I. Introduction

A. In many cases, conditions and activities which could impact negatively on the rights and welfare of Crooked River Ranch property owners and other Ranch residents are regulated by state and federal statutes, and by the codes of Deschutes and Jefferson Counties. These statutes and codes carry the force of law and are enforced by government bodies. The Crooked River Ranch Club & Maintenance Association does not have the authority to enforce these statutes and codes, but would support higher authority in their enforcement efforts for the benefit of the Ranch community.

B. Crooked River Ranch is a community development organized under Oregon law as Crooked River Ranch Club and Maintenance Association (hereafter as “The Association”)—a “not for profit corporation”. A major reason for its organization was “to promote the mutual health, safety, welfare and benefit of its members, including the residents of Crooked River Ranch”. The Association is governed by a Board of Directors (BOD) which is elected by the membership (property owners). The BOD establishes broad policies and objectives for the organization.

C. The Association is regulated by its basic documents—**Articles of Incorporation, Bylaws, and Covenants, Conditions and Restrictions (CC&Rs)**. Together, these documents provide a set of requirements, prohibitions and protections for our community—both the Association and the general population.

D. The CC&Rs, in particular, seek to define what is required or prohibited for property owners and other residents. Their enforcement is based on civil law because they represent a legally-binding contract between the Association and CRR’s property owners. That contract runs with the land, so the CC&Rs are legally binding on each successive property owner. It is the practice of local title and escrow companies to provide a set of the CC&Rs to each new owner prior to or in the closing process. The set of CC&Rs for each of the 16 CRR Phases is available on the Association website. In addition, a hard copy may be obtained upon request from the Association Administration Office. Consequently, ignorance of the CC&Rs requirements or prohibitions is no legal excuse for their violation.

E. In some areas the CC&Rs provide very clear guidance on what is required or prohibited. In others they provide only general guidance—such as prohibitions against conditions that constitute “noxious”, “offensive” or “unsightly” conditions or actions “which may be or become a nuisance.” The Board of Directors has recognized the need for increased clarity of the intent of the CC&Rs. Such increased clarity would make the CC&Rs more “user-friendly” for both home owners/renters and those involved in the enforcement process itself. To improve such clarity, the BOD has decided to establish the set of rules provided in this procedural document. These rules expand definitions and provide examples of what would be prohibited. Care has been taken to ensure that the rules are sufficiently specific and clear.
enough that a reasonable person, or a court would be able to understand what would constitute a violation of them.

F. These rules are consistent with the Ranch’s basic documents—CC&Rs, By-Laws and Articles of Incorporation. In no way do they seek to duplicate or replace laws or codes of higher authority—federal, state or county. However, where appropriate to meet the requirements of the basic documents, the Association may adopt rules that are more restrictive than those adopted by higher authority.

II. Rules Adopted by the CRR Board of Directors

A. The authority for the BOD’s adoption and enforcement of rules and regulations to promote the mutual health, safety, welfare and benefit of its members is provided in the following:

a. Article X of the By-Laws lists as a power of the Board of Directors “to exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

b. Article II of the Articles of Incorporation lists as a purpose for which the corporation is organized: “to enforce any and all covenants, restrictions and agreements now or hereafter made applicable to said property”.

c. Articles V, VI and VII of the CC&Rs for each phase (I through 16) broadly discuss each owner’s responsibility for the maintenance of each lot and restrictions on the use of property and the personal conduct of inhabitants of the property. These CC&Rs are legally binding on all members (property owners) and Article IX addresses enforcement of the CC&Rs. It gives the Association the right to enforce, “by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration”. It further notes: “The covenants and restrictions of this declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association…”

B. In crafting this set of rules, the BOD sought guidance from accepted legal definitions—such as for the term “nuisance”, which include the following: “the unreasonable, unwarranted, or unlawful use of one’s property in a manner that substantially interferes with the enjoyment or use of another individual’s property, without an actual trespass or physical invasion to the land.” The BOD also included in its prohibitions any annoying, unpleasant, or obnoxious condition or practice causing a potential threat to public health, safety and welfare.

C. In accordance with legal counsel, the BOD has incorporated in this set of rules all other previously promulgated rules involving property use.

III. Enforcement of CRR Rules

A. Voluntary abatement has always been the preferred option in dealing with violations of the CC&Rs and shall be so with the rules established in this document. As with the CC&Rs,
the CC&R Review Committee will be charged with seeking to achieve voluntary resolution of any potential violations of the rules. The Committee will work with the Ranch Administrator in this effort. Unfortunately, it is a regrettable fact that voluntary resolution is not always possible. When all attempts at achieving resolution on a voluntary basis fail, a violation case will be referred to the Board of Directors (BOD) by the CC&R Review Committee with a request that the case be declared “an open violation” of the specified rule(s). The Board of Directors will make a determination as to whether or not an open violation exists.

