> – To reinforce the beautiful natural environment of Kent Woodlands natural earth tone colors and finishing materials should be used externally. Home design and style should be in harmony and compatible with existing architectural styles and finishes in Kent Woodlands. Repainting in the same, previously approved, color does not need re-approval. | KWPOA CC&R Article V, Sect. 6(d) Article VI, Sect. 12 KWLUPR CD1.3; 1.4; 1.6 ; 1.7; 1.9 |
| 8. | <u>Setbacks</u> —Unless specific setbacks are defined on the property deeds the currently existing setbacks are to remain or shall be increased to CC&R minimum setbacks (front: 30’, side: 15’, back: 25’, 50’ from bank of stream) or more. No improvements or other structures, including swimming pools, retaining walls or other outside facilities, shall be constructed except in conformity with the setback lines of the original Subdivision map or subsequent deeds. The Architectural Committee will have discretion to require that the footprint of improvements be placed at a greater distance from property lines than required by prevailing setbacks if such placement is necessary to accommodate privacy, view or mass impacts on neighboring lots. | KWPOA CC&R Article V, Sect 6(c), Sect. 6(d) Article VI, Sect. 6 KWLUPR CD1.5; EQ3.1 |
| 9. | <u>Building Height</u> - The height of any new Improvement should not impact the reasonable enjoyment (including sun, light and air) to neighboring lots or result in a reduction of privacy, seclusion or views. Drawings must show finished height from finished grade of walls, structures, roof ridelines and other items of the proposed design. In general, (i) maximum height is limited to 30’ or lower if necessary to minimize the adverse effect on the privacy, seclusion or views of neighboring lots, (ii) roof pitches should not exceed 9 in 12, (iii) no vertical building wall should exceed 20’ in height as measured from the lowest point on finished grade adjacent to the wall, and (iv) to minimize mass and bulk any vertical walls above 20’ single wall height limit should be stepped back from the adjacent lower walls by a minimum distance of 10’. | KWPOA CC&R Article V, Sect. 6(b), Sect. 6(c), Sect.6 (d) KWLUPR CD1.6; CD1.7 |
| 10. | <u>Excavation and Grading</u> - Existing topography, native vegetation, trees, and rock outcroppings should be preserved. Massive grading or alteration of the existing site is not considered appropriate. Retaining walls visible from offsite should be of minimum height (4 feet or less) and faced with stone or earth-tone materials and colors. | KWPOA CC&R Article V, Sect. 6(b), Sect. 6(d) Article VI, Sect. 4 KWLUPR EQ6.1; EQ7.1; CD1.1 ; CD1.2 ; CD1.9 |
| 11. | <u>Fences</u> – All fencing should be limited to 6’ in height, unless the applicant can demonstrate that additional height will be visually unobtrusive and will not affect views from surrounding parcels. Open fencing to preserve neighborhood character and views is encouraged. Where solid fencing or a wall is necessary it should be concealed by vegetation. Solid fencing should not be used along roadways unless special circumstances exist (such as to prevent auto lights shining directly into living quarters). Desirable fencing materials include natural wood, open wire fabric, rock, masonry, wrought iron or a combination thereof. Chain link fencing is not permitted. Fencing along roadways should be set back from the property line as much as possible with space for pedestrians and off street parking. Limiting fencing to the developed lot area rather than to lot perimeter is encouraged. Gate and gate pillars should be setback from roadways by 30’ to allow 30’ fire truck access. | KWPOA CC&R Article VI, Sect. 22 KWLUPR CD1.9; T1 |

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| 12. | <p><u>Outdoor Lighting</u> – Any outdoor lighting should be limited to the minimum necessary and designed or located to avoid or minimize visibility from surrounding properties and roadways. Outdoor lighting includes gate pillar lanterns and any other exterior lighting. With the exception of motion detecting security lights, outdoor lighting should be limited to down-lit lamps with diffusion lenses or translucent glass, to allow soft lighting and a glow, but while preventing glare. No transparent glass is allowed. Exterior lighting fixtures shall be down lights only. Skylights are to be non-reflective, dark in color and not contain artificial illumination.</p> | <p>KWPOA CC&R Article VI, Sect. 18</p> <p>KWLUPR CD1.8</p> |
| 13. | <p><u>Solar Panels & Alternate Energy</u> – Solar Panels & Alternate Energy – No alternate energy systems, including wind and solar energy equipment, may be installed without the prior written approval of the Architectural Committee. The location of solar systems should minimize the impact on neighbors’ sense of privacy and seclusion and should minimize reflection of light into other homes. The location of wind energy systems shall not impact the quiet enjoyment of neighbors’ sense of privacy and seclusion nor materially impact ridge-top preservation. (Adopted 03/26/15)</p> | <p>KWPOA CC&Rs Article VI, Sect. 13.</p> |
| 14. | <p><u>Wildlife Corridors</u> - Design proposals should preserve wildlife corridors through private property.</p> | <p>KWLUPR EQ5.1</p> |
| 15. | <p><u>Noise (expanded 1/25/2007)</u> - No owner shall permit loud and unreasonable noise to emanate beyond their property line that annoys or disturbs the quiet enjoyment of neighboring property owners or residents. The County of Marin also has an ordinance regulating loud and unnecessary noises, and citizen complaints related to noise are investigated by the Marin County Sheriff. Because noise from sound equipment, mechanical equipment, dogs, power tools and construction is most often the source of noise complaints, the following will clarify the Association's rules regarding noise complaints.</p> <p>Sound Equipment: Unreasonable noise from sound equipment, including but not limited to radios, hifi systems, televisions, and musical instruments, shall be contained within the property lines at all times and any noise from sound equipment emanating beyond an owner's lot must cease between 11:00 p.m. and 7:00 a.m.</p> <p>Mechanical Equipment: Noise from mechanical equipment, including but not limited to pool pumps, generators, garage door openers and similar devices, shall be sufficiently soundproofed using the most up to date soundproofing methods so that unreasonable noise is contained within the property lines at all times. Design reviews of driveways, arrival courts, sports courts, paved terraces, pool and other noise generating areas will ensure minimal increases in existing noise levels experienced by neighbors.</p> <p>Dog Barking: Residents shall take all reasonable steps to prevent dogs from barking and making noise that disturbs and annoys neighbors. Incessant barking is expressly prohibited.</p> <p>Power Tools: The use of noise producing manual or power tools, including but not limited to leaf blowers, lawn mowers, chain saws, chippers, power washers, and similar equipment, is only permitted between 7:30am and 5:00pm Monday through Friday, 9:00 am and 4:00 pm on Saturdays and should be avoided unless reasonably necessary on Sundays, state or national holidays. Consistent use of noisy tools on Sundays or holidays may be considered unreasonable and subject to enforcement action.</p> <p>Construction: Regulations and permit approvals limit the hours for construction-related activities to between 7:30 a.m. and 5:00 p.m. Monday through Friday, 9:00 a.m. and 4:00 p.m. on Saturdays. No construction is allowed on Sundays, state or national holidays (New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day). Loud noise-generating construction-related equipment (e.g., backhoes, generators, jackhammers) can be maintained, operated, or serviced at a construction site from 8 am to 5 pm Monday – Friday only.</p> | <p>KWPOA CC&R Article V, Sect. 6(c) Article VIII, Sect. 2, Sect. 3</p> <p>KWLUPR 4.2; EQ8.1</p> |

