# RIDGWAY PLANNING COMMISSION REGULAR MEETING AGENDA

Tuesday, January 30, 2024 5:30 pm

Pursuant to the Town's Electronic Participation Policy, the meeting will be conducted both in person and via a virtual meeting portal. Members of the public may attend in person at the Community Center, located at 201 N. Railroad Street, Ridgway, Colorado 81432, or virtually using the meeting information below.

# Join Zoom Meeting

https://us02web.zoom.us/i/83993814287?pwd=RWRJN0VVSDBDV1pNVDkwVGZSbzQ4Zz09 Meeting ID: 839 9381 4287 Passcode: 627751

To call in dial: 408.638.0968 or 253.215.8782 or 669.900.6833

Written comments can be submitted before the meeting to <u>kchristian@town.ridqway.co.us</u> or delivered to Town Hall Attn: Planning Commission

**ROLL CALL:** Chairperson: Michelle Montague, Commissioners: John Clark, Pam Foyster, Bill Liske, Russ Meyer, Jennifer Nelson, and Jack Petruccelli

# **SELECTION OF OFFICERS:**

1. Appointment of Chairperson and Vice Chairperson

# **PUBLIC HEARING:**

 Application: Condominium Subdivision; Location: Town of Ridgway, Block 34, Lots 13-15; Address: 185 N. Lena St.; Zone: Historic Business (HB); Applicant: Firehouse Investment Real Estate, LLC; Owner: Firehouse Investment Real Estate, LLC

## WORK SESSION:

3. Kick-off discussion regarding scope and schedule of planning projects and Ridgway Municipal Code updates in 2024

## **APPROVAL OF MINUTES:**

4. Minutes from the Regular meeting of October 31, 2023

## **OTHER BUSINESS:**

5. Updates from Planning Commission members

## ADJOURNMENT

# AGENDA ITEM #1



TOWN HALL PO Box 10 | 201 N. Railroad Street | Ridgway, Colorado 81432 | 970.626.5308 | www.town.ridgway.co.us

То:	Members of the Planning Commission
From:	Preston Neill, Town Manager
Date:	January 26, 2024
Agenda Topic:	Appointment of Chairperson and Vice Chairperson

#### SUMMARY:

According to Section 2: Officers of the *Planning Commission Bylaws*, "The officers of the Planning Commission shall be a Chairperson and Vice Chairperson...The officers shall serve terms of two years and shall be elected at the first regular meeting after the conclusion of the terms of the preceding Chairperson and Vice Chairperson." The terms of Michelle Montague (Chairperson) and Bill Liske (Vice Chairperson) concluded on November 1, 2023, so the Planning Commission is asked to appoint a new Chairperson and Vice Chairperson.

The *Bylaws* state that "The Chairperson shall preside at all meetings of the Planning Commission, sign documents of the Commission, and see that all actions are properly taken...The Vice Chairperson shall serve in the absence or incapacity of the Chairperson. The Vice Chairperson shall succeed the Chairperson if he/she vacates the office before the term is completed and a new Vice Chairperson shall be elected at the next scheduled meeting."

Staff recommends the following approach to fill the roles of Chairperson and Vice Chairperson:

- 1. Start with the Chairperson role, and then follow the same process for the Vice Chairperson role.
- 2. Open it up to nominations. Any member can nominate another member, or a member can nominate herself/himself.
- 3. Once all nominations are received, the nominees can take a minute to explain their interest in the role.
- 4. Members of the public will be afforded an opportunity to comment.
- 5. Members can discuss the merits of each candidate and/or a motion can be made.
- 6. Once a motion is made, normal meeting conduct would apply, requiring a second and a vote.

#### **PROPOSED MOTIONS:**

- 1. "I move to appoint \_\_\_\_\_ (Name)\_\_\_\_\_ to serve as Chairperson of the Ridgway Planning Commission for a two-year term that will expire on November 1, 2025."
- 2. "I move to appoint \_\_\_\_\_ (Name)\_\_\_\_\_ to serve as Vice Chairperson of the Ridgway Planning Commission for a two-year term that will expire on November 1, 2025."

# AGENDA ITEM #2



То:	Town of Ridgway Planning Commission		
Cc:	Preston Neill, Ridgway Town Manager		
From:	TJ Dlubac, CPS, Contracted Town Planner		
Date:	January 26, 2024		
Subject:	Old Firehouse Condominium Subdivision Staff Report for the January 30 <sup>th</sup> PC Meeting		

#### **APPLICATION INFORMATION**

Request:	Request for a Condominium Subdivision
Legal:	Lot 1, Firehouse Replat
Address:	185 N. Lena St.
General Location:	At the southwest corner of the intersection of North Lena Street and Clinton Street.
Parcel #:	430516213006
Zone District:	Historic Business (HB) District
Current Use:	Mixed Use Building with commercial uses and upper story residential uses.
Applicant:	Patrick Oleary, Managing Director, Firehouse Investment Real Estate, LLC
Owner:	Patrick Oleary, Managing Director, Firehouse Investment Real Estate, LLC

#### **PROJECT REVIEW**

#### BACKGROUND

This application for a Condominium Subdivision was submitted on November 13, 2023. A completeness review was conducted, and the application was accepted as complete on November 29, 2023.

This Condominium Subdivision is one of the final steps in a redevelopment project known as the firehouse mixed-use project which has been actively moving through the land use and permitting approval process for a few years. This specific request is to create condominiums so that each unit can be sold individually. Several Town applications and processes have already been completed. The Planning Commission and/or Town Council have previously approved the following requests for this property:

- 1. Allowed a reduction to provide only three on-site commercial parking spaces and pay fee-inlieu for the remaining required parking spaces;
- 2. Increase the allowed building height to 41 feet;
- 3. Allow a building over 15,000sf;
- 4. Allow patio seating on the sidewalk within the Lena St. right-of-way; and

Town of Ridgway Old Firehouse Condominium Subdivision January 26, 2024 Page 2 of 4

5. Consolidated the two underlying lots into one.

Town staff also have reviewed and issued a building permit application along with full plan sets for this proposal.

#### REQUEST

The applicant wishes to create multiple condominium units in the existing building in order to sell the individual units.

The applicant has submitted a hearing application, associated fees, condominium subdivision materials, and other required support materials for this public hearing to the Town. The property and hearing have been noticed and posted by the Town in accordance with RMC §7-5-2(B)(6).

#### **CODE REQUIREMENTS**

#### RMC §7-5-2(H)(2) REVIEW PROCEDURES:

- (e) Evaluation by Staff and Referral Agencies. Upon determination of completeness, the Town Manager or designee shall refer the application to additional reviewing agencies as set forth in<u>Section 7-5-2(</u>B)(4), Referral Agencies, and review the application for conformance with the requirements and standards of this Municipal Code.
- *(f) Staff Report. A staff report shall be prepared and provided to the reviewing body in accordance with <u>Section 7-5-2(B)(5)</u>, <i>Staff Report.*
- (g) Review and Action by the Planning Commission.
  - (i) The Planning Commission shall review the condominium plat application in a manner consistent with Table T-5.1 to evaluate compliance with applicable standards. The final decision to approve, approve with conditions, or deny the application shall be made by the Planning Commission in a manner consistent with Table T-5.1 and be based upon the criteria set forth in <u>Section 7-5-2(H)(3)</u>, Approval Criteria.
  - *(ii)* The Planning Commission may, in its sole discretion, continue or postpone the meeting to a specified date and time in order to permit preparation of additional information for further review by the Planning Commission prior to making a final decision.
- (h) Post Approval.
  - *(i)* The applicant shall follow the post approval procedurals in accordance with <u>Section 7-5-</u> <u>2</u>(B)(8), Post Approval, including recording the survey plat with the Ouray County Clerk and Recorder

## RMC §7-5-2(H)(3) Approval Criteria:

- (3) Approval Criteria. A condominium subdivision plat may be approved and accepted by the Planning Commission if the application is found to meet the following criteria:
  - (a) The proposed revision conforms to all applicable requirements for the zone district(s) in which the property is located;
  - *(b)* The proposed revision substantially conforms to all other applicable requirements of this code and town resolutions; and
  - (c) The proposed revision is consistent with the applicable portions of the Master Plan in the reasonable judgement of the approving body.



Town of Ridgway Old Firehouse Condominium Subdivision January 26, 2024 Page 3 of 4

#### ANALYSIS

#### LAND USES

The previously approved and permitted building includes three (3) commercial condo units and three (3) residential condo units. Unit A is on the first floor, Units B, C, and D are on the second floor, and Units E and F are on the third floor.

The break down of each unit vs common element area is broken down in the table below:

Unit/Space	Floor	Square Footage	Use
Limited Common Elements	All	525	Common Area
General Common Element	All	5947	Common Area
Unit A	First	12953	Restaurant/Hospitality
Unit B	Second	1615	Greenhouse
Unit C	Second	1471	Offices
Unit D	Second	3424	Four (4) Deed Restricted Residential Units
Unit E	Third	3340	Market Rate Residential Unit
Unit F	Third	1950	Market Rate Residential Unit

#### **DIMENSIONAL STANDARDS**

There are not changes to the exterior of the building so all previous lot dimensions, as required in the HB Zone District, are met. These standards were reviewed in conjunction with the building permit review process.

#### PARKING

The proposed Condominium Subdivision, and the intended uses, are consistent with the previously reviewed approave.s

#### UTILITIES

Per the submitted utility plan for BP2021-058, all connections are proposed to tap into existing Town water main and sewer service located in North Lena Street. Utility connection design and installation will be reviewed, approved, and inspected through the building permit and encroachment permit processes.

<u>Water Service</u>: Three existing lines to be abandoned, with the possibility of one being maintained for irrigation. A new 2" water line will be added on the southern end of property per Town requirement.

<u>Sewer Service</u>: Two existing lines to be abandoned and capped with the existing 4" central line to be repaired/replaced and utilized.

#### **PUBLIC COMMENT**

The applicant has submitted a hearing application, associated fees, final plat materials, and other required support materials for this public hearing to the Town.



Town of Ridgway Old Firehouse Condominium Subdivision January 26, 2024 Page 4 of 4

As of the drafting of this staff report, no public comments either for or against the request have been received.

#### **APPROVAL CRITERIA**

Pursuant to RMC §7-5-2(H)(3) Approval Criteria, a Condominium Subdivision plat may be approved and accepted by the Planning Commission if the application is found to meet the following criteria:

- (a) The proposed revision conforms to all applicable requirements for the zone district(s) in which the property is located;
- (b) The proposed revision substantially conforms to all other applicable requirements of this code and town resolutions; and
- (c) (c) The proposed revision is consistent with the applicable portions of the Master Plan in the reasonable judgement of the approving body.