B. If an “open violation” is approved by the BOD, a letter signed by the BOD President will be sent to the property owner via certified mail and regular mail. This letter will note that an open violation carries with it denial of membership rights for access to and use of recreational and service facilities. It will also warn that failure to either deal with the violation, or to provide the Administrator with a plan for doing so, within four weeks will result in additional enforcement action(s). The letter will notify the property owner of the option of an appeal of the BOD decision and a “CC&R Open Violation Appeals Form” (Appendix B) will be included with the notification letter. It will also notify the property owner that if they fail to respond as requested within the time limit specified in the warning letter or file an appeal within the time allotted, the case will be taken to the BOD to approve additional specific enforcement action(s). Such action(s) may include approval of clean-up operations organized by the Ranch Administrator where such action(s) are authorized by the CC&Rs, with the cost assessed to the property owner. Alternatively, the BOD may choose to levy a fine – either as a one-time assessment or a monthly assessment until compliance is achieved. In the past, the BOD has authorized limited fines, but this tool had been used sparingly and was met with limited success. The BOD has decided to adopt a more rigorous approach to using fines as a tool for enforcing the Ranch’s Rules, and has approved the following schedule of maximum fines which are keyed to the severity of violations.

IV - Schedule of Fines

A. The fine schedule listed in Table 1 is organized into five classes of violations (Classes A through E) based on the relative severity of a violation. The amount listed for each class represents a recommended maximum amount. These amounts were established as “reasonable” based on comparison of fine schedules of similar homeowner associations in the general geographic area.

<table>
<thead>
<tr>
<th>Class</th>
<th>Maximum Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
<td>$1000</td>
</tr>
<tr>
<td>Class B</td>
<td>$500</td>
</tr>
<tr>
<td>Class C</td>
<td>$250</td>
</tr>
<tr>
<td>Class D</td>
<td>$150</td>
</tr>
<tr>
<td>Class E</td>
<td>$100</td>
</tr>
</tbody>
</table>
Note: Any recurrence of a violation within twelve (12) months can result in an increase to the next highest class and its fine amount.

B. Any fine must approved by a vote of the BOD. The BOD will also determine whether a fine is to be a one-time assessment or a monthly assessment until compliance is achieved. The BOD will use the fine schedule as a guide. Once a fine is levied, the BOD retains the option to suspend or reduce the amount based on the willingness of the complaint recipient to deal with the violations cited. Fines for a non-defined violation of any kind shall be established by the BOD as necessary, and by definition will be included in this document for future reference.

V – The Rules

A. Violation of Architectural Review Committee (ARC) Approval Requirements

a. New Construction or Improvements.

According to CC&Rs, Article V, Paragraph 1: “No building, fence, wall, hedge, structure or improvement shall be placed or permitted to remain upon any part of said property unless a written request for approval thereof containing the plans and specifications therefore, including exterior color scheme, has been approved in writing by a majority of the Architectural Committee or by a its representative designated by a majority of the Committee. Particular emphasis is placed upon the type of structure, setbacks, and compatibility. The approval of the Committee shall not be unreasonably withheld if the said plans and specifications are for improvements which are similar in general design and quality, and generally in harmony with dwellings then located on said property.”

1. Advance written approval must be obtained from the Architectural Review Committee (ARC) by submitting a Property Improvement Application for all new construction or improvement of buildings larger than 200 square feet, and for perimeter fences, walls or hedges. Repainting a structure is considered an improvement and requires ARC approval which may be obtained by submitting a letter to the ARC through the Administrative Office noting the planned repainting which is accompanied by a color board of the new color. Only colors which meet the approved “earth tones” would be approved.

   a. The Property Improvement Application comes in two forms, one for commercial properties (Phases 15 and almost all of 16) and another for residential properties (all others, including a few properties in Phase 16, which have been rezoned as residential).

   b. The application forms may be downloaded from the Association’s website or be obtained in hard copy from the Administrative Office.

   c. The applications need to be accompanied by all required plans, and specifications – including a color board, if appropriate.
d. The Architectural Review Committee normally meets on the second and fourth Mondays of each month and to be considered at the next meeting, the application package needs to be submitted to the Administrative Office no later than noon of the preceding Monday.

**VIOLATION A-1** Starting construction or improvements without first obtaining ARC approval constitutes a “Class C” violation subject to that level of fine ($250).

**VIOLATION A-2** Significant modification to a project after an application has been approved by the Architectural Review Committee without an adjustment approved by the ARC constitutes a “Class C” violation subject to that level of fine ($250).