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| 16. | <u>Maximum Construction Period:</u> Commencement of construction of approved Improvements is to begin within (2) two years of the date of approval by the Board and all construction (whether based on initial approved plans or later approved changes to such plans) is to be completed within (2) two years after construction first commences (the “completion period”). The completion period may be extended for good cause upon application to the Board provided such application is made at least 30 days prior to the expiration of the completion period. (<i>Adopted 09/27/12</i>) | |
| The following Architectural rules were recompiled as of October 18, 2002. These rules augment the rules (Design Review Guidelines) above. | | |
| 17. | Except as otherwise determined by the Committee, the Committee shall meet twice each month at the Association office on days and at times agreed upon by its members. The meeting schedule shall be published at least once each year in the Association newsletter. | |
| 18. | The agenda for all Committee meetings shall be determined by the Committee Chairperson. Anyone wishing to be placed on the agenda for a meeting must obtain advance approval from the Committee. | |
| 19. | All applicants must submit, prior to the Committee's cutoff date, a completed Application for Construction Approval, in the form approved by the Committee (“Application”). Notice of an applicant's project must be published in the Kent Woodlands newsletter before the project can be reviewed and processed. To be deemed "complete" an application must contain all the information requested by the Committee including proof that all affected neighbors have had an opportunity to see the plans and comment on them prior to submittal. The Committee may solicit comments from affected neighbors. The determination as to whether a neighbor is “affected” will be at the discretion of the Committee. | |
| 20. | The Committee shall, in its discretion, set processing fees from time to time, based on the nature of the project and the extent of review required. | |
| 21. | The Committee shall act on completed applications with reasonable promptness. Within thirty (30) days of deciding whether or not to approve a completed Application, the Committee shall notify the applicant, in writing, of its decision. The Committee shall provide a copy of its notification letter to the Marin County Community Development Agency (CDA). | |
| 22. | To assure compliance with its findings and directives, the Committee may impose special assessments pursuant to the Association’s special assessment schedule, undertake repairs or modifications at an owner’s expense (after providing the owner notice and an opportunity to be heard), or pursue any other remedies available to it under the CC&Rs and Kent Woodlands Land Use Policy Report. | |
| 23. | Applicants must obtain separate approval from the Marin County Community Development Agency, if required. | |
| 24. | All construction vehicles and storage shall be contained on-site. The use of public streets, sidewalks or right-of-way by contractors and subcontractors as staging areas for materials and equipment, or for equipment parking (including portable toilets), is not permitted. | |
| 25. | Construction vehicles, equipment and materials shall be parked or stored at the project site to allow for safe traffic circulation and to minimize negative impacts on neighbors | |
| 26. | Any changes or additions to approved project plans, including exterior colors, must be submitted to the Committee for approval. | |
| 27. | Any owner who receives a fire inspection safety notice or citation from the Kentfield Fire Protection District regarding the reduction of fire risks shall be subject to inspection by the Committee to confirm compliance with the notice or citation. The Committee reserves the right to pursue any and all available remedies to assure compliance with owner’s maintenance responsibilities regarding fire risks under Article VII, Section 2 of the CC&Rs. | |