#### **STAFF RECOMMENDATION**

Upon review of the application against applicable Town standards, staff recommends that the Town of Ridgway Planning Commission approve the Condominium Subdivision for Old Firehouse Condominiums with the following conditions:

- 1. The Applicant shall add a note to the plat stating that the four apartments in condo unit D shall be reserved for workforce housing units for a period of not less than 20 years. This note, or a second note, shall also identify the reception number of the deed restrictions applicable to these units.
- 2. The Applicant shall confirm, to the satisfaction of Town Staff, that the deed restrictions applicable to condo unit D have been recorded with the Ouray County Clerk and Recorder's Office prior to the recording of the Condominium Subdivision Plat.
- 3. The outstanding comments identified in the planning review letter dated January 25, 2024, shall be adequately addressed prior to the Condominium Subdivision Plat being recorded with the Ouray County Clerk and Recorder's Office.

#### **A**TTACHMENTS

- A. Application and Support Materials
- B. Planning Review Letter dated January 25, 2024



# Old Firehouse Project – Ridgway Condominium Subdivision Application

## Applicant: Firehouse Investment Real Estate, LLC

Mailing Address: P.O. Box 1182, Ridgway, CO 81432

Owner/Developer Name: Patrick O'Leary Phone Number: 1 (312) 952-5409 cell Email: poleary1975@gmail.com

Address of Property for Hearing: 185 N. Lena Street, Ridgway, CO 81432

Zoning District: Historic Business District

#### **Brief Description of Requested Action:**

Owner/Developer Firehouse Investment Real Estate, LLC requests approval for a Condominium Subdivision of the subject Old Firehouse mixed-use property situated upon a singular, unified corner land parcel known to the Town of Ridgway as the FIREHOUSE REPLAT recorded at Ouray County on the 6<sup>th</sup> of July 2022 at Reception No. 232530.

A Condominium Subdivision Application/Request has been planned by Owner FIRE, LLC since the Project's inception. FIRE LLC shared its intentions for accomplishing a Condominium Subdivision with the Town of Ridgway during several Planning Commission hearings in 2021-2022 as the Project proceeded through its "as of right" to seek a permit with certain specific variances ultimately recommended by the Planning Commission, followed by subsequent final approval of the Old Firehouse Project by Town Council in its March, 2022 meeting and issuance of a permit to proceed with construction dated July 19, 2022.

Subdivision of the as-built, mixed-use structure into six (6) residential and commercial condominium units will allow the Owner-Applicant future flexibility to lease, sell, and mortgage or otherwise convey the defined individual spaces as market conditions warrant. The six condo units are delineated by use and shown in graphic and numeric detail on both the Final Plat for Old Firehouse – Condominium Plat and a color-coded Final Firehouse Condominium Subdivision Map prepared by Del-Mont Consulting (Montrose) submitted as part of the Application Materials showing the legal description of the property as well all General and Limited Common Elements and permanent easements for the subject property of this Subdivision Application.

The Condominium Subdivision of the Old Firehouse commercial/residential building will not adversely affect any adjacent property and is a requested subdivision similar to that which the Town of Ridgway approved decades ago for the benefit of the Decker Building, which lies across an alley ROW immediately to the south of the subject property.

#### **Basic Application Required Materials:**

- **1. Application Form** Town of Ridgway's Land Use Application Form has been filled in, signed by the Applicant and Owner as part of this Condominium Subdivision submission.
- **2.** Fees A copy of FIRE, LLC's check #1160 to the Town of Ridgway For \$500 has been submitted concurrently with the Town of Ridgway's Condominium Subdivision Application.
- **3. Proof of Ownership** Original Recorded Warranty Deeds attached: McCullough to FIRE LLC Recorded March 8, 2017; Chevaliers to FIRE, LLC Recorded June 9, 2022
- 4. Legal Description Attached is the existing FIREHOUSE REPLAT Recorded July 6, 2022 Reception No. 232530 which contains the current legal description of the property prior to this subdivision request. Also attached is Del-Mont Consultants' FINAL PLAT for OLD FIREHOUSE – CONDOMINIUM PLAT dated 11-07-22 with the same legal description that presents in full detail our Condominium Subdivision Request consistent with the Ridgway Municipal Code.
- 5. Mineral Interest Owners None known
- **6.** Vicinity May Attached is Bray Architecture's Vicinity Map which appeared on all construction documents submitted to Town of Ridgway for permit approvals.

#### 7. General Written Narrative of the OFH Project:

The Old Firehouse ("OFH") Project is a preservation/adaptive reuse infill project located in the heart of the Historic Business District of Ridgway, Colorado. The re-envisioned space will feature 18,850 square feet of stunning new development surrounding the historic "old stone house", whose 130-year-old walls have received new foundations and masonry rehabilitation to be repurposed as the anchor focal point for a highly integrated restaurant and hospitality/culinary/performance-art event complex on ground level. The OFH 2<sup>nd</sup> floor will house a graceful 1.5 story micro-farm Greenhouse to support culinary operations, four (4) deed-restricted affordable workforce housing apartments together with first-class, market-rate rentable office space overlooking the dedicated green space commonly known as "Lucy's Garden". Two (2) market-rate condominium residences located the 3<sup>rd</sup> floor complete the vision that gives new meaning to the idea of "mixed-use" live-work-play real estate.

Firehouse Investment Real Estate, LLC ("FIRE, LLC") is sole Owner-Developer of the Old Firehouse Project and will also assume Property Management and Operational responsibilities upon completion of the Project. FIRE, LLC is led by community member Patrick O'Leary, a veteran with 45 years of experience in commercial real estate. Mr. O'Leary plans to be an on-site, fully-involved Property Manager as well as Declarant, Owner and Member of the Old Fire House Condominiums Owners Association, Inc. recently incorporated with the State of Colorado on November 2, 2023. Married for 42 years, he and his wife Marti plan to relocate and reside in one of the two residential condos on the 3<sup>rd</sup> floor of the Old Firehouse property.

Upon completion the Old Firehouse Project will have been entirely self-financed with the exception of the receipt of a Colorado Community Revitalization Grant of \$500,000 received August 5, 2022 and the securement of a Colorado C-PACE Green Building Loan of \$2.31 million dollars closed on December 19, 2022 and held in escrow at Citizens State Bank until approval for the commencement of scheduled disbursements expected in November or December of 2023.

	APPLICA	TION			
14 K	Official Use Only:	Receipt #	_ Date received		Initials
	General Informat	tion			
	Applicant Name FIRE	HOUSE INVESTMENT REA	AL ESTATE, LLC	Application Date	NOVEMBER 9, 2023
	Mailing Address PO BOX 1182 RIDGWAY, CO 81432				
	Phone Number N/A		Email N/A		
	Owner Name PATRICK	(O'LEARY			
	Phone Number (312) 9	52-5409 CELL	Email POLEARY1975	@GMAIL.COM	
	Address of Property for	Hearing 185 N. LENA STR	EET, RIDGWAY, CO 8 <sup>4</sup>	1432	

Zoning District HISTORIC BUSINESS DISTRICT

# Brief Description of Requested Action

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# Action Requested and Required Fee Payable to the Town of Ridgway

		Land Use	Applications	
	Administrative Adjustment	\$150.00	Minor Amendment to Conditional Use Permit	\$100.00
	Appeal of Planning Decision	\$250.00	Site Plan Review	\$1000.00
	Conditional Use Permit	\$250.00	Temporary Use Permit	\$150.00
	PUD Zoning	\$1500.00 + \$25.00 per lot or unit	Variance	
	Major Amendment PUD	\$500.00	Zoning Map Amendment	\$250.00
	Minor Amendment PUD			\$250.00
		\$250		
	7	Subo	livisions	
	Amended Plat	\$250.00	Resubmittal of Preliminary Plat	\$750.00 + \$25.00 per lot or unit
	Boundary or Lot Line Adjustment	\$300.00	Final Plat	\$600.00
	Building Footprint	\$150.00	Minor Subdivision	\$1500.00 + \$50.00 per lot or unit
~	Condominium	\$500.00	Resubdivision	\$600.00
	Lot Consolidation	\$300.00	Right-of-Way Vacation	\$600.00
	Sketch Plan	\$300.00 +\$10.00/lot or unit	Town House	\$500.00
	Preliminary Plat	\$1500.00 + \$25.00 per lot or unit		
		S	gns	
	Master Sign Plan	\$150.00	Master Sign Plan, Appeal	¢250
	Master Sign Plan, Minor Change	\$50.00	Sign Permit	\$250
	Master Sign Plan, Major Change		Jigh Fernit	\$35.00 per sign
	master olen han, major change	\$150.00		
		Miscellaneo	is Applications	
	Amendment to Zoning Regulations	\$200.00	Other Reviews	\$250.00
	Annexation	\$1500.00	Outdoor Lighting Apeal	\$250.00
	Construction Documents	\$1000.00	Outdoor Light Varience	\$250.00
	Deviation from Residential, Commercial, or Industrial Design Standards	\$175.00	Site Specific Development Plan	\$50.00
	Mobile Homes or Factory-built housing set up within a lawful mobile home park	\$200.00	Statutory Vested Rights	\$1500.00
	Nonconforming Use, Changev	\$150.00	Zoning or Land Use Compliance Letters	\$100.00

In addition to the above fees, the applicant shall reimburse the Town for all out-of-pocket costs incurred during the review including legal fees, postage, notice and publishing costs, map costs, engineering fees, etc., together with wages and associated payroll costs for contract employees, plus ten percent to cover overhead and administration. The Town shall bill the applicant periodically as such costs are incurred. Payment is due within 30 days. Bills not paid by the due date shall accrue interest at the rate of one and one-half percent per month or part thereof. No plat shall be recorded, improvement accepted, lien released, building permit issues, tap approved or other final approval action taken until all fees then due are paid to the Town. Such fees may be certified to the County Treasurer for collection as delinquent charges against the property concerned.

The Town Council, in its sole discretion, may defer, reduce and/or waive certain land use fees for projects demonstrating significant public benefit such as perpetual, deed-restricted affordable or workforce housing projects.

**Ridgway Develoment Review Application** 

# **Application Signatures**

Please note that incomplete applications will be rejected.

Contact with a Planning Commission or Town Council member regarding your application constitutes ex parte communication and could disqualify that Commissioner of Councilor from participating in your hearing.

Please contact staff with any questions.

Applicant Signature Patrick B. O Terry Owner Signature Patrick B. O Jerry

Date 11/09/2023

Date 11/09/2023

# Town of Ridgway, Colorado Acknowledgment of Fees and Costs

Firehouse Investment Realty, LLC ("FIRE, LLC") ("Applicant") Patrick O'leary and

("Owner") do hereby acknowledge that with the filing of an application, or seeking Town review under Chapter 7, Section 3 or Section 4 of the Town of Ridgway Municipal Code, that it is subject to the requisite fees and costs associated with such action, in accordance with 7-3-20 and 7-4-12, including out-of-pocket legal fees and/or engineering fees.