**B. Sign Restrictions for the Residential Zone**

CC&Rs Article VII, paragraph 1 states: “Unless written approval is first obtained from the Architectural Committee, no sign shall be displayed to public view on any building or building site on said property except one professional sign of not more than five square feet advertising for sale or rent, or signs used by the developer to advertise the property during the construction and sales period. If a property is sold or rented, any signs relating thereto shall be removed immediately except that the Declarant and only the Declarant or its agent may post a “sold” sign for a reasonable period following the sale.

The BOD has approved more specific rules on signage in the residential area in its Sign Guidance for the Crooked River Ranch Residential, most recently updated by resolution in February 2015. Those rules build upon the CC&R stipulations making them more user-friendly, including specifying exemptions to ARC approval requirements. There are no complementary sign guidelines for the Commercial Zone beyond that specified above—and Jefferson County sign codes. Legal counsel recommended that all CRR rules be incorporated into a single document. Consequently, the rules on signage are incorporated verbatim below:

I. No sign may be displayed on any parcel unless expressly permitted or by written approval/application of the Architectural Review Committee. (Refer to CC&R’s Article VII PROPERTY USE RESTRICTIONS, 1.)

II. Exceptions to the above: Garage sale, Real estate, Event, Political, and Official government flags.

A. No signs of any nature shall exceed 5 square feet in size in a residential area.
B. No signs shall be placed on any road right-of-way.
C. Only one sign with or of the same message per property is allowed.
D. No sign may be illuminated. (Except CRR Welcome Sign).
E. A Home Occupation permit must be obtained from the county before a business can advertise with a sign in a residential zone and can only be placed upon the property, which the business use is located.
F. All signs must be placed in a location that will not obstruct the vision or view of vehicular traffic.
G. Garage sale signs must be dated with the date of posting and may be put up 2 days before the sale begins. All signs must be removed within 24 hours after the sale. No more than six (6) sales per calendar year will be permitted.

H. All event (wedding, etc.) signs can be displayed 1 day before the event and must be removed within 24 hours following the event.

I. Only one real estate sign per property offered for sale is permitted and must be removed immediately after close of escrow.

J. Real Estate signs for “Open Houses” may be put up on the day of the event and must be removed immediately after close of “Open House”.

K. No directional signs are allowed, with the exception of garage sale signs, “Open House” signs, and those with the approval of the Architectural Review Committee.

L. Federal, State and County political signs may be displayed 60 days before an election and must be removed within 3 days following the election. CRR political signs can be displayed on July 1st and must be removed within 3 days after the election. All political signs may be placed on private property only after receiving permission of the property owner.

M. No signs may be placed on Community Property or attached to the CRR Welcome sign without written approval.

N. Contractor’s & subcontractor’s signs may be displayed when the work actually starts, not when the contract is signed, and must be removed within 5 working days after completion of work.

III. All community banners/signs to be displayed at entrance of ranch on Antelope and Chinook and Mustang and Chinook will be approved through the Administration Office after completing Banner request form. A sample of banner must be included with request. Banners must be professional and appropriate. Banners may be ordered from any Banner and/or Print shop, but must comply with the “Guidelines for Event Banners”. The Maintenance Department will put up the banner. The banner may be displayed up to 2 weeks prior to the event, unless there was a prior week’s banner posted, and will be removed within 2 days after the event by the Maintenance Department and rolled up to prevent damage to the banner so it may be used again.

VIOLATION B-1 Placing or keeping a sign in the CRR Residential Zone which requires Architectural Review Committee (ARC) approval without first obtaining ARC approval constitutes a “Class C” violation subject to that level of fine ($250).

VIOLATION B-2 Posting in the CRR Residential Zone a sign which is not in compliance with the applicable provision of the rules listed above is prohibited and constitutes a “Class E” violation and is subject to that level of fine ($100).

C. Property Maintenance and Restrictions on Property Use
Articles VI and VII of the CC&Rs for Crooked River Ranch Phases 1 through 16 speak to requirements for property maintenance and restrictions on property use. These articles work together to define what is required and what is prohibited:

- **Exterior Maintenance Requirements:** CC&Rs Article VI, Section 1, Paragraph B: “It shall be the obligation of each owner of any Lot or Building Site to keep and maintain the same, and any building or improvement now or hereafter located thereon, in proper condition, including the area between his property line and the paved portion of any street or curb abutting his property. The Association may, if it desires, offer to and perform such service for the owners desiring the same, assessing the reasonable cost thereof to said Owners. If any Owner fails to keep his lot improvement so maintained, the Association may, upon reasonable notice, enter said Lot and perform said maintenance and assess the cost thereof to said owner.”