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| 28. | New development, including remodels and second story additions, must be carefully sited and designed to avoid highly visible ridgeline areas and shall avoid interference with existing views and loss of privacy and seclusion on surrounding properties. Proposals for residential second story additions must be consistent with the predominant roof form and overall architectural style of the existing residence. |
| 29. | <p>When determined to be appropriate, the Committee may require graphic information for analysis of the potential visual impact on the community. Unless waived or modified by the Committee, story poles are required for new construction, teardowns and major additions such as second stories and for architectural features that may impact neighboring properties. Poles are required to be installed ten days prior to the anticipated agenda date. The proposed story pole locations and design shall be approved by the Committee prior to installation and the locations must be shown on the plans submitted by the applicant. Story Pole locations and heights shall be verified by a surveyor if requested by the Committee. Unless modified by the Committee, the poles shall be set at all corners of the project, with a height representing the roof height at each corner, and at the ends of all roof ridge lines. When requested by the Committee, the story poles shall be connected with orange netting (or other acceptable visual aids) to display the roof ridgeline, to allow observers to visualize the impact of height, mass, bulk and shadow. Second story window placement shall be noted with a flag or other device when closer than 100' from a neighboring structure.</p> <p><i>(The following paragraph was adopted 05/23/13)</i> With respect to any application, the Committee has discretion to require the applicant to provide one or more studies concerning the impact of the proposed Improvement on neighboring properties if the proposed Improvement may adversely impact a neighboring property in a manner that is inconsistent with the governing policies, rules and guidelines for design review in Kent Woodlands.</p> |
| 30. | All structures should limit the use of white, bright or reflective colors and materials. The Committee reserves the right to determine the appropriateness of colors and exterior materials on a case-by-case basis. |
| 31. | <p>Variances to the rules set forth in the CC&Rs and the Land Use Policy are discouraged. Variance requests will be considered on a case-by-case basis. Certain findings must be met in order to approve a variance. In order to have a variance request considered by the Committee, the applicant must submit information in support of the findings as part of the application. The required findings are as follows:</p> <ul style="list-style-type: none"> a) The granting of the variance will not jeopardize the intent of the CC&Rs nor change the character of Kent Woodlands. b) The granting of the variance will not create a hardship for another owner on another lot in Kent Woodlands. c) The use or improvement requiring the variance represents a reasonable use of the property that is necessary to the normal enjoyment of residential property in Kent Woodlands. d) The property has unique physical or topographical characteristics which would preclude developing the proposed improvement in a manner not requiring a variance. e) The need for the variance has not been self induced – that is, previous improvements to the property can not be cited as the sole reason that the new improvement cannot comply with the CC&Rs. |
| 32. | Any decision of the Architectural Committee may be appealed to the Board of Directors under rules for appeals, which are established by the Board from time to time. |
| 33. | By submitting an application for design review to KWPOA an applicant grants permission to the Board, the Committee and their designees to visit the site of the proposed improvement as necessary to determine the appropriateness of the proposed request, and to monitor compliance with the conditions of approval until completion of the project. |
| 34. | Upon completion of an approved project, applicants are required to certify in writing that the improvement has been installed or constructed in accordance with the plans as approved or conditionally approved by the Committee. The Committee may require a letter of certification from the applicant, the architect, the contractor and any other appropriate party. |

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| 35. | <p style="text-align: center;"><u>VIEWS AND TREES GUIDELINE</u></p> |
| | <p>Background</p> <p>In 2005, the KWPOA Board promised to establish clear rules and a process regarding trees and view maintenance and restoration because, sadly, this has been a growing area of neighborly conflict in Kent Woodlands. Typically neighbors solve these disputes amicably and reasonably but occasionally neighbors can't sort it out between themselves and a view dispute is brought before the Architectural Committee (AC) and sometimes an AC decision is appealed to the Board. View maintenance and restoration disputes can be very 'gut-wrenching' and very costly. To find a less stressful way to resolve view restoration issues for KWPOA members a View Restoration Committee made up of Members with knowledge and experience of view disputes was formed to explore the need for a new KWPOA Views and Trees rule to guide members and the KWPOA in handling such issues. The committee reported back to the KWPOA Board in June 2006 with a recommendation to adopt the draft rule below. The KWPOA Board sought member feedback in a one-month member comment period (Sep 2006) and this led to the revised version below.</p> <p>Preamble</p> <p>The overall purpose of the KWPOA is to uphold the CC&Rs (download available from KWPOA.com). In summary the CC&Rs seek to conserve and protect the Kent Woodland's fundamental "woodland" ambience as well as the 'privacy' and 'views' of residents. It is the responsibility of the Architectural Committee (AC) to review all improvement applications (including view restorations ones) and to make reasonable decisions, on a case-by-case basis. In general views may not be enhanced at the expense of a neighbor's privacy nor privacy enhanced at the expense of a neighbor's view.</p> <p>Purpose</p> <ol style="list-style-type: none"> 1. To define the rights and obligations of Members concerning the restoration and maintenance of views from a Member's property. 2. To establish a process by which Members may seek restoration of views. <p>Introduction</p> <p>Article VI, Section 8 of the KWPOA CC&Rs provides: <i>"No trees which have a circumference greater than eighteen (18) inches when measured five (5) feet above grade shall be cut, removed or heavily pruned without the consent of the Architectural Committee unless the tree is certified to be dead or diseased and is creating or is likely to create an immediate threat or hazard to persons or property. If a tree materially obstructs the view from any other residential Lot, the Architectural Committee shall determine if, how and to what extent such tree shall be trimmed or removed so that the view from the other residential Lot shall not be unreasonably obstructed by such tree. The Committee shall in writing advise the Owner of the Lot upon which the tree is located to have the tree so trimmed or removed. If the Owner fails for a period of thirty (30) days after delivery of such written notice to have the tree so trimmed or removed, the Architectural Committee shall have the right, but shall not be obligated, by itself or its agents or employees, to enter the Lot upon which the tree is located and to trim or to remove it at the expense of the Owner."</i> Pursuant to Article V, Section 5 of the CC&Rs, this Rule shall be used as a non-binding guideline to interpret and implement the provisions of Article VI, Section 8 of the KWPOA CC&Rs.</p> <p>Article I. Definitions of Terms Used</p> <p>"AC" means the KWPOA Architectural Committee "Board" means the Board of Directors of the KWPOA "CC&Rs" means the KWPOA's Amended and Restated Covenants Conditions and Restrictions recorded in 1995 and any subsequent amendments "KWPOA" means the Kent Woodlands Property Owners Association "Lot" means a parcel of real estate in Kent Woodlands that is subject to the KWPOA CC&Rs and defined as a "Lot" therein "Member" means a member of the KWPOA, e.g. a property owner of a Lot that is subject to the KWPOA CC&Rs "View" means the unobstructed visual access to landscape features as provided for herein</p> |

Article II. Members' Right To Restoration or Maintenance of a View Obstructed by Trees