Applicant and Owner acknowledge that no plat shall be recorded, improvement accepted, lien released, building permit issued, tap approved or final approved action taken until all fees then due are paid to the Town.

Applicant and Owner acknowledge that the Town may suspend review of submittals, inspection of improvements, and processing of a subdivision, as it deems appropriate, unless all amounts are paid as due.

Applicant and Owner further acknowledge that unpaid fees may be certified to the Ouray County Treasurer for collection as delinquent charges against the property concerned.

Acknowledge this 9th day of November . 20 23

**APPLICANT:** (Signature

Patrick O'Leary (Print Name)

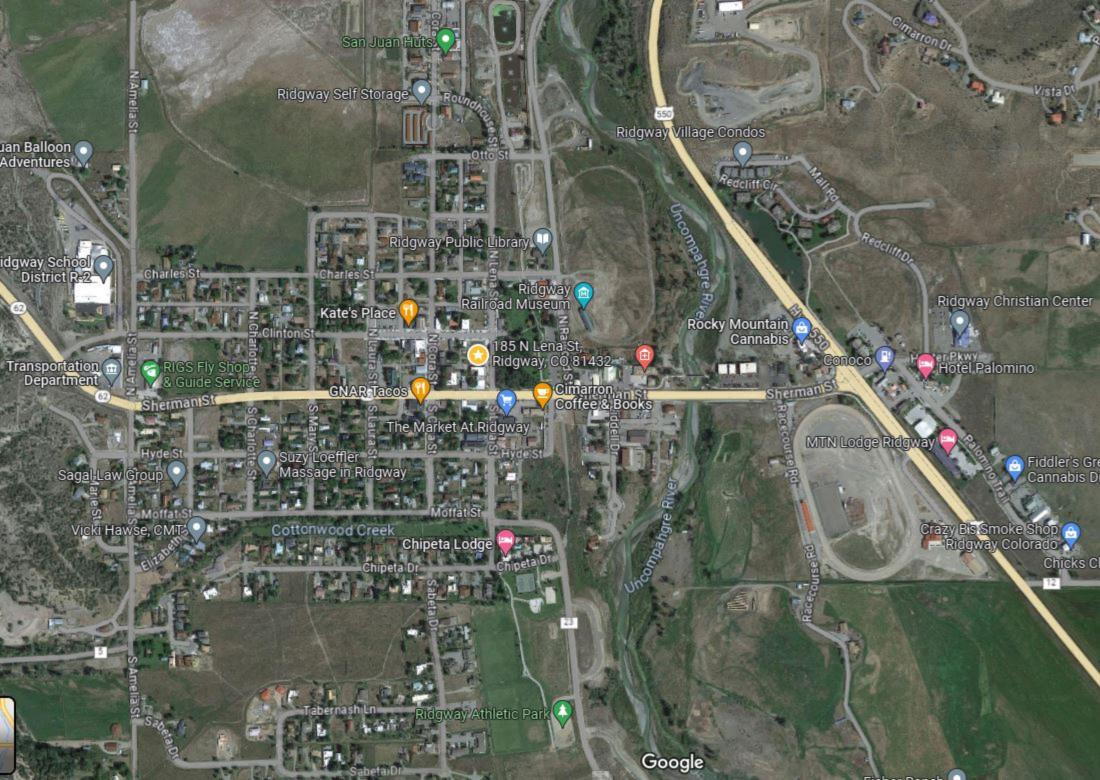
authorized signer

**PROPERTY OWNER:** (Signature)

Patrick O'leary (Print Name)

authorized signer

1160 FIREHOUSE INVESTMENT REAL ESTATE LLC PO BOX 1182 RIDGWAY, CO 81432 DATE November 9, 2023 82-325/1021 PAY TO THE ORDER OF\_\_\_ Datails on baci \$ 500.00. we Cen DA DOLLARS 9 FOR OFH Condomnation tr MA lip tion 01 #001160# #102103258# 100179973#





Colorado Secretary of State ID#: 20238168930 Document #: 20238168930 Filed on: 11/02/2023 08:35:24 PM Paid: \$50.00

# Articles of Incorporation for a Nonprofit Corporation

filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

The domestic entity name of the nonprofit corpo	oration is OLD FIRE HOUSE CONDOMINIUMS OWNERS ASSOCIATION, INC.			
The principal office street address is 185 N Len	ha St			
Ridgway G	CO 81432			
US				
The principal office mailing address is 185 N L	ena St			
Ridgway	y CO 81432			
US				
The name of the registered agent is Patrick O'Leary				
The registered agent's street address is 185 N L	Lena St			
Ridgwa	y CO 81432			
US				
The registered agent's mailing address is 182 Juniper Rd S				
Ridgv	way CO 81432			
US				

The person above has agreed to be appointed as the registered agent for this entity.

#### The name(s) and address(es) of the incorporator(s)

Patrick O'Leary 182 Juniper Rd S Ridgway CO 81432 US

#### Voting members

There are voting members for the nonprofit corporation.

#### The distribution of assets for the nonprofit corporation:

Each unit owner will receive it's proportional share of any remaining assets after any and all claims from creditors have been satisfied.

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., and, if applicable, the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

# Name(s) and address(es) of the individual(s) causing the document to be delivered for filing

Patrick O'Leary 182 Juniper Rd S Ridgway CO 81432 US

## BYLAWS OF OLD FIRE HOUSE CONDOMINIUMS OWNERS ASSOCIATION, INC. a Colorado non-profit corporation

These are the Bylaws of Old Fire House Condominiums Owners Association, Inc. (the "Association"), which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended (the "CRNCA") and the Colorado Common Interest Ownership Act ("CCIOA"), as amended (the "Act"). Terms used herein shall have the meaning set forth in the Declaration and in the Act.

#### ARTICLE I OFFICES

The principal office of the Association shall be 185 N. Lena St, Ridgway, CO 81432.

The Board of Directors, in its discretion, may keep and maintain other offices within or without the State of Colorado wherever the business of the Association may require.

#### ARTICLE II MEMBERSHIPS

<u>A. Memberships</u>. There shall be one membership in the Association for each of the "Owners" of a "Unit", as those terms are defined in the Declaration of Conditions, Covenants and Restrictions for Old Fire House Condominiums, Ridgway, Colorado recorded on at Reception No.\_\_\_\_\_\_, as amended from time to time, in the office of the Clerk and Recorder of Ouray County, Colorado (the "Declaration") existing in the Common Interest Community described in said Declaration. While there may be multiple owners of a Unit, each being a member in the Association, in no event shall more than one vote per Unit be cast on any matter in which members of the Association are entitled to vote, the vote for any Unit owned by multiple owners being exercised as determined among such Owners. No person or entity other than an Owner of a Unit may be a member of the Association.

<u>B.</u> Transfer of Membership. A membership in the Association and the share of a membership in the assets of the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer title to the Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit. A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as the member for all purposes until such time as evidence of a transfer of title, satisfactory to the Association, has been submitted to the secretary.

A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of dispute as to

ownership appurtenant thereto, title to the Unit, as shown in the records of the County Clerk and Recorder of Ouray County, Colorado, shall be determinative.

<u>C. Voting Rights.</u> Where the vote of the Member is required or permitted by the statutes of the State of Colorado, the Declaration, or by the Articles of Incorporation or these Bylaws, Members shall be entitled to only one vote per Unit in the Common Interest Community.

Where there are co-owners of a Unit (whether by joint tenancy, tenancy in common, or otherwise) any one of such co-owners present or represented by proxy, shall be accepted automatically by the Association as the agent and attorney in fact for other co-owners not present or represented by proxy, for the purpose of casting the vote of that membership. If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of the Owners of that Unit. Majority agreement exists if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit. If a majority of Owners of a Unit cannot agree as to the casting of a vote, then the Association may disregard or any attempted vote by a minority Owner. Voting by proxy shall be permitted. Proxies must be executed in writing by the Owner or co-owner or his duly authorized attorney-in-fact, and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless a shorter term is specified in the proxy. The Association may suspend the voting rights of a member for failure to comply with the rules or regulations of the Association or for failure to comply with any other obligations of a Unit Owner under the Declaration.

<u>D. Annual Meeting.</u> An annual meeting of the members for the purpose of voting on such matters as properly may come before the meeting shall be held in in \_\_\_\_\_\_ of each year at a convenient location in Ridgway, Colorado, to be selected by the Board of Directors, or by telephone or other electronic means that permits all Owners an opportunity to attend.

<u>E. Special Meetings.</u> Special meetings of the members may be called at any time by the president or by the Board of Directors or by written request of three or more of the votes of the outstanding memberships, and shall be held at a convenient location in Ridgway, Colorado, with not less than seven days notice to all members, to be selected by the person calling the meeting, or may held by telephone or other electronic means that provides an opportunity for all members to attend. Emergency meetings may be called for purposes of addressing immediate health, safety and welfare issues with twenty-four (24) hours notice to members.

<u>F. Meeting to Approve Annual Budget.</u> At the annual meeting of the Owner/Members or at a special meeting of the Owner/Members called for such purpose, the Owner/Members shall be afforded the opportunity to veto the budget of projected revenues, expenditures and reserves for the Association's next fiscal year as proposed by the Board. A summary of the proposed budget approved by the Board shall be mailed to the Owner/Members within thirty (30) days of its adoption along with a notice of meeting of the Association Members to be held not less than ten (10) nor more than fifty (50) days after mailing of the summary to the Members (or in the alternative, together with a balUnit and information sufficient to satisfy the provisions of Section 109 of the CRNCA and subparagraph J below). Unless sixty-seven percent (67%) of all

Units entitled to vote veto the proposed budget, the budget is ratified. There are no quorum requirements for this meeting. In the event the proposed budget is vetoed, the budget last ratified by the Members continues until such time as the Members ratify a subsequent budget proposed by the Board as provided below.

<u>G. Notices and Waivers.</u> Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notice shall be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, and shall be given to each such Owner or co-owner of a membership entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to such Owner or co-owner at his address as it appears on the records of the Association, with postage prepaid thereon.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

<u>H. Quorum: Vote Required; Adjournment.</u> The votes represented by person or by proxy for twenty percent (20%) of all Units shall constitute a quorum at any meeting of members. If a quorum exists, the action by a majority of the votes present or represented by proxy shall be the act of the members. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting for a period of time not exceeding thirty days. If at the adjourned meeting less than a quorum is present those present shall constitute a quorum, and a majority of the votes cast shall be sufficient to pass all resolutions, or acts.

<u>I. Action of Members without a Meeting.</u> Any action required to be taken or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority (unless a greater percentage is required by these Bylaws, the Articles of Incorporation, the CCIOA or the CRNCA) of all of the Owners of memberships entitled to vote with respect to the subject matter thereof. Each Unit shall be entitled to one vote, and one Owner or co-owner of said Unit shall execute the consent set forth herein above.