- **Property Use Restrictions:** CC&Rs Article VII, Section 2: “No part of said property shall be used or maintained as a dumping ground for rubbish, trash, garbage, or any other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container. All incinerators or other equipment for the disposal of such material shall be kept in a clean and sanitary condition.”

- **CC&Rs Article VII, section 4:** “No noxious or offensive or unsightly conditions shall be permitted upon any part of said property, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.”

The following rules building upon those articles have been adopted by the Board of Directors.

1. Buildings, fences, walls, other structures and improvements on CRR properties -- must be properly maintained. The BOD defines this as:
   a. Buildings, other structures, walls and fences must not be falling down, or otherwise in disrepair, such as having broken windows or doors, or a roof caving in.
   b. Buildings and other structures must not have peeling paint that is observable to the naked eye from any public road or easement.

   **VIOLATION C-1** Failure to properly maintain a building, other structure, fence, wall or other improvement constitutes a “Class C” violation subject to that level of fine ($250).

2. Lots and building sites – including the area between the property line and any public road abutting the property – must be properly maintained without unsightly conditions: The BOD defines this as:
   a. No accumulations of rubbish, trash, garbage or any other waste.
   b. Any house garbage must be kept in a sanitary container—open trailers or bins may not be used to collect garbage for periodic disposal in the absence of sanitary service. Any garbage, trash or litter stored for later proper disposal must be placed in a secure garbage container to prevent scattering of the
contents by animals, birds or weather or attraction of vermin. Overflowing of sanitary containers is prohibited.

c. No accumulations of discarded items or materials – such as furniture, bedding, machinery, or building materials.

d. No open accumulations of junk or “solid waste” (as defined by the counties) — this includes open storage of inoperable or discarded appliances and inoperable and unlicensed vehicles, RVs, boats, utility trailers. This prohibition also includes an accumulation of vehicle parts, including tires. There are no junk yards allowed within either the residential or commercial zones of Crooked River Ranch.

e. Discarding, dumping, burying, burning or other improper disposal of garbage, trash or litter on any Crooked River Ranch property is prohibited.

f. Given the consistent fire danger endemic to Crooked River Ranch, large piles of tree limbs, and other dead plant material which presents a fire hazard are prohibited.

VIOLATION C-2 Failure to properly maintain a lot or building site as defined above constitutes a “Class C” violation subject to that level of fine ($250), except that violations involving improper storage or disposal on site of garbage constitutes a “Class B” violation subject to that level of fine ($500).

3. Anything which is, or which could become, an “annoyance” and “nuisance” to the neighborhood of a property would be prohibited by the CC&Rs. The board adopted as the standard for this prohibition the legal definition of a “nuisance” as “the unreasonable, unwarranted, or unlawful use of one’s property in a manner that substantially interferes with the enjoyment or use of another individual’s property, without an actual trespass or physical invasion to the land.” The Board also included in its prohibitions any annoying, unpleasant, or obnoxious condition or practice causing an unreasonable threat to public health, safety and welfare. Examples of what would be considered a “nuisance” are the following:

a. Uncontrolled growth of noxious weeds which threatens the invasion of neighboring properties.

b. Loud and/or prolonged noise that undermines the peace and tranquility of Crooked River Ranch. The intent of this rule is to ensure that the quiet and comfort of any reasonable person of normal auditory sensitivity inhabiting the area is not disturbed. Exceptions to enforcement of this rule include, without limitation, road maintenance, general maintenance, golf maintenance, the operation of emergency vehicles, the conduct of normal activities within commercial areas and commercial activities so long as such activities do not otherwise violate these rules. A subset of this prohibition include the following:

i. Frequent or prolonged (in excess of 15 minutes) animal noises.

ii. The use or operation of any electronic device, radio receiving set, television, musical instrument, phonograph or other machine or device for the producing or reproducing of sound in such manner as to disturb the peace, quiet and
comfort of any reasonable person of normal auditory sensitivity inhabiting the area is prohibited.

iii. Use of any motor vehicle on the road or off-road in a manner that creates excessive noise.

iv. Activity, growth of a crop, or a process that creates a noxious odor which disturbs the peace and comfort of any reasonable person of normal olfactory sensitivity inhabiting the area.

**VIOLATION C-3** Creating or allowing to be created on the owner’s property a nuisance or annoyance to the neighborhood, as defined above, constitutes a “Class C” violation subject to that level of fine ($250).

D. As needed, rules herein may be amended, or new rules added as approved by the Board of Directors with notification provided to the public.


F. See Appendix B for the “CC&R OPEN VIOLATION APPEAL FORM”