1. Views Subject to Restoration:

- a) **Time Frame.** Each Member shall have a right to the restoration and maintenance of the views that were enjoyed by that Member as of the date the Member first became subject to the 1995 KWPOA CC&Rs or any time thereafter.
- b) **Views Defined.** Views subject to restoration and maintenance are those of (i) landmarks or natural features such as Mt. Tam., Bays, Phoenix Lake, forests and/or vegetation, undisturbed natural areas (excluding all of a vacant Lot), horizon lines, city skylines, and similar natural landscapes and features including any reasonable view as determined by the AC.
- c) **Locations on Lots Entitled to View Restoration.** Only views enjoyed from primary residences and primary outdoor entertaining areas are entitled to restoration.
- d) **New Views Caused by Fire, Disease, Disaster, and Routine Trimming/Pruning.** In the event that the trees or structures existing on a Lot are destroyed or materially diminished by fire, disease, or other natural disaster, the AC shall have the discretion to modify the provisions of this Rule, provided that it determines that good cause exists. Otherwise, new views created by fire, disease, or natural disaster, to the extent that such new views exceed the restorable views existing at the time of the disaster, are subject to the maintenance and restoration pursuant to this Rule only to the extent that such newly created views do not diminish the sense of seclusion and privacy of other Lots. When feasible, except for new construction, a balance should be struck between protecting a sense of privacy and seclusion and protecting views. The views entitled to restoration herein shall not be increased due to routine trimming, pruning, or seasonal changes.
- e) **Views Created or Caused by Intentional or Negligent Acts of Members.** To the extent that any Member intentionally or negligently causes the death or destruction of trees or vegetation on any Lot, including his own Lot, if undertaken without AC approval where such approval is required, the new views created as a result of such acts are not subject to restoration or preservation.

2. Extent of Restoration Permitted

- a) The **view restoration rights** of Members who undertake new construction or whose existing homes have been extensively remodeled shall be subordinated to the extent needed to protect and preserve the sense of privacy and seclusion of other affected Members.
- b) The **privacy rights** of Members who undertake new construction or whose existing homes have been extensively remodeled shall be subordinated to the extent needed to protect and preserve the existing views of other affected Members.
- c) **Remediation** shall, to the extent advisable, be conducted according to professional standards by a licensed arborist and shall be the minimum amount necessary to restore impacted views. To the extent feasible, shaping and windowing of trees shall be preferred to topping. Outright removal of trees shall only be required as a last resort if necessary to accomplish the objectives of this Rule.
- d) Members have a **responsibility** to exercise their rights under this Rule in a timely manner. Failure to do so may result in injury to or undue burden on the owner(s) of the offending tree(s). If unreasonable delay in seeking restoration has caused actual harm then restoration shall be limited to the extent necessary to avoid or mitigate such harm. An example of an undue burden would be where delay necessitated either complete removal or unsightly topping of the entire crown where prompter action would have permitted simple trimming. Failure to act in a timely manner may also give rise to legal or equitable limitations on a member's right to restoration of a view.

Article III. Process for Seeking Restoration or Maintenance of Views

- a) **The Application for View Restoration.** Any member may petition for restoration of a view obstructed by tree(s) by filing an application with the AC.
- b) **Burden of Proof Borne By Member Seeking Restoration.** The Member seeking restoration bears the burden of establishing entitlement to restoration pursuant to this Rule, including but not limited to, demonstrating by photographic or other reliable objective evidence the existence and extent of any view to be restored. Any Member may log the photographic evidence with the AC (pursuant for the AC's instructions for doing so) as a way of making the evidence public.
- c) **KWPOA Assisted Reconciliation.** The AC shall allow at least 2 meetings for view restoration solutions, after it is convinced that the parties have conscientiously tried to find resolution between them. The first meeting shall be in the form of a preliminary hearing. Both parties may present a case and the committee may present suggested solutions. If no agreement can be reached the AC shall determine at the next meeting whether or not an unreasonable impact exists and to what degree it should be remediated. The AC may allow up to 2 months after the preliminary hearing for the parties to work on a solution. Private formal mediation can be utilized but if the applicant so requests, he shall be entitled to a decision by the AC before he is required to participate in mediation.
- d) **Communication of Findings to All Parties.** After investigating a request for view restoration and providing for the meetings described above, the AC shall make a written determination regarding the request within 30 days of the final hearing on the application for restoration. The AC response will include what views are to be restored and how they will be restored as well as the pertinent sections of this Rule utilized in making its determination.
- e) **Cost of Remediation.** If the parties cannot agree on allocation of costs for view restoration the AC may determine allocation of costs. Typically, but not necessarily, the cost of view restoration will be borne by the member seeking the view restoration.

Project Types and Fees

All projects described herein require the submission of a written application to the KWPOA Architectural Committee. The Application Fee, plus a Reserve Fee, is due at the time the application is submitted. Staff fees for project review are charged at the rate of \$100/hour. The Architectural Committee reserves the right to invade the Reserve Fee when the estimated hourly fee cost of the consultant for project review exceeds the Application Fee for the given category. The Application Fee will be earned in full upon application submittal, any unapplied Reserve Fees will be returned to the applicant at the conclusion of the review process. In the event that staff cost exceeds Application plus Reserve Fees, the applicant shall pay such additional costs prior to completion of project review.

No Charge

Removal of dead or diseased trees (with arborist's report); projects involving no exterior changes to house, landscaping, etc. This includes repainting with same colors, re-roofing with same materials, rebuilding decks, fencing, bulkheads etc. in same location/height. If drainage, structures or landscaping are altered in any way, the project is not of this category.

C1: Project Category 1 • MINOR CHANGES • \$300

Application Fee: \$100; Reserve Fee: \$200 (estimated 3 hours staff time)

Minor changes to existing development including the installation of solar panels, re-painting or re-roofing with different color or materials, significant tree trimming or removal.

C2: Project Category 2 • MINOR ADDITIONS • \$600

Application Fee: \$350; Reserve Fee: \$250 (estimated 6 hours staff time)

Minor additions (less than 100 sq ft), window changes, new or different fencing, addition of small decks, change in exterior lighting , and/or significant plantings or landscaping, etc.

C3: Project Category 3 • PRELIMINARY REVIEW • \$1,000

Application Fee: \$200; Reserve Fee: \$800 (estimated 10 hours staff time)

Applicants must request preliminary review of Type 4, 5 and 6 projects. Preliminary review must precede submission of a complete application. The applicant must provide information for the Committee and its staff to thoroughly understand the proposal e.g. sketches and drawings, site photographs, a site plan, and elevations. The Committee will consider such and will provide the applicant with its preliminary opinions about the proposal with an eye to sparing the applicant the cost of unapprovable drawings. If additional meetings are required to produce an approvable project, fees may be increased commensurate to planning consultant costs. Preliminary review shall be NOT be considered an approval of all or any portion of the proposed project.