J. Voting by Mail. Except as limited by subparagraph H. of Article III, the Board may decide that voting of the Members on any matter required or permitted by the statutes of Colorado, the Declaration, the Articles of Incorporation, or these Bylaws shall be by written balUnit. Pursuant to the CCIOA and CRNCA, any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Secretary delivers a written balUnit to every Member entitled to vote on the matter. "Delivery" to the Member of the balUnit, and the Member's return of the completed balUnit shall be made by the same methods available for providing notice to a member set forth in subparagraph G of this Article II above.

1. A written balUnit shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

2. Approval by written balUnit shall be valid only when the number of votes cast by balUnit equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by balUnit.

3. All solicitations for votes by written balUnit shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than the election of a member of the Board; (iii) specify the time by which a balUnit must be received by the Association in order to be counted; and (iv) be accompanied by written information sufficient to permit each person casting such balUnit to reach an informed decision on the matter.

4. A written balUnit, once received by the Association, may not be revoked unless the Owner casting the written balUnit appears <u>in person</u> at a meeting convened to consider any one or more of the matters on the balUnit.

#### ARTICLE III BOARD OF DIRECTORS

A. Number; Qualification. The Declaration shall govern the appointment of members of the Board during the period of Declarant Control. The Declarant's Control Period shall cease on the happening of any of the following events, whichever occurs earlier: 1. Sixty (60) days after seventy-five percent (75%) of the Units that may be created within the Common Interest Community have been conveyed to Persons other than Declarant; 2. Two (2) years after the last conveyance of a Unit by Declarant in the ordinary course of business; 3. Two (2) years after any right to add new units was last exercised; or 4. Or until December 31, 2029. Declarant shall be entitled to select and appoint, in its sole discretion, Directors, in accordance with the Bylaws (the "Declarant's Control Period"), until the expiration of the Declarant's Control Period; provided. however, that not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created within the Common Interest Community by Declarant to Owners other than Declarant, at least one Member. and not less than twenty-five percent (25%) of the Members of the Board of Directors must be-elected by Owners other than Declarant and that no later than sixty (60) days after the conveyance of fifty percent (50%) of the Units that may be created within the Common Interest Community to Owners other than Declarant, not less than one third (1/3) of the Members of the Board of Directors must be elected by Owners other than Declarant. Owner elected members shall serve a term of two (2) years, and may be re-elected for subsequent terms. The initial Board of Directors shall consist of two (2) members. After the first Unit is sold to a person other than the Declarant, the Board shall consist of three (3) members. Only Owners, eligible to vote and otherwise in good standing, or officers of any corporate Owner of a Unit, or a partner in any partnership owning a Unit, or trustee of any trust owning a Unit, may be elected or appointed to fill a vacancy on the Board; provided, however, Declarant shall have the right to appoint members to the Board who shall not necessarily be Owners of Units and to have said members remain on the Board as provided in the Declaration and the Act. In the case where, through removal or resignation, the total number of Board members is less

than three, the Board will be considered properly constituted until such vacancies are filled.

<u>B.</u> <u>Qualification; Term.</u> With the exception of Declarant-appointed members of the Board, Directors must be members of this corporation, or officers of any corporate Owner of a Unit, or a partner in any partnership owning a Unit, or trustee of any trust owning a Unit. Directors shall be elected by the members at annual meetings and shall serve until the next annual meeting of members or until their successors are duly elected and qualified.

<u>C. Succession Upon Transfer of Unit or Resignation of Director.</u> Upon the transfer of any Unit by an owner serving on the Board, or the resignation of any owner serving on the Board, the seat occupied by such director shall be deemed vacant, and such vacancy shall be filled forthwith by the remaining members of the Board. Each person so elected or appointed to fill a vacancy shall serve on the Board for the remainder of the term of the director so replaced.

<u>D. Meetings.</u> There shall be a regular meeting of the Board immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from time to time. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the president, or, upon written request delivered to the secretary of the Association by any one Director.

<u>E. Notices and Waiver.</u> The secretary shall give three days notice of special meetings to each Director. Such notice may be given orally, in person or by telephone, or in writing, served on or mailed to each Director. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board need be specified in the notice of waiver of such meeting.

Written waiver of notice signed by a Director, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

<u>F. Quorum; Vote Required; Adjournment.</u> At any meeting of the Board after sale of a Unit by Declarant, two (2) of the number of Directors acting and qualified shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise specifically required by law, the Articles of Incorporation, these Bylaws or the Declaration. If a quorum does not exist, a majority of the Directors present may adjourn the meeting for a time not exceeding thirty days. If a quorum is not present at such adjourned meeting, those present shall constitute a quorum, and a vote of a majority shall be sufficient to pass all resolutions or other acts.

<u>G. Action of Directors without a Meeting.</u> Any action required to be taken, or any action which may be taken, at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by a majority of the Directors entitled to vote with respect to the subject matter thereof.

<u>H. Types of Communication in Lieu of Attendance</u>. Any member of the Board may attend a meeting of the Board by: (i) using an electronic or telephonic communication method whereby the member may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Board; or (ii) by participating in "real time" e-mail communication when all Board members are participating in this form of communication. The vote of such member shall be counted and the presence noted as if that member was present in person on that particular matter.

## ARTICLE IV OFFICERS

<u>A. General.</u> The officers of the Association may consist of a president, a vice president, and a secretary and a treasurer or a combined secretary-treasurer. The officers of the Association shall serve at the pleasure of the Board, and the Board may appoint such other officers, agents, factors and employees as it may deem necessary or desirable. Any person may hold two or more offices simultaneously, except that the president shall not hold any other office.

<u>B. President.</u> The president shall be the principal executive officer of the Association and, subject to the control of the Board, shall direct, supervise, coordinate and have general control over the affairs of the Association and shall have the powers generally attributable to the chief executive officer of the Association. The president shall preside at all meetings of the members of the Association.

<u>C. Vice President.</u> The vice president may act in place of the president in case of this death, absence, inability or failure to act and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the president.

<u>D.</u> Secretary. The secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports, and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members and of the Board; shall keep a record of the names and addresses of the Owners and co-owners entitled to vote and, in general, shall perform all duties incident to the office of the secretary and such other duties as may, from time to time, be assigned to him by the Board or by the president. The secretarial duties may be assigned or contracted to a non-member at the discretion of the Board.

<u>E. Treasurer.</u> The treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and conditions of the Association and shall submit such reports thereof as the Board may, from time to time, require and, in general, shall perform all the duties incident to the office of the treasurer, and such other duties as may from time to time be assigned to him by the Board of Directors or by the president. The duties of the treasurer may be conducted by a non-member at the discretion

of the Board.

# ARTICLE V CONTRACTS, CONVEYANCE, CHECKS AND MISCELLANEOUS

<u>A. Contracts.</u> The Board may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation or these Bylaws.

<u>B.</u> Conveyances and Encumbrances. Association property may be conveyed or encumbered by authority of the Board or such other person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the president or a vice president and the secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

<u>C. Checks.</u> All checks, drafts, notes and others for the payment of money shall be signed by the president or a vice president or the treasurer, or shall be signed by such other officer or officers of the Association as shall be duly authorized by resolution of the Board. Any check, draft, or note in excess of \$2,000.00 shall require the express approval of the Board and the signature of at least two (2) officers of the Association.

D. Fiscal Year. The fiscal year of the Association shall be the calendar year.

<u>E. Seal.</u> There shall be no corporate seal.

# ARTICLE VI RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND THE MEMBERS

<u>A. Annual Assessments.</u> The Board of Directors may fix, levy, and collect assessments in the manner and for the purposes specified in the Declaration and amendments thereto, and the members shall pay assessments as therein provided.

<u>B. Other Rights and Obligations.</u> The Board may act in all instances on behalf of the Association in the performance of all obligations and duties and the exercise of all rights and powers of the Association as set forth in the Declaration and the Act. All the relative rights and duties of the Association and the members as therein prescribed shall be binding on said parties to the same extent as if set forth in full in these Bylaws. Without limiting the generality of the foregoing the Board shall have the following duties and powers:

1. Adopt and amend Bylaws and Rules and Regulations.

2. Adopt and amend budgets for revenues, expenditures and reserves. As part of the adoption of the regular budget the Board shall include an amount which, it its reasonable business judgment, will establish and maintain an adequate reserve fund for the expansion, modification or replacement of improvements to the Common Elements based upon the age, remaining life and the quantity and replacement cost of improvements to the Common Elements.

3. Suspend the voting interests allocated to a Unit, and the right of an Owner to cast such votes, or by proxy the votes of another, during any period in which such Owner is in default in the payment of any Assessment, or, after notice and hearing, during any time in which an Owner is in violation of any other provision of the Governing Documents.

4. Hire and discharge managing agents.

5. Hire and discharge employees, independent contractors and agents.

6. Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Governing Documents in the Association's name, on behalf of the Association or on behalf of two or more Owners in matters affecting the Common Interest Community.

7. Make contracts and incur liabilities.

8. Regulate the use, maintenance, repair, replacement and modification of all property within the Project.

9. Cause additional improvements to be made as a part of the Common Elements.

10. Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 312 of the Act.

11. Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions, through, over or under the Common Elements.

12. Impose and receive, on behalf of the Association, a payment, fee or charge for services provided to Owners and for the use, rental and operation of the Common Elements.

13. Establish from time to time, and thereafter impose, charges for late payment of Assessments or any other sums due and, after notice and hearing, levy a reasonable fine for a violation of the Governing Documents.

14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid Assessments.

15. Provide for the indemnification of the Association's officers and the Board to the extent provided by law, provide for the indemnification of committee members to the extent the Board deems just and reasonable, and maintain directors' and officers' liability insurance.

16. Declare the office of a member of the Board to be vacant in the event such member shall fail to participate in three (3) regular meetings of the Board during any one-year period.

17. Appoint any committee as required or permitted by the Declaration or these Bylaws or as may be deemed appropriate by the Board to carry out its purposes and duties, and by resolution, establish committees, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee.

18. By resolution, set forth policies and procedures which shall be considered incorporated herein by reference as though set forth in full, and which provide for corporate actions and powers which are different than those set forth in the CRNCA but which are permitted by the CRNCA to be "otherwise set forth in the Bylaws." Such resolutions shall be given the same force and effect as if specifically enumerated in these Bylaws.

19. Exercise any other powers conferred by the Declaration, the Articles of Incorporation, these Bylaws, the Act or the CRNCA.

20. Exercise any other power necessary and proper for the governance and operation of the Association.

21. Exercise any other power that may be exercised in the state by a legal entity of the

same type as the Association.

