

Rules and Regulations

Introduction

In order to better manage, administer, and abide by the Riverbend North Homeowner's Association ("HOA" or "Association") Covenants, Conditions and Restrictions ("CC&Rs" or the "Declaration"), and the Association's By-laws, the Board of Directors have established a policy and process to create Rules & Regulations ("Rules & Regs") for the purpose of adding clarity and practical definition to CC&Rs. The Rules & Regs will not change or replace the CC&Rs. Instead the Rules & Regs will serve as a consistent guideline for today's Board of Directors as well as those in the future for governing the administration, management, maintenance, and preservation of homeowner values for the subdivision and for the health, comfort, safety and general welfare of the residents. Below is the initial framework of the Rules & Regs providing clarification and clearer definition on some of the items within the CC&Rs. The intent is that the Rules & Regs will be continually improved upon and kept relevant to changes in technology, society, and our community. You are invited to attend the HOA's Annual Meeting Thursday April 16,2020 at 6:00PM in the Community Building located at 111 West First Street Belvidere, IL 61008 to learn more and provide your input.

Governance Documents

Just as the elected leaders of a small town must be knowledgeable about the laws defining their authority and governing their actions, so must board members become familiar with the documents that control the operation and administration of the HOA. These documents are:

- **CC&Rs or the Declaration:** The Declaration is the document which creates and defines the Association. It essentially contains the "ground rules" for the Association. It is recorded against an entire property so that all owners who buy property in the Association after the date on which the declaration is recorded will be bound by its provisions. Thus, the Declaration "runs with the land," i.e., is found in the chain of title to the property and affects all subsequent owners of the property. The Declaration will also commonly contain various restrictions against owners using the property in a certain way. The Declaration may be considered the "constitution" for the operation and administration of the Association. Generally, if there is a conflict between the provisions of the Declaration and the Bylaws or other instruments, the Declaration prevails except to the extent it is inconsistent with Illinois statutes.
- **Bylaws:** The Bylaws, often an exhibit to the Declaration or incorporated within the body of the Declaration, contain the procedural framework under which the Association will run. The Bylaws tell the Board of Directors how to run the Association, i.e. how many people should sit on the Board, how often to meet, notice requirements, the power of the Board, the manner in which Board members may participate in a Board meeting and the method of filling vacancies on the Board, for example.
- **Rules and Regulations:** The Rules & Regs are sometimes referred to as the "dos and don'ts" of the Association. The Rules & Regs expand the terms or restrictions within the Association's Declaration. Rules & Regs are the tool of the Association which allow the Board to enforce the restrictions within the Declaration and Bylaws. Without Rules & Regs, the Board is often left asking itself what it can do about an owner who is violating the Declaration. It is a Board

function to adopt or amend the Rules & Regs. For common interest communities like the Riverbend North Homeowner's Association, there are no specific statutory procedures to be followed for adopting rules and regulations. Instead, the Declaration and Bylaws should first be consulted to determine whether an appropriate process for adopting Rules & Regs is listed. If the Declaration and Bylaws are silent as to Rules & Regulations, then the Board is free to adopt Rules & Regs, so long as the Rules & Regs adopted do not directly conflict with the Declaration and Bylaws.

The Association Board

Illinois law invests Association Boards with broad obligations and authority. Boards, for instance, have the power to sue; to spend and invest the Association's funds; and, in general "to have and exercise" all powers necessary or convenient to effect any or all of the purposes for which the corporation is formed." (805 ILCS 105/103.10).

The Board is responsible for the operation and administration of the Association. Board members make the final decisions, although they can and often do hire expert help such as managers, attorneys, accountants and engineers.

The HOA Board may adopt and enforce Rules & Regs in addition to those listed in the CC&Rs, either of its own accord or at the request of residents, governing the administration, management, maintenance, operation, use, conservation and beautification of the subdivision and for the health, comfort, safety and general welfare of the residents. The Board may also amend such rules and regulations from time to time.

After much mindful consideration, the Board has passed the following rules and regulations to clarify and extend the restrictions listed in the CC&Rs while being careful not to contradict the CC&Rs:

1. Above Ground Pools

Section VIII, Paragraph S of the CC&Rs expressly prohibits above ground swimming pools from being erected and maintained on any Lot. In-ground pools are permissible and are defined as pool to be constructed or installed in ground by means of monolith concrete application, gunite application, prefabricated composite fiberglass unit installation or vinyl liner waterproofing PVC membrane installed over a composite or steel wall construction that creates a permanent impervious structure and becomes part of the real estate property. The definition used to describe above ground pools includes but not limited to any pool that is manufactured to be erected without meeting the definition of an in-ground pool being set at or below ground level, that is not considered a permanent impervious structure that becomes a part of the real estate property. Exception to this definition includes children's wading pools that are intended to be temporary and do not include a filter system.