C4: Project Category 4 • SIGNIFICANT CHANGES IN APPEARANCE • \$1,200

Application Fee \$600; Reserve Fee: \$600 (estimated 12 hours staff time)

Significant change to appearance, e.g. addition of second stories, enlargement of existing house, new out-buildings, cabana, guesthouse, garage, pools, etc. Any new gross construction up to 1,000 square feet.

C5: Project Category 5 • SUBSTANTIAL REMODELS • \$5,000

Application Fee: \$3000; Reserve Fee: \$2000 (estimated 50 hours staff time)

All remodels and additions exceeding 1,000 square feet.

C6: Project Category 6 • TEARDOWNS • \$6,000

Application Fee: \$4000; Reserve Fee: \$2000 (estimated 60 hours staff time)

Removal of existing structure(s) and new construction.

C7: Project Category 7 • CHANGES TO APPROVED PROJECTS • \$850

Application Fee: \$100 per item; Reserve Fee: \$750 (estimated 1 hour staff time per occurrence)

All changes to approved projects must be submitted to the Committee for approval.

C8: Project Category 8 • VIEW RESTORATION • \$500

Application Fee: \$100; Reserve Fee: \$400 (estimated 5 hours staff time)

View Restoration (see Architectural Rule #35, Views and Trees Guideline, adopted January 25, 2007)

C9: Project Category 9 • APPEALS (other than from Project Category 8, View Restoration) • \$1,500

Application Fee: \$750; Reserve Fee: \$750 (estimated 15 hours staff time)

• **APPEALS from Project Category 8, View Restoration • \$500**

Application Fee: \$100; Reserve Fee: \$400 (estimated 5 hours staff time)

Any decision of the Architectural Committee may be appealed to the KWPOA Board of Directors. Such appeals must comply with established appeal procedures, including time limits for filing such appeals, set forth by the Board.

C10: Project Category 10 • CHANGES IN ROOF FORM • \$400

Application Fee: \$250; Reserve Fee: \$150 (estimated 4 hours staff time)

Significant changes in roof form, style or height.

C11: Project Category 11 • SLIDE REMEDIATION • \$4,000

Application Fee: \$3000; Reserve Fee: \$1000 (estimated 40 hours staff time)

Slide remediation including retaining walls, bulkheads, debris containment walls and slide face replanting.

C12: Project Category 12 • TIME EXTENSIONS

Application Fee: 25% of prior fee plus Reserve Fee: \$1000

Construction of projects approved by the Committee must begin no later than 24 months after approval. If an applicant does not begin construction within that time, approval is void unless written application for extension (up to 12 additional months) is submitted at least 30 DAYS PRIOR to the expiration of the existing approval period. Projects seeking extension may be subject to modification of plans as requested by the Committee. Up to two extensions may be granted. After two extensions, a complete, new application (including payment of the then current fees) must be submitted for any project.

C13: Project Category 13 • APPLICATIONS RESULTING FROM ENFORCEMENT ACTION

Application Fee: Four times the Application Fee, and one time the Reserve Fee for Project Category on this schedule

Kent Woodlands property owners are required to obtain approval of any construction project PRIOR to its construction. If a property owner undertakes an Improvement or modification to an approved plan without prior approval, the property owner must subsequently submit a complete application for the project to the Committee for its approval and pay the requisite fees. The requirement for submission of this late application does not imply that the Committee will approve the project as built or modified. The Committee may require modification or removal of the as-built improvements.

C14: Project Category 14 • ITEMS NOT COVERED BY ABOVE FEES TO BE SET BY THE ARCHITECTURAL COMMITTEE

If you are not sure what category might include your project, or whether your project requires an application, please contact the Committee. It will determine the application requirements and fees for any type of project not covered by this schedule. The Architectural Committee reserves the right in the case of significant additional complexity to assess additional monies in order to meet additional costs incurred in assessing applications.

PLEASE NOTE: Once work on an application has begun, Application Fees are non-refundable.



Kent Woodlands Property Owners Association

Designated Agent for Receipt of Association Mail

The name and address of the person designated to receive official communications on behalf of the Association is as follows:

Jeanne Williams, Administrator
Kent Woodlands Property Owners Association
PO Box 404, Kentfield, CA 94914 **OR**
1010 Sir Francis Drake Blvd. Suite 200, Kentfield, CA 94904

Secondary Address for Owners

As provided in Civil Code sections 4040(b) owners have a right to receive (1) annual reports the Association is required to provide to owners and for (2) mailings and notices related to assessment payments, delinquencies and foreclosures at an additional address if they submit a secondary address to the Association. The owner's request must in writing and must be sent to the Association in the manner provided in Civil Code sections 4035 and 5260.

Posting Location of General Notices

The location designated for posting of a General Notice is the KWPOA office at 1010 Sir Francis Drake Blvd., Suite 200, Kentfield, California. Notices will be posted in the Southeast-facing exterior window on the second floor, accessible from the exterior staircase.

Individual Delivery Notice

Documents designated by the Civil Code as requiring General Delivery or General Notice will be delivered using one of the methods detailed in Civil Code section 4045(a). If a member of the Association wished to receive these general notice documents by individual delivery, they must make such a request to the Association, and the Association will comply with the request.

Availability of Minutes

The minutes or a summary of the minutes of a Board meeting, other than an executive session are available to members within 30 days of the meeting. Minutes, proposed minutes, or summary of minutes will be distributed to any member upon request and upon reimbursement of the Association's costs for making that distribution. In order to make a request for a copy of minutes, members should contact Jeanne Williams via email at jwilliams@kwpoa.com, or in writing to KWPOA, PO Box 404, Kentfield, CA 94914.



Kent Woodlands Property Owners Association

Mailing Address for Overnight Payment of Assessments

Kent Woodlands Property Owners Association
1010 Sir Francis Drake Blvd. Suite 200
Kentfield, CA 94904

Preparation of Financial Review

As provided Civil Code section 5305, the Association will have a financial review prepared by a certified public accountant after the close of the fiscal year. That document and any information required by Corporations Code Section 8321 will be available to members within 120 days after the close of the fiscal year.