<u>C. Tax exempt requirements.</u> If the Association is a tax-exempt organization within the meaning of Federal law, the Association shall meet these requirements:

1. the Association is organized and operated to provide for acquisition, construction, management, maintenance and care of the Association's property;

2. a minimum of 60% of the organization's income must come from Members assessments, special assessments or dues;

3. a minimum of 90% of the annual expenditures of the association shall be spent to acquire, construct, manage maintain and care or improve its property;

4. no part of the association's net earnings shall inure to the benefit of any private shareholder or individual; and

5. substantially all of the dwelling Units in the Common Interest Community shall be used by individuals for residences.

#### ARTICLE VII INDEMNIFICATION

A. Actions Other Than by or in the Right of the Association. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Board or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within thirty (30) days after request therefore if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as possible, with the need of Owners' approval.

<u>B.</u> Actions By or in the Right of the Association. The Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Board of officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best

interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems it proper.

<u>C. Successful on the Merits</u>. To the extent that a member of the Board or any manager, officer, project manager, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in subparagraphs A or B of this Article VII, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

<u>D. Determination Required</u>. Any indemnification under of subparagraphs A and B of this Article VII (unless ordered by a court) and as distinguished from subparagraph C of this Article VII, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member or the Board or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in subparagraphs A and B above. Such determination shall be made by the Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Board so directs, by independent legal counsel or by member entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by written opinion. The Board shall provide a copy of its written opinion to the officer or Board member seeking indemnification upon request.

<u>E. Payment in Advance of Final Disposition</u>. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Board or officer who is a party to a proceeding in advance of final disposition of the proceeding if (i) the member of the Board or officer furnishes to the Association a written affirmation of the Board member's good faith belief that he or she has met the standard of conduct described in subparagraphs A or B of this Article VII; (ii) the Board member or officer furnishes to the Association a written understanding, executed personally or on the Board member's or officer's behalf to repay the advance if it is ultimately determined that the Board member or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this subparagraph E shall be an unlimited general obligation of the Board but need not be accepted by the Board member or officer or may be accepted without reference to financial ability to make repayment.

<u>F. No Limitation of Rights</u>. The indemnification provided by this Article VII shall not be deemed exclusive or nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Board, or otherwise, nor by any rights which are granted pursuant to the Act or CRNCA. Upon a vote of the Board, the Association may also indemnify a Member appointed by the Board to serve on a committee (when such committee member is not also a member of the Board) upon such terms and conditions as the Board shall deem just and reasonable.

<u>G. Directors and Officers Insurance</u>. The Association shall purchase and maintain insurance on behalf of any person who is or was a member of the Board or an officer of the Association against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such individual against such liability un the provisions of this Article VII.

## ARTICLE VIII RECORDS

<u>A. Records and Audits</u>. The Association shall maintain financial records. The cost of any audit or review shall be a Common Expense unless otherwise provided in the Declaration. An audit or review shall be done no less often than every three years, unless otherwise provided for in the Declaration or as determined by the Board.

<u>B. Examination</u>. All records maintained by the Association or the Manager shall be available for examination and copying by any Owner or by any of their duly authorized representatives, at the expense of the person examining the records, during normal business hours and after reasonable notice in accordance with the CRNCA and the Act.

<u>C. Records</u>. The Association shall keep the following records:

1. An account for each Unit, which shall designate the name and address of each Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense Assessment, the dates on which each Assessment comes due, the amounts paid on the account and the balance due;

2. The current operating budget;

3. A record of insurance coverage provided for the benefit of Owners and the Association for the immediately preceding three years;

4. Tax returns for state and federal income taxation for the preceding seven years;

5. Minutes of proceedings of incorporators, Owners, Members, Board and its committees (including written consents), and waivers of notice;

6. A copy of the most current versions of the Articles of Incorporation, Declaration, these Bylaws, Rules and Regulations, and resolutions of the Board, along with their exhibits and schedules;

7. All written communications to Owners (which communications shall only be made available to the Owner with whom the Association has communicated);

8. A list of the names and business or home addresses of the current members of the Board and officers;

9. A copy of the Association's most recent corporate report filed with the Colorado Secretary of State in accordance with the CRNCA; and

10. Such other records as the Board shall determine from time to time are necessary and desirable.

# **ARTICLE IX AMENDMENTS**

A. Articles of Incorporation. Amendments may be made to the Articles of Incorporation in the manner provided by the laws of the State of Colorado by vote of the membership of the Association at any annual or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered.

B. Bylaws. These Bylaws may at any time and from time to time be amended, altered or repealed by the Board of Directors, or by vote of the membership of the Association, at any annual or special meetings provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered.

C. Limitation on Amendments/Conflicts of Documents. No amendment to the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Declaration. In case if any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ADOPTED AND APPROVED effective the \_\_\_\_\_ day of \_\_\_\_\_202\_.

President

ATTEST: \_\_\_\_\_\_ Secretary

# DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS OF OLD FIRE HOUSE CONDOMINIUMS TOWN OF RIDGWAY, OURAY COUNTY, COLORADO

THIS DECLARATION, made on the date hereinafter set forth by Firehouse Investment Real Estate, LLC, a Colorado limited liability company with an address of 182 Juniper Road South, Ridgway, CO 81432 (hereinafter referred to as "**Declarant**").

# **RECITALS**:

a) Declarant is the owner of certain real property and improvements described as the east 92 feet of Lots 11 and 12 and all of Lots 13, 14 and 15, all located in Block 34, as depicted on that certain Firehouse Replat, according to the plat recorded July 26, 2022, at Reception No. 232530, Town of Ridgway, County of Ouray, State of Colorado, commonly known as 185 North Lena Street, Ridgway, CO 81432 (the "**Property**")

b) Declarant intends to delineate the Property into Units and to create a Condominium pursuant to the Colorado Common Interest Ownership Act of the State of Colorado (C.R.S. Sections §§38-33.3-101 <u>et seq</u>., "the **Act**"). To define and establish the rights, powers, duties, conditions and restrictions of Unit ownership in Old Fire House Condominiums, Declarant hereby publishes and records this Declaration.

c) Declarant has caused the "Old Fire House Condominiums Owners Association, Inc." (the "Association") to be incorporated under the laws of the State of Colorado, for the purpose of exercising the functions as herein set forth.

d) The initial number of Condominium Units shall be six (6).

## ARTICLE I SUBMISSION/DEFINED TERMS

Section 1.01 <u>Submission of Real Estate</u>. The Declarant hereby submits the Property above, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "**Real Estate**") to the provisions of the Act as it may be amended from time to time and to the terms and conditions of this Declaration. In the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable. Further, Declarant hereby declares that all of the Real Estate described above shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the Real Estate and be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, legal representatives, successors, and assigns and shall inure to the benefit of each Unit Owner thereof. For purposes of the Act, the Common Interest Community shall be a Condominium.

Section 1.02 <u>Defined Terms.</u> Unless defined herein, each capitalized term in this Declaration or in the Map shall have the meaning specified or used in the Act.

(a) "Agency" means any agency or corporation such as Housing and Urban Development, Veteran's Administration ("VA"), Federal National Mortgage Association ("FNMA") or Federal Home Loan Mortgage Corporation ("FHLMC") that purchases or insures residential mortgages.

(b) "Allocated Interest" means, with respect to a Unit, a fraction or percentage of undivided interests in the Common Elements and in the Common Expenses of the Association allocated to such Unit and the votes in the Association allocated to such Unit. The Allocated Interests are specifically set forth in Section 5.01 hereof.

(c) "Articles" means the Articles of Incorporation for the Old Fire House Condominiums Owners Association, Inc., a Colorado non-profit corporation, currently on file with the Colorado Secretary of State and any amendments that may be made to those Articles from time to time.

(d) "Annual Assessment" means the Assessment levied pursuant to an annual budget.

(e) "Assessments" means the Annual, Special and Default Assessments levied pursuant to Article VI below. Assessments are also referred to as Common Expense Liability as defined under the Act.

(f) "Association" means the Old Fire House Condominiums Owners Association, Inc., a Colorado non-profit corporation, and its successors and assigns.

(g) "Association Documents" or "Governing Documents" means this Declaration, the Articles, the Bylaws, the Map, and any procedures, rules, regulations or policies adopted under such documents by the Association. All provisions of the Association Documents or Governing Documents shall be given the same force and effect as if set forth in the Declaration.

(h) "Building" whether one or several structures, means that portion of the Improvements consisting of physical building structures and appurtenant components and described as such on the Map.

(i) "Budget" means a written itemized estimate of the Common Expenses to be incurred by the Association in performing its functions under this Declaration and adopted by the Board pursuant to Section 6.07 of this Declaration.

(j) "Bylaws" means the Bylaws adopted by the Association, as amended from time to time.

(k) "Clerk and Recorder" means the office of the Clerk and Recorder in the County of Ouray, State of Colorado.

(l) "Commercial Unit" means a Unit which may be used for commercial purposes, as allowed and provided for herein.

(m) "Common Element" means all portions of the Project except the Units. The Common Elements are owned by the Owners in undivided interests according to the Allocated Interests as defined in Section 1.02(b) above and consist of General Common Elements, General Common Structural Elements and Limited Common Elements.

(1) "General Common Elements" and "General Common Structural Elements" mean all tangible physical property of the Project except Limited Common Elements and the Units. The General Common Element includes the staircase located in Common Area 3 that provides access to Lots 3, 4, and 5.

(2) "Limited Common Elements" means those parts of the Common Elements which are either limited to or reserved in this Declaration, on a Map, or by action of the Association, for the exclusive use of an Owner of a Unit or are limited to and reserved for the common use of more than one, but fewer than all Owners. The Limited Common Elements related to Units 1 and 2 include one main power breaker box located in Common Area 3.

(n) "Common Expenses" means (i) all expenses expressly declared to be common expenses by the Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Elements; (iii) insurance premiums for the insurance carried under Article IX hereof; and (iv) all expenses lawfully determined to be common expenses by the Executive Board.

(o) "Condominium" means Old Fire House Condominiums, the common interest community created on the Property by this Declaration, consisting of the Units and the Common Elements.

(p) "CoPACE Funding" shall have the meaning set forth in Article XII.

(q) "Declaration" means this Declaration and the Map, and any amendments and supplements to the foregoing.

(r) "Eligible Mortgagee" means a First Mortgagee (as hereinafter defined) who (i) is also a bank, savings and loan association, insurance company, real estate mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Associations ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") or any other lender generally recognized as an institutional lender, and (ii) has notified the Association, in writing, of its name and address, and that it holds the First Mortgage on one or more Units. The notice must include the Unit number and street address of the Unit on which is has such security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the information and afforded the rights described in Articles X and XII below.

(s) "Executive Board" means the means the Association Board of Directors, designated as the body governing the affairs of the Association and elected by the Members, all pursuant to the Corporation Act, this Declaration and the Articles of Incorporation and Bylaws. A member of the Executive Board need not be a Member of the Association. (t) "First Mortgage" means any Mortgage the priority of which is not subject to any monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute, such as, but not limited to, a PACE Lien.