2. Solar Panels

Section VIII, Paragraph P of the CC&Rs addresses restrictions on Satellite dishes, antennas, and similar devices. The Board categorizes Solar Panels within this definition. In accordance with the Illinois Homeowners' Solar Right Act solar energy systems shall

meet applicable standards and requirements imposed by State and local permitting authorities and may be installed only on the roof of a primary residence – and nowhere else on a private lot - within an orientation to the south or within 45 degrees east or west of due south provided that the determination does not impair the effective operation of the solar energy system. Application to install a solar system must be submitted to the Board’s Architectural Review Committee. The Committee will make a recommendation to the Board for approval / disapproval within 90 day of the submission.

3. Wind Energy Systems

Section VIII, Paragraph P of the CC&Rs addresses restrictions on Satellite dishes, antennas, and similar devices. The Board categorizes Wind Energy Systems within this definition. According to Energy.gov small wind energy conversion systems require a minimum of one acre of land with current technology. Until wind energy systems technology improves such systems are incompatible with the subdivision’s lots sizes and therefore are currently prohibited.

4. Fences

Section VIII, Paragraph Q addresses the erection and maintenance of fences. The term “fence” shall mean any linear structure used to enclose or prevent access or prevent visual transference to a portion of a residential lot. The Board recognizes that the technology of fencing material has changed and improved since the inception of the CC&Rs. All requests for the erection of fences must be submitted to the Architectural Committee, which will forward the request with a recommendation of approval or denial to the full Board. Fences consisting of industry standard material of high-quality - excluding chain link, wire, woven wire, webbing, barbed wire, corrugated or flat sheeting or panels, nor of reed or straw like or similar materials, nor temporary or non-permanent materials – will be considered. Fences shall be regularly maintained by the lot owner and kept in good repair, and where appropriate, painted or stained so as to maintain and enhance the appearance of the property. The Board reserves the right to deem any fence in non-conformance of being properly maintained. Lot owners with fences deemed not to be maintained will be notified by certified mail requesting remediation within 30 days. Failure to comply with the request to maintain and/or repair a fence will subject to fines and other penalties.

5. Temporary Storage PODS

Section VIII, Paragraph K addresses restriction of trucks, trailers, mobile homes, campers, vans, R.V.’s, boats, and other similar vehicles and objects kept or stored on lots within the HOA. The Board categorizes temporary storage containers known as PODs within this section. Temporary PODs may be kept on a lot restricted to placement

in the driveway for no more than two weeks. A lot owner may request for an extension by petitioning the Board with an explanation for the reason to extend the time period along with a planned date of removal.

6. Rules & Regulations Enforcement

The Board of Directors are required to conduct association business and to protect community harmony and homeowner values by providing guidelines and a procedure to address conditions that disrupt that harmony. The Board believes that an enforcement procedure will result in a greater community awareness of reasonable conduct that all Lot Owners have the right to expect from each other. Therefore, the following rules enforcement procedures will be followed to the extent practical:

1. Any lot owner can report an infraction of the Rules & Regulations, and the Covenants, Conditions, and Restrictions (which are a legal restrictions to the deeds of all properties within the Association) to any board member by contacting them using the information available on the Association website. Board members can also identify any infractions independently or with assistance from an outside entity.
2. Any lot owner deemed to be non-compliant with Rules & Regulations and the CC&Rs will be notified by registered mail explaining the infraction and will be provided 30 days – with the exception of noncompliance involving Temporary Storage POD's from Rule 5 which must be remedied within 7 days - from the time the lot owner receives the notice to remedy the infraction. The letter will include instructions on how to **appeal the finding of the Board within 10 days** of receipt of Notice of Noncompliance. The Board will have 20 days from the date of notice of the appeal to respond by holding an Executive Session meeting with the lot owner affording the lot owner a reasonable opportunity to be heard. Should the Board rule against the appeal the lot owner is still obligated to resolve the infraction within the original 30 days of receipt of first notification of noncompliance.
3. If the infraction is not remedied within the 30 days allowed. The Board will impose a fine of \$35 per day until the infraction is remedied. The payment of a fine does not relieve the offender of the obligation of correcting the violation. If the violation is remedied and repeated within twelve (12) months of the first notice of noncompliance, fines will be re-imposed back to the original notice of violation without a grace period.
4. The Board reserves the right to collect fines and remedy infractions by means including but not limited to implementing liens, collection through agencies, and seeking damages and injunctive relief by a court of law.