KWPOA FY FORECAST 2020 AND BUDGET 2021

| | 2020 Jan-Sept Actuals YTD | 2020 Full Year Forecast | 2021 BUDGET |
|---|------------------------------|----------------------------|--------------------|
| Income | | | |
| Residential Assessments | \$ 131,551 | \$ 131,551 | \$ 132,000 |
| Assessment Rebate | - | - | (48,000) |
| Interest Income/Other | 2,543 | 3,400 | 3,000 |
| Design Review Fees | 10,839 | 14,500 | 25,000 |
| Design Review Refunds | (211) | (211) | (500) |
| Disclosure Packages Fees | 3,370 | 4,493 | 5,000 |
| Total Income | 148,092 | 153,733 | 116,500 |
| Operating Expenses | | | |
| Office Expenses | | | |
| Design Review | 37,361 | 50,148 | 55,000 |
| Secretarial | 24,553 | 34,189 | 35,000 |
| Rent | 15,948 | 21,320 | 21,600 |
| Insurance | 11,996 | 12,000 | 14,000 |
| Printing | 1,395 | 2,633 | 2,700 |
| Postage | 1,585 | 2,649 | 3,000 |
| Telephone/Internet | 1,447 | 2,219 | 2,500 |
| Paypal/Bank Service Charges | 1,200 | 1,352 | 1,400 |
| Other Office Expenses | 4,211 | 8,902 | 6,500 |
| Total Office Expenses | 99,696 | 135,412 | 141,700 |
| Professional Fees | | | |
| Tax Preparation | 1,200 | 1,200 | 1,500 |
| Financial Statement Review | 3,600 | 3,600.00 | 4,000 |
| Computer Consulting | | | 350 |
| Legal Fees | 14,678 | 17,226 | 18,000 |
| Total Professional Fees | 19,478 | 22,026 | 23,850 |
| Social Committee | 40 | 40 | 8,500 |
| Fire Safety | | | |
| Utilities | | | |
| Water | 308 | 385 | 400 |
| Utilities - Other | 615 | 741 | 800 |
| Total Utilities | 923 | 1,126 | 1,200 |
| Landscape/Maintenance Services | | | |
| Landscape Services | 1,440 | 1,800 | 2,500 |
| Maintenance Services | | | |
| Total Landscape/ Maint. Services | 1,440 | 1,800 | 2,500 |
| Taxes | | | |
| Property | 11 | 308 | 350 |
| Federal | 770 | 770 | 800 |
| State | 10 | 447 | 500 |
| Total Taxes | 791 | 1,525 | 1,650 |
| LPR | 928 | 2,126 | 2,200 |
| Total Operating Expenses | 123,296 | 164,055 | 181,600 |
| Net Income | \$ 24,796 | \$ (10,322) | \$ (65,100) |

Budget approved by KWPOA Board of Directors on 10/22/2020

6/26/2020

Kent Woodlands Property Owners Association
Civil Code 5300(b)(9) Disclosure Summary Form

**Property: Great American Alliance Insurance Company: 7/1/2020 - 7/1/2021
\$5,220 Blanketed Common Area Property Limit with a \$1,000 Deductible.
\$4,758 Business Personal Property Limit with a \$1,000 Deductible.

General Liability: Great American Alliance Insurance Company: 7/1/2020 - 7/1/2021
\$1,000,000/\$2,000,000 per Occurrence/General Aggregate with a \$0 Deductible. \$1,000,000 Non-Owned and Hire Automobile Liability is included in this policy.

Umbrella Liability: National Surety Corporation: 7/1/2020 - 7/1/2021
\$10,000,000 each Occurrence/General Aggregate with a \$0 Deductible.

Directors' and Officers Liability: Continental Casualty Company: 7/1/2020 - 7/1/2021
\$1,000,000 per Occurrence and Annual Aggregate with a \$1,000 retention per Occurrence.

Employee Dishonesty: Philadelphia Indemnity Company: 7/1/2020 - 7/1/2021
\$500,000 per Occurrence with a \$2,500 Deductible.

Workers' Compensation: Republic Indemnity Company of CA: 7/1/2020 - 7/1/2021
\$1,000,000 Coverage statutory limits as required by California law.

Equipment Breakdown Coverage: No Coverage through our Agency.

Earthquake Insurance: No Coverage through our Agency.

Flood: No Coverage through our Agency.

This summary of the Association's policies of insurance provides only certain information, as required by subdivision (b) of Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association Member may, upon request and provision of reasonable notice, review the Association's Insurance Policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the Policies of Insurance specified in this summary, the Association's Policies of Insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any Deductible that applies. Association Members should consult with their individual Insurance Broker or Agent for appropriate additional coverage.

*****Coverage is Common Area Only. Each homeowner is responsible for insuring their own dwelling. For further information please call us at 877-317-9300.***

Kent Woodlands Property Owners Association

Schedule of Association Fees and Charges

Assessments:

| | |
|---|--|
| Regular Annual Assessment (per parcel): | \$275.00 |
| Late Charge (if assessment is received after 2/15/21) | \$27.50 |
| Monthly Interest on Late Assessments | 1% |
| Collection Charges for Unpaid Assessments: | Per association policy; please see Assessment Collection Policy. |

Other Charges:

| | |
|---|----------|
| Disclosure Document Package: <i>(Required for transfer of property. Charge includes Documents required by the California Civil Code and all staff work related to transfer of title)</i> | \$220.00 |
|---|----------|

| | |
|---|---|
| Misc. Document Reproduction: <i>(e.g. property files, application files, correspondence, etc.)</i> | .15 per page (black and white only, less than 100 copies) |
|---|---|

Please note that KWPOA does not have the facilities to produce color copies, odd-sized copies, copies of architectural drawings or high volume (more than 100 pages) requests. Items of this nature will be outsourced and the requesting member will be charged the actual reproduction costs plus staff time required to fulfill the request.