(u) "First Mortgagee" means any person named as a Mortgagee in any First Mortgage.

(v) "Improvements" means all structures and improvements located above, on or below the surface of the Property, including the Building and all sidewalks, stairways and utility installations constructed pursuant to this Declaration.

(w) "Lender" shall mean a First Mortgagee or a PACE Lender.

(x) "Loan" shall mean a loan secured by a First Mortgage or a PACE Lien.

(y) "Manager" means a person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Executive Board may authorize from time to time.

(z) "Map" means the Condominium Map of the Project recorded with the Clerk and Recorder of Ouray County, Colorado, depicting a plan of all or a part of the Property subject to this Declaration and any supplements and amendments thereto.

(aa) "Member" means every person or entity that holds membership in the Association.

(bb) "Mortgage" means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(cc) "Mortgagee" means any person or entity named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(dd) "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Unit and "Owner" also includes the purchaser under a contract for deed covering a Unit with a current right of possession and interest in the Unit.

(ee) "Owner's Agent" means members of the Unit Owner's family, or the Unit Owner's agent, employee, invitee, licensee or tenant.

(ff) "PACE Lien" shall mean any property assessed clean energy assessment lien against the Property or any Units which lien is authorized by Colorado Revised Statutes 32-20-101 et seq..

(gg) "PACE Lender" shall mean the holder or beneficiary of a PACE Lien against the Property or any Units.

(hh) "Project" means the common interest community created by this Declaration and as shown on the Map consisting of the Property, the Units and the Common Elements.

(ii) "Residential Unit" means a Unit which may be used for residential purposes, as allowed and provided for herein.

(jj) "Successor Declarant" means any person or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded with the Clerk and Recorder.

(kk) "Supplemental Declaration" means an instrument which amends this Declaration.

(ll) "Supplemental Map" means a supplemental Map of the Project which depicts any change in the Project through a Supplemental Declaration.

(mm) "Unit" means a Residential Unit or a Commercial Unit, each of which is an airspace unit which is bounded by the unfinished interior surfaces of the exterior walls (or demising walls, where two such Units adjoin each other), floors, ceilings, windows and window frames and doors and door frames of a Building, and which is separately identified on the Map. The boundaries of the Units shall be further defined by the provisions of Section 38-33.3-202 of the Act. Each Unit includes an appurtenant undivided interest in the Common Elements as identified on the Map. The term "Unit" does not include any utility facility running through the Unit that serves more than one Unit, or any other Common Element or part thereof located within the Unit.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.

# ARTICLE II NAMES/DESCRIPTION OF REAL ESTATE

Section 2.01 Name and Type.

(a) Common Interest Community. The type of Common Interest Community created hereunder is a Condominium pursuant to the Act. The name of the Condominium is Old Fire House Condominiums.

(b) Association. The name of the Association is Old Fire House Condominiums Owners Association, Inc. Declarant has caused the Association to be incorporated as a non-profit corporation under the laws of the State of Colorado.

Section 2.02 <u>Real Estate</u>. The Project is located in the Town of Ridgway, Ouray County, State of Colorado. The Real Estate within which the Project is located is described as the east 92 feet of Lots 11 and 12 and all of Lots 13, 14 and 15, all located in Block 34, as depicted on that certain Firehouse Replat, according to the plat recorded July 26, 2022, at Reception No. 232530, Town of Ridgway, County of Ouray, State of Colorado, commonly known as 185 North Lena Street, Ridgway, CO 81432.

Section 2.03 <u>Utility Easements</u>. Easements for utilities shall include a blanket utility and storm water drainage easement over and across all of the Common Elements including both the General Common Elements, General Structural Common Elements and the Limited Common Elements and such other easements as may be established pursuant to the provisions of this Declaration, or granted by authority reserved in any recorded document. Also see Article XI hereof.

Section 2.04 <u>Easements for the Executive Board.</u> Each Unit shall be subject to an easement in favor of the Executive Board (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration. The Association is granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the General Common Elements for the best interest of all the Owners and the Association. Also see Article XI hereof.

# ARTICLE III THE ASSOCIATION

Section 3.01 <u>General Purposes and Powers</u>. The Association, through its Executive Board, shall perform functions and manage the Project as provided in this Declaration so as to further the interest of the residents, occupants, tenants and guests of the Project and Members of the Association. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Association shall have all power necessary or desirable to effectuate such purposes.

Section 3.02 <u>Authority of the Association</u>. The business affairs of the Project shall be managed by the Association. The Association shall be governed by its Articles of Incorporation and Bylaws, as amended from time to time. The Executive Board may, by written resolution, delegate authority to a Manager or managing agent for the Association, provided no such delegation shall relieve the Executive Board of final responsibility.

Section 3.03 Specific Powers.

Except as provided in the Bylaws and the Act, the Executive Board may act in all instances on behalf of the Association, to:

a) Exercise all the powers, authority and duties as necessary and proper, to manage the business and affairs of the Project.

b) Exercise all of the powers, authority and duties permitted or set forth in the Act, the Association Documents, and the Colorado Revised Nonprofit Corporation Act.

c) Assign its right to future income, including the right to assign its right to receive Common Expense Assessments, but only upon the affirmative vote of the Unit Owners of Units to which at least two-thirds of the votes in the Association are allocated at a meeting called for that purpose.

d) Hire and discharge employees, independent contractors and agents.

e) Control Owner's use and occupancy of their respective Units in order to assure Unit Owners of eligibility of the Project for any Agency. In this regard, the Association may adopt rules and regulations with respect to rental of Units to non-Owners.

f) Adopt and amend bylaws, policies and rules and regulations.

g) Adopt and amend budgets for revenues, expenditures and reserves and collect Assessments.

h) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Project.

i) Make contracts and incur liabilities, except that any contract providing for the services of Declarant may not exceed three years and must provide for termination by either party without cause and without payment of a termination fee on ninety days or less written notice.

j) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.

k) Cause additional improvements to be made as part of the Common Elements.

l) Acquire, hold, encumber and convey in the name of the Association any right, title or interest to real or personal property, except that Common Elements may be conveyed or subjected to a security interest only if: (i) Owners entitled to cast at least two-thirds (2/3rds) of the votes agree to that action, (ii) the provisions of subsection 10.03 are followed with respect to approval of Eligible Mortgagees, and (iii) if all Owners of Units to which any Limited Common Element is allocated agree in order to convey that Limited Common Element or subject it to a security interest.

m) Grant easements, leases, licenses and concessions through or over the Common Elements.

n) Impose and receive any payments, fees or charges for the use, rental or operation of the General Common Elements.

o) Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of Association Documents.

p) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments.

q) Provide for indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.

Section 3.04 <u>Membership</u>. Every person or entity who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a Member of the Association, including contract sellers. Membership shall be appurtenant to and may not be separated from ownership of any Unit. An Owner shall not transfer, pledge or alienate his membership in the Association in any way, except upon the sale or encumbrance of his Unit and then only to the purchaser or Mortgagee of his Unit. If any Unit is owned by more than one person, or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate, in writing, to the Association, the name and address of the agent of the Owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed. Upon the failure to so designate an agent, the Association shall be deemed to be the agent for receipt of notices to such Owners.

Section 3.05 <u>Directors</u>. The affairs of the Project and the Association shall be governed by an Executive Board of the Association which, until the first Unit is sold, shall consist of one person, and following such date shall consist of three (3) persons. All non-Declarant-appointed members of the Executive Board shall be Unit Owners.

Section 3.06 <u>Books and Records</u>. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners, PACE Lender, and to Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as may be required under the Act.

## Section 3.07 Declarant Control.

a) The Declarant shall have the reserved powers, pursuant to Section 303(5) of the Act, to appoint and remove officers and members of the Executive Board during the term of Declarant Control. "Declarant Control" begins with the appointment of the initial Executive Board and continues until the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of all Units in the ordinary course of business to Unit Owners other than the Declarant; (ii) two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business to a Unit Owner other than Declarant; or (iii) two (2) years after the right to add new Units was last exercised. Under the Act, Declarant Control is further extinguished, to the extent stated, sixty (60) days after the following events: (1) Declarant conveys twenty-five percent (25%) of the Units that may be created to Owners other than Declarant, to the extent of twenty-five percent (50%) of the Units that may be created to Owners other than Declarant, to the extent of thirty-three and one-third percent (33 1/3%) of the members of the Executive Board.

b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant Control, but, in that event, the Declarant may require, for the duration of the period of Declarant Control, that specified

actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.08 <u>Indemnification</u>. To the full extent permitted by law, each officer and director of the Association shall be and is hereby indemnified by the Unit Owners and the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him/her in any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of being or having been an officer or director of the Association at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being for the best interest of the Association.

## ARTICLE IV UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 4.01 Number of Units

a) The initial number of Units in the Project is six (6).

Section 4.02 <u>Identification of Units/Unit Descriptions</u>. Each Unit, the appurtenant interest in the General Common Elements and the appurtenant use of the Limited Common Elements, shall comprise one Unit, shall be inseparable and may be transferred, leased, devised or encumbered only as one Unit. Any attempted transfer of the appurtenant interest in the General Common Elements or Limited Common Elements shall be void unless the Unit to which that interest is allocated is also transferred. The identification number or letter of each Unit is shown on the Map. Every contract for sale, deed, lease, Security Interest, will or other legal instrument may legally describe a Unit as follows:

"Unit \_\_\_\_\_\_ of The Firehouse Condominiums, Town of Ridgway, County of Ouray, State of Colorado, together with the appurtenant interest in the Common Elements, as depicted on and in accordance with the Condominium Map thereof recorded on \_\_\_\_\_\_, 20\_\_\_, at Reception No. \_\_\_\_\_\_\_, in the records of the County Clerk and Recorder of Ouray County, Colorado as amended from time to time."

The reference to the Declaration and Map in any instrument shall be deemed to include any supplement(s) or amendment(s) to the Declaration or Map, without specific references thereto.

Section 4.03 <u>Boundaries of Units</u>. The boundaries of each Unit are as depicted on the Condominium Map of the Project.

a) Inclusions. Together with the appurtenant interest in the Common Elements, each Unit includes the spaces and improvements lying within the boundaries described above, as depicted

on the Map. Each Unit also includes the spaces and improvements within the spaces containing water heating facilities, all electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, television, telephone and electrical receptacles and boxes serving that Unit exclusively, the surface of these items being within the boundaries of that Unit, whether or not the spaces are contiguous.

b) Exclusions. Except when specifically included by other portions or this Declaration or by the Map, the following are excluded from each Unit: The spaces and improvements lying outside the boundaries described above.

c) Noncontiguous Portions. Certain Units may include special portions or pieces of equipment, such as air conditioning compressors, meter boxes, utility connection structures, air or gas pump and storage facilities and storage portions, which are situated in buildings or structures that are detached from the Unit. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions.