Dishonored Check Policy:

Any check returned to KWPOA for Insufficient Funds or Stop Payment is subject to a charge of \$25.00. Further, per California Civil Code section 1719, KWPOA may recover three times the amount of the check, up to \$1500. These damages are in addition to collecting the value of the check and could include court and mailing costs.



ASSESSMENTS, FORECLOSURES AND PAYMENT PLANS

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Sections 5650-5740 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5650-5740 of the Civil Code).

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 5650-5740 of the Civil Code).

The association must comply with the requirements of Sections 5650 through 5690 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5690 of the Civil Code).

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It

must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code).

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, he or she may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code).

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 2 (commencing with 5900) Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5660 of the Civil Code).

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a timeshare may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 5665 of the Civil Code).

The board of directors must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5660 of the Civil Code).

KENT WOODLANDS PROPERTY OWNERS ASSOCIATION
Governing Document Enforcement Policy
and Schedule of Fines
(Civil Code §5850)

Adopted by the Board of Directors on July 19, 2012

As you know, ensuring that all owners and residents abide by the governing documents of our Association is an important part of the Board of Director's responsibility to all owners. In the vast majority of situations, the desire to be a good neighbor is typically all that is needed to ensure compliance.

However, in the rare instances when formal action is required, the Association does have a variety of enforcement tools available. The KWPOA CC&R's at Article XI, Section 5(b), allow the Board of Directors to enforce the governing documents "through the use of such remedies as are deemed appropriate by the Board and available in law or in equity...." All such remedies may be enforced separately, or cumulatively, and in any order.

One of the tools the Board has elected to utilize is the ability to impose fines to obtain governing document compliance. The goal of a fine is to encourage compliance, not to increase revenues.

The Board therefore establishes the following fine schedule:

- | | |
|-----------------------------------|---|
| • First Violation | \$ 100.00 |
| • Second Violation | \$ 200.00 |
| • Third and Subsequent Violations | \$ 300.00 |
| • Violations with Costs/Damage | Appropriate fine, plus all costs as a Special Individual Assessment |

The Association retains the right to combine any fine with any other disciplinary action or other sanction, action, or condition (including but not limited to suspension of rights, such as voting privileges or parking in the Acorn lot, the levy of a Special Individual Assessment, alternative dispute resolution processes and/or litigation) depending on the seriousness of the infraction. For violations that are continuing in nature, such as the failure to remove an unapproved architectural alteration, or parking violations, fines may be levied for each day that the violation continues, up to a maximum amount per month of \$5,000.

The Association shall notify a member in writing, by either personal delivery or first-class mail, at least 15 days prior to any meeting at which the Board is considering or imposing discipline (including the levying of fines) upon a member. The notice will provide:

- The date, time and place of the meeting;
- The nature of the alleged violation for which a member may be disciplined; and

- A statement that the member has a right to attend and may address the Board at the meeting. At the member's option, a written statement may be provided in lieu of a personal appearance

The disciplinary hearing shall be held in Executive Session, and shall be conducted by the Board of Directors. The party against whom discipline or a fine is sought shall have the right to know the identity of his or her accuser (s) and shall be provided with a reasonable opportunity to examine and refute the evidence. The Board shall notify the party being disciplined, by personal delivery or first-class mail, of its decision within fifteen days of the Board's decision.



SUMMARY OF ALTERNATIVE DISPUTE RESOLUTION AND INTERNAL DISPUTE RESOLUTION PROCEDURES

California law favors, and in many cases makes mandatory, alternative dispute resolution (“ADR”) as a preferred method to resolve disputes involving homeowners associations. The procedures are intended to be an “alternative” to litigation. The purpose of this summary is to provide notice to owners of these requirements, and to encourage the use of ADR in the event of a dispute.

Alternative Dispute Resolution:

Sections 5925 to 5965 of the Civil Code provide that before owners and associations file lawsuits against each other for declaratory relief or injunctive relief in connection with a claim for money damages under \$5,000, or to enforce the association’s governing documents, the filing party “shall endeavor” to submit the dispute to ADR. These provisions do not apply to assessment disputes. There are various types of ADR. The most popular are mediation and binding or non-binding arbitration.

The ADR process is initiated by one party serving a Request for Resolution on the other parties to the dispute. The request must include (i) a brief description of the dispute, (ii) a request for ADR, (iii) a notice that a response must be received within thirty (30) days or it will be deemed rejected, and (iv) a copy of Civil Code Sections 5925 through 5965.

If the recipient receiving the request agrees to ADR, the process must be completed within ninety (90) days unless the parties agree otherwise. The cost of ADR is to be paid by the participating parties. If a civil suit is filed, the filing party must submit to the court a Certificate of Compliance indicating the party has complied with the requirements of Sections 5925 to 5965. Failing to do so would be grounds for challenging the lawsuit.

Although the prevailing party is entitled to reasonable attorneys’ fees and costs, the court may consider a party’s refusal to participate in ADR when making the award.

NOTE: Failure of a member of the association to comply with the alternative dispute resolution requirements of Civil Code §5930 may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

Internal Dispute Resolution:

In addition to the ADR requirements, there are also “Internal Dispute Resolution” requirements which can be found in Civil Code §§5900 – 5920. This new law supplements, but does not replace, the existing ADR provisions summarized above.

The new provisions require that the association offer and participate in a “fair, reasonable and expeditious procedure for resolving disputes.” If the association does not adopt such a procedure, then the statute supplies the process that must be followed, which includes a requirement that the Board (through a designated Board member) have a face to face meeting with the other party. This process is known as Internal Dispute Resolution or IDR.

The statutory procedure, which must be offered to the member at no cost, is as follows:

- The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
- A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
- The Association's Board of Directors shall designate a member of the Board to meet and confer.
- The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
- A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.

The Association encourages members to utilize these alternatives to litigation in the event of a dispute.