## Section 4.04 Limited Common Elements.

The areas depicted on the Map as Limited Common Elements are Limited Common Elements for the exclusive use of those Units as denoted on the Map subject to the right of the Association to maintain, repair and replace the Limited Common Elements. The Unit Owner which has the exclusive use of a Limited Common Element, subject to these Declarations, the Articles, the Bylaws and the rules of the Association, shall be responsible for maintaining all Limited Common Elements appurtenant to that Unit. Should the Association maintain, repair or replace any Limited Common Element due to a failure by the applicable Unit Owner to do so, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association in the maintenance, repair or replacement of said Limited Common Element.

In the event damage is caused to the Common Elements and/or the Limited Common Elements by a Unit Owner, such Unit Owners guest or tenant, subject to such rights as may exist with regard to insurance payments, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association correcting and repairing such damage.

# Section 4.05 General Common Elements.

a) All portions of the Real Estate described in Article II, Section 2.02 not designated on the Map as a Limited Common Element, all portions of structures and the Real Estate which are not designated as being within the Unit boundaries in Section 4.03 above, or are not listed as Limited Common Elements in Section 4.04 above, are General Common Elements. Said General Common Elements are designated on the Map as "General Common Element" or "General Common Structural Element." Specifically, the structure behind the interior drywall, the foundations, the roofs, the exterior of the buildings and all landscaping shall be General Common Elements.

b) The Association shall be responsible for the maintenance, repair, improvement and replacement of any General Common Element as hereinafter set forth.

c) The Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the right to allocate areas as Common Elements. The Declarant may allocate or assign Common Elements (i) by making such an allocation in a recorded instrument, (ii) by recording an appropriate amendment or supplement to this Declaration, (iii) by recording a supplement to the map or plat, or (iv) by recording the allocation or assignment in the minutes or records of the Association. Such allocations by the Declarant may be made as a matter of reserved right by the Declarant. Notwithstanding the foregoing, Declarant may not alter the Common Elements without first obtaining the consent of the PACE Lender while the CoPACE Funding remains unpaid.

d) The Owners shall own the Common Elements as tenants in common, with each Owner owning an undivided appurtenant interest in Common Elements allocated to its Unit. However, until the CoPACE Funding has been fully repaid and all obligations for it have been satisfied, the Owners and Association must obtain the prior written approval of all holders and lenders of CoPACE Funding before (i) adding to, selling and/or encumbering some or all of the Common Elements and/or (ii) amending this Article IV, as well as amending this Declaration, as to each, to the extent such amendment would have a material, adverse effect on the holders and/or lenders of CoPACE Funding.

Section 4.06 <u>Unit Owners' Easements of Enjoyment</u>. Every Unit Owner shall have a right and easement of enjoyment in and to any General Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

a) The right of the Association to promulgate and publish rules and regulations which each Unit Owner and their guests shall strictly comply with.

b) The right of the Association to suspend the voting rights and rights to use the General Common Elements by a Unit Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations.

c) The right, power and authority of the Association to grant any easement, right-of-way, license, lease, dedication, transfer or conveyance or grant of any similar interest affecting the General Common Elements, to the extent permitted by the Act, if the grant is approved by the affirmative vote of a majority of all Unit Owners having votes appurtenant to all Units, and consented to, in writing, by the PACE Lender and holders of Mortgages in the Units whose Unit Owners vote affirmatively; provided, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements shall not be deemed a transfer within the meaning of this clause. Any easement, right-of-way, license or similar interest granted by the Association pursuant to this Section shall state that the grant was approved by a majority all Unit Owners, and by the corresponding holders of Mortgages and the PACE Lender.

d) The right of the Association to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

e) The Development and Special Declarant Rights of the Declarant reserved in this

Declaration.

f) No Owner or occupant shall place any structure or improvement whatsoever upon the Common Elements, nor shall any Owner or occupant engage in any activity which will temporarily or permanently impair free and unobstructed access to or use of all parts of the Common Elements (excepting Limited Common Elements) by all Owners and by the Association.

Section 4.07 <u>Alteration of Units.</u> No Unit Owner (including Declarant) may alter a Unit, subdivide a Unit or relocate the boundaries between adjacent Units, except as may be provided by this Declaration, and as limited by the terms and conditions of the CoPace Funding. In the event that Unit D is ever subdivided for individual sale of those units which are currently (workforce housing) rental units, then the Declarant or Unit Owner shall promptly prepay that portion of the CoPACE Funding allocated to said Unit D, in accordance with the terms of the CoPACE Funding. This will be a mandatory requirement for title policies on such Unit.

Section 4.08 <u>Separate Taxation of Units.</u> Pursuant to the Act, each Unit constitutes a separate parcel of real estate and will be separately assessed and taxed (including assessments assessed against the applicable Units for the CoPACE Funding, unless the CoPACE Funding has been released per the terms of the CoPACE Funding), each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment against the Units, valuation of the Common Elements shall be apportioned among the Units. Accordingly, the Common Elements shall not be assessed separately but shall be assessed with the Units as provided pursuant to the Act (Section 38-33.3-105(2)). The lien for taxes assessed to the Owner or Owners of a Unit shall be confined to the Unit and to the appurtenant undivided interest in the Limited Common Elements and General Common Elements. No forfeiture or sale of any Unit for delinquent taxes, assessment, or other governmental charge shall divest or in any way affect the title to any other Unit.

## ARTICLE V ALLOCATED INTERESTS

Section 5.01 <u>Allocated Interest.</u> The Allocated Interest in the Common Elements, the Common Expense liability and the voting rights in the Association allocated to each Unit are as follows:

- (a) For Unit A 39.27%
- (b) For Unit B 8.19%
- (c) For Unit C 7.60%
- (d) For Unit D 17.64%

(e) For Unit E – 17.28%

(f) For Unit F - 10.02%

# ARTICLE VI COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 6.01 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Declarant, for each Unit, shall be deemed to covenant and agree, and each Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as may be imposed by the Association. Such assessments, including fees, charges, late charges, attorney fees, fines and interest charged by the Association shall also be the personal obligation of the Owner of such Unit at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due the Association shall not pass to a successor in title unless expressly assumed by them. No Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Executive Board is not properly exercising its duties and powers under this Declaration.

The Association's annual or special Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as imposed by the Association, including fees, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such assessment or charge is made. If any Assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due.

Section 6.02 <u>Apportionment of Common Expenses and Limited Common Element</u> <u>Expenses</u>. Except as provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with formula for liability for the Common Expenses as set forth in this Declaration.

Section 6.03 <u>Purpose of Assessments</u>. The assessments levied by the Association through its Executive Board shall be used exclusively for the purposes of promoting the health, safety, and welfare of the residents and guests of the Project and the Members of the Association. Such purposes shall include, but shall not be limited to the following: the improvement, maintenance, repair, upkeep and reconstruction of the Common Elements and for the painting, landscape care and snow removal and any other maintenance obligations which may be deemed desirable for the common benefit of the Unit Owners or for the maintenance of property values, or for the payment

of expenses which may be incurred by virtue of agreement with or requirement of the Town of Ridgway, Ouray County or other government authorities. The assessments may also be used to provide insurance of various types, and in such amounts deemed appropriate by the Executive Board. Also, a portion of the assessments may be used to provide a reserve fund for the replacement, repair, and maintenance of Common Elements of the real estate which must be replaced on a periodic basis.

Section 6.04 Annual Assessment/Commencement of Common Expense. The Annual Assessment for Common Expenses may be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Executive Board. Failure to make payment within thirty (30) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Any assessment not timely paid shall bear interest at the rate of 1.5% per month or portion thereof. Further, subject to the provisions of the Act, the Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Association against a Unit Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment Lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. The rights of the Association shall be expressly subordinate to the rights of any holder of a First Mortgage and the PACE Lender as set forth in its deed of trust or mortgage (including any assignment of rents) or the PACE Lien, to the extent permitted under the Act.

Section 6.05 <u>Lien Priority</u>. The lien of the Association under this Section is prior to all other liens and encumbrances on a Unit except: 1) liens and encumbrances recorded before the recordation of the Declaration; 2) a first lien Security Interest on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and 3) liens for real estate taxes and other governmental assessments or charges against the Unit, including any PACE Lien. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under State or Federal law. Sale or transfer of any Unit shall not affect the lien for said assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of assessment charges as provided by

applicable State law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Unit from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

Section 6.06 <u>Budget</u>. The budget shall be submitted to the Owners, pursuant to Section 303(4) of the Act. Common Expense Assessments shall be due and payable annually or in periodic installments, or in any other manner as determined by the Executive Board. Common Expense Assessments may begin on the first day of the month in which conveyance of the first Unit to an Owner other than Declarant occurs. The omission or failure of the Executive Board to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

Section 6.07 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. This Section 6.07 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration. Any amounts assessed pursuant to this Section shall be assessed to Owners according to their Allocated Interests for Common Expenses, subject to the right of the Association to assess only against the Owners of affected Units any extraordinary maintenance, repair or restoration work on fewer than all of the Units shall be borne by the Owners of those affected Units only, and any extraordinary insurance costs incurred as a result of the value of a particular Owner's Unit or the actions of a particular Owner or Owner's Agents shall be borne by that Owner. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than ten (10) days after such notice shall have been given.

Section 6.08 <u>Default Assessments</u>. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least ten (10) days prior to the due date.

Section 6.09 <u>Payment by Mortgagee</u>. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as the lien of the Mortgage.

## Section 6.10 Estoppel Certificates; Notices to PACE Lenders and Mortgagees.

a) The Association shall furnish to an Owner or such Owner's designee or to a PACE Lender, Mortgagee or its designees within 14 days after the mailing or delivery of written request

by such party, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered address, a statement setting forth any or all of the following information as may be requested by such party:

- (i) the amount of unpaid Assessments currently levied against the Owner's Unit;
- (ii) whether, to the knowledge of the Association, the Owner or the Owner's Unit is in violation of any of the provisions of the Association Documents;
- (iii) the amount of the Assessments, including installment payments thereof paid by the Owner during the fiscal year in which the request is received;
- (iv) the amount of any delinquent Assessments, penalties, interest, attorneys' fees, and other charges on the Owner's Unit as provided by the Association Documents;
- (v) whether all insurance requirements established by this Declaration are being satisfied; and
- (vi) a listing of each of the Association Documents, and amendments thereto, with recording information, if applicable.

b) If no statement is furnished to the Owner, PACE Lender, Mortgagees or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert the priority of its Assessment Lien upon the Unit for unpaid Assessments that were due as of the date of the request.

c) If a Lender delivers to the Association a written request for notice of unpaid Assessments levied against a Unit subject to a Loan held by that Lender, the Association shall report to the Lender any unpaid Assessments levied against such Unit that remain unpaid for more than 60 days after the same shall have become due. The Lender may pay any such unpaid Assessment, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Lender shall have a lien on the Unit for the amounts paid with the same priority as a lien of the Loan held by such Lender.

# ARTICLE VII RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

Section 7.01 <u>Use/Occupancy</u>.

(a) Each Owner may use the General and Limited Common Elements in accordance with the purpose for which they are intended, without hindering and encroaching upon the lawful rights of the other Owners, and subject to the use and occupancy restrictions set forth here. There shall be no obstruction of General Common elements without the prior written consent of the Association, except ass specifically provided for herein. No restriction, impairment, or interference with any right of ingress or egress provided for in this Declaration shall be permitted at any time without the prior written of the Owner thereof and the Executive Board. Nothing shall be altered on, constructed in,

or removed from the General Common Elements except upon the prior written consent of the Association. No Improvements located upon a Unit shall be occupied in any manner at any time prior to being fully completed in accordance with approved plans nor shall any Improvements when completed, be in any manner occupied until there is compliance with all requirements, conditions, covenants, and restrictions herein set forth;

(b) Each Owner of a Residential Unit shall be entitled to exclusive ownership and possession of his Residential Unit. The Residential Unit shall be used and occupied for residential or home occupation purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Units E and F, as identified on the Map, are delineated as Residential Units

(c) Each Owner of a Commercial Unit shall be entitled to exclusive ownership and possession of its Commercial Unit. The Commercial Unit shall be used and occupied for commercial purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Units A, B, C and D, as identified on the Map, are delineated as Commercial Units.

(d) Without limiting any other rights or obligations hereunder, the following uses of Units, including appurtenant Limited Common Elements, are specifically prohibited: businesses which, in the sole opinion of the Executive Board, routinely cause unacceptably loud noises and/or odors to be emitted.

(e) No activity shall be conducted which will increase the rate charged for or cause the cancellation of any insurance maintained by the Declarant or the Association, or which would violate any law;

(f) No animals shall be kept which bother or constitute a nuisance to any other Owner, Declarant or adjoining landowner, with such additional restrictions as may be imposed by Association-promulgated rules and regulations;

(g) No activities shall be conducted within the Project and no improvements may be constructed within the Project which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged within the Project; and no open fires shall be lighted or permitted within the Project except (i) in a contained barbecue unit while attended and in use for cooking purposes, (ii) within a safe and well-designed interior stove or fireplace, or an exterior patio fireplace or stove;

(h) No activity shall be conducted which generates noises which are excessively loud, odors which are offensive, nor any activity be conducted which is or may become a nuisance or cause significant disturbance or annoyance to others;

(i) There shall be no storage of waste and garbage except in covered sanitary containers shielded from the public view and the view of neighboring Owners. Refuse piles shall not be permitted;

(j) All exterior lighting shall comply with any applicable Town of Ridgway ordinance. Seasonal decorative lighting such as Christmas lighting shall be permitted, which may be subject to Association promulgated rules and regulations. Under no circumstances are mercury vapor or similar lights permitted;

(k) No junk vehicle, inoperative vehicle, or vehicle under repair shall be parked, stored or maintained in the Project.

(l) No structures or other improvement of any type shall be constructed within any Common Element without the consent of the Association.

(m) All use, maintenance, repair, replacement and modification of the General Common Elements shall be subject to regulation by the Association.

(n) No Unit or any interest therein may be offered or sold under any "timesharing" or

"interval ownership" plan, or any similar plan.

(o) Subject to the provisions of Section 3.03(e) hereof, an Owner shall have the right to lease his Unit in its entirety upon such terms and conditions as the Owner may deem advisable. Any lease shall be in writing and shall provide that the lease is subject to the terms of this Declaration, the Articles, Bylaws and any rules and regulations promulgated by the Association. Any failure of a lessee of a Unit to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision.

(p) No alteration or additions to the Common Elements or the exterior of any Unit of any kind (including, without limitation, change in color, texture, street number signage, doors or windows) shall be made unless first approved in writing by the Executive Board. The Executive Board shall exercise reasonable judgment to the end that all modifications to the Common Elements or Unit exteriors conform to and harmonize with existing surroundings and structures. In any event, the exterior of the Units shall be kept in good condition and is consistent and uniform, so that color schemes, materials, renovations and repairs are uniformly performed and maintained. The Executive Board has the absolute right to deny any requested changes which the Executive Board reasonably determines do not conform to and harmonize with said existing surroundings and structures. All construction activities shall be planned and carried out with a minimum of disruption, unsightliness and noise.

(q) No sign, poster, billboard or advertising device of any kind shall be allowed or displayed anywhere within the Project without the prior written approval of the Executive Board, except that the designated Commercial Unit shall be entitled to erect a sign relating to the business taking place within that Commercial Unit, which sign must comply with the applicable requirements of the Town of Ridgway. No sign shall be offensive or objectionable in the reasonable discretion of the Board.

To the extent than any of the foregoing use restrictions are also addressed by Town of Ridgway ordinance or regulation, the more restrictive of the two shall control.

## Section 7.02 Maintenance.

a) <u>Maintenance by Owners</u>. Each Owner shall maintain and keep in repair the interior of his or her Unit, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other Unit Owners, and the surfaces (excluding the roofing elements) of Limited Common Elements allocated to the Unit. All fixtures and equipment installed with the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner of such Unit. An Owner shall do no act or any work that will impair the structural soundness or integrity of the Common Elements or impair any easement. Each Owner shall be responsible for the maintenance of the interior non-supporting walls of his Unit, and the surface materials thereon such as plaster, drywall, paneling wallpaper, paint, tile and carpeting of the perimeter walls, ceilings and floors within the Unit, including Unit doors, windows and screens.

b) <u>Owner's Failure to Maintain or Repair</u>. In the event that a Unit (including the allocated Limited Common Elements) is not properly maintained and repaired, and if the maintenance responsibility for the unmaintained portion of the Unit lies with the Owner of the Unit, or in the event that the Unit is damaged or destroyed by an event of casualty and the Owner does not take

reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged or destroyed Unit for which the Owner is responsible to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board (after a determination by the Executive Board that the condition of such Unit negatively impacts other Owners or the value of other Units within the Project) shall have the right to enter upon the Unit to perform such work as is reasonably required to restore the Unit to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Unit, upon demand. All unreimbursed costs shall be a lien upon the Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment levied in accordance with Article VI of this Declaration.

c) <u>Maintenance by Association</u>. Except as otherwise provided herein, the Association shall be responsible for the maintenance and repair of the Common Elements, including all Limited Common Elements, General Common Elements and General Common Structural Elements, whether located inside or outside of Units (except as set forth in Section 7.02(a) above and unless necessitated by damage caused by the negligence, misuse or tortious act of a Unit Owner or Owner's Agent as set forth in Section 7.02(d) below), which shall be the Common Expense of all Owners. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all landscaping and walls which an Unit Owner is not required to maintain as set forth in Section 7.02(a), gates signage, irrigation systems, sidewalks, driveways and improvements, if any (which shall include without limitation snow removal services unless performed by another private or public organization formed for such purposes), located in the Common Elements, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

d) <u>Association Maintenance as Common Expense</u>. The cost of maintenance and repair by the Association shall be a Common Expense of all of the Owners, to be shared by each Unit Owner according to the Allocated Interests therefore as set forth in Article V of this Declaration. Damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the instance of the Association shall also be a Common Expense of all of the Owners. However, if such damage is caused by negligent or tortious acts of a Unit Owner or Owner's Agent, then such Unit Owner or Owner's Agent's negligence caused such damage, which must be timely paid.

e) <u>Easement for Maintenance</u>. Each Owner and the Association shall have the irrevocable right, to be exercised by the Executive Board or officers or employees of the Association, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the Common Elements or another Unit. In the event insurance proceeds under Article IX are payable to an Owner but the maintenance responsibility of the area to which such proceeds relate is the Association's, the Association shall complete any such repair or replacement at the Owner's cost.

f) <u>Limited Common Element Damage</u>. In the event of damage or destruction of a Limited Common Element from any cause other than the negligence or tortious acts of an Owner or Owner's Agent, the then Owner of the Unit to which the Limited Common Element is attributable shall bear the expense to repair or rebuild the Limited Common Element to its previous condition. To the extent applicable, any Owner shall bear the cost of such damage to the extent of such Owner's Agent's negligence.

g) <u>Association Power</u>. The Association shall be the right and power to prohibit storage or other activities deemed unsafe, unsightly, unreasonably noisy or otherwise offensive to the senses and perceptible from another Unit or the Common Elements. No Owner shall make any addition or other alteration to any portion of the Common Elements, no matter how minor, without the express written consent of the Executive Board.

h) Mechanic's Liens and Indemnification. No labor performed or materials furnished and incorporated into a Unit with the consent or at the request of an Owner or an agent, contractor or subcontractor of an Owner shall be the basis for filing a lien against the Unit of any other Owner not expressly requesting or consenting to the same or the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners and any PACE Lender or Mortgagee thereof from and against all liability arising from any claim or lien against the Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services or supplies incorporated in the Owner's Unit at the Owner's request. The Association may enforce such indemnity by collecting from the Owner who suffers or allows such a lien the amount necessary to discharge the lien and all costs of enforcement incidental thereto. If such amount is not promptly paid, the Association shall have all rights and remedies available to it for a failure to pay an Assessment.

Section 7.03 <u>Nuisances.</u> No Nuisance shall be permitted within the Project, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession or the proper use of a Unit or Common Element, or any portion of the Project by Unit Owners. Further, no unlawful use shall be permitted within the Project or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project or a portion thereof shall be observed. As used herein, the term nuisance shall not include any activities of Declarant which are reasonably necessary to the Project and construction of improvements within the Project provided, however, that such activities of the Declarant shall not unreasonably interfere with any Unit Owner's use and enjoyment of his Unit, or any Unit Owner's ingress and egress to or from their Unit and a public way.

Section 7.04 <u>No Restrictions on Mortgaging of a Unit.</u> There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber a Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 7.05 <u>Rules and Regulations</u>. In furtherance of the provisions of this Declaration, and the general plan, rules and regulations concerning and governing the Project any portion thereof may be adopted, amended, or repealed, from time to time, by the Executive Board, or its

successors and assigns. The Executive Board may establish and enforce penalties for the infraction thereof.

## ARTICLE VIII RESERVED DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 8.01 <u>Reserved Development Rights and Special Declarant Rights</u>. Subject to applicable Town of Ridgway ordinances and regulations and the prior written consent of the PACE Lender until the CoPACE Funding is fully repaid, the Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the following Development Rights and Special Declarant Rights:

a) the right to relocate boundaries between unsold adjoining Units, enlarge Units, enlarge the Common Elements, reduce or diminish the size of unsold Units, subdivide Units or complete or make improvements, as the same may be indicated on