**Assessment Collection Policy
(Consistent with 2003 Amendments to the Davis-Stirling Act)
Effective January 1, 2003**

Prompt payment of assessments by all owners is critical to the association's ability to maintain the community and provide services. Among the Board's most important responsibilities is the collection of assessments which are not paid on time. The association CC&Rs and the California Davis-Stirling Act provide the board with strong procedural tools to collect delinquent assessments. It is the hope of the board that by reminding all owners of the collection procedures, that owners will make all payments promptly.

It is the intent of the association to send late notices as outlined in this procedure as a courtesy to homeowners, but the association accepts no responsibility for notices not received by owners, except that notices will be sent as required by law.

1. **Regular Assessments:** Regular assessments are due and payable on the first day of each year.
2. **Special Assessments:** Special assessments are due on the date specified in the Notice of Special Assessment, which shall be at least 30 days after the notice is mailed and are past due if not received within 15 days of the due date.
3. **Special Individual Assessments:** Special Individual Assessments are due and payable within 30 days after the mailing of the notice of the assessment.
4. **Reminder Notice:** The association is not required to send out late notices, however, when the association has not received an assessment payment within fifteen (**15**) days after the due date, it is past due and the owner may be sent a reminder notice.
5. **Late Charge:** A late charge on any past due amount shall be levied 15 days after the due date. The late charge shall be 10% of the monthly assessment.
6. **Interest:** Thirty (30) days after the due date, the association has the right to collect interest, as authorized by the Davis-Stirling Act, on the entire outstanding balance, including unpaid assessments, cost, fees and charges. In addition to any other costs, the association may also charge a flat collection fee for each past due assessment to cover administration costs of collection.
7. **Confirmation of Amounts Due:** Owners are entitled, upon request, to verify the amounts owed by inspecting the accounting books provided and records of the association,

pursuant to Corporation Code Section 8333 and as allowed by the association CC&Rs. Upon request, owners are also entitled to a receipt for any payment made. If it is determined that an owner actually did make a payment on time, then the owner shall not be liable to pay any charges, interest or collection costs relating to that payment.

8. Collection Agent: If the assessment or charges are not received within thirty (30) days of the due date, the delinquent account may be turned over to a collection agent, which may be an attorney or a collection agent. Once the account is turned over to a collection agent, the owner must make payments directly to the collection agent. Delays and additional charges may be incurred if payments are directed elsewhere. This requirement will continue until all assessments, costs, fees and interest have been paid by the owner and the owner is current.

9. Pre-Lien Notice: When an assessment (or any portion) remains unpaid thirty (30) days or more after the due date, the association/agent shall send the owner a written Pre-Lien Notice by first class and certified mail. Said notice shall include the information required by Civil Code Section 5740 (for all liens recorded before January 1, 2003) and by Civil Code Section 5660 or its successor statutes (for those liens recorded after January 1, 2003).

Effective January 1, 2003, the association shall notify the owner of record, in writing by certified mail of the following: (1) A general description of the collection and lien enforcement procedures of the association and the methods of calculation of the amount, a statement the owner of the separate interest has the right to inspect the association records, pursuant to Section 8333 of the Corporation Code and the following statement in 14-point boldface type, if printed, or in capital letters, if typed: **"IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION."** (2) An itemized statement of the charges owned by the owner, including items on the statement which indicate the amount of any delinquent assessments, fees, reasonable costs of collection, reasonable attorney's fees, any late charges and interest, if any. (3) A statement that the owner shall not be liable to pay the charges, interest, costs of collection, if it is determined the assessment was paid on time to the association. (4) The right to request a meeting with the board as provided by the subdivision (c).

10. Request for Payment Plan: As a general rule, the board must strictly enforce its collection policy. However, an owner may request in writing for the board to meet in executive session to consider the owner's request for a payment plan to resolve the delinquent account. All such decisions by the board shall be decided on a case-by-case basis and may be conditioned upon the execution of a written agreement and/or the recordation of a lien on the owner's unit. Neither the management company nor individual board members have the authority to waive any of the late penalties or fees listed above or to negotiate a payment schedule different from that stated above. Any such action must be approved by the board at a duly noticed board meeting.

11. Payment Under Protest: An owner may also make payment "under protest". If an owner disputes the amount due and (a) pays all assessments, late charges, fees, costs and an amount of attorney fees up to \$425, (b) states by written notice the amount is paid under protest and (c) the written notice is mailed by certified mail not more than thirty (30) days from the recording of the Notice of Delinquent Assessment and then the association shall inform the

owner that the owner may resolve the dispute through alternative dispute resolution as set forth in Civil Code Section 5935 or otherwise.

12. Notice of Delinquent Assessment: If full payment is not received within thirty (30) days of the due date of the Pre-Lien Notice, the association or its collection agent may cause a Notice of Delinquent Assessment to be recorded. Upon recordation, a lien is created. Within 10 calendar days following recordation of the Notice of Delinquent Assessment, a copy shall be mailed by certified mail to all record owners of the property.

13. Collection Proceedings: If the full payment is not received within thirty (30) days of the recording of the Notice of Delinquent Assessment, the association or its collection Agent may make special arrangements for payment and/or may initiate foreclosure proceedings or a lawsuit for damages or undertake any other action allowed by the law or equity. Unless otherwise decided, the collection will be handled as a non-judicial foreclosure, which means that your home could be sold at a foreclosure sale without court action.

14. Application of Payments: Payments received by the association shall first be applied to the principal owed and after the principal owed is paid in full, such payments shall be applied to interest and collection expenses, including attorney's fees, unless the owner and the association enter into an agreement which provides for payments to be applied in a different manner.

15. Returned Checks: An owner who writes a check to the association which is returned for any reason, shall pay a \$25.00 charge for processing such checks. If the check cannot be negotiated, payment shall be demanded in accordance with California Civil Code Section 1719, which entitles the association to treble damages **for failure to pay the amount of dishonored check.**

16. Mailing of Notices: All above-referenced notices will be mailed to the owner(s) of record at the last mailing address provided in writing to the association by such owner(s).

17. Address for Overnight Payment of Assessments: The mailing address for overnight payment of assessments as of January 1, 2009:

KWPOA

PO Box 404

Kentfield, CA 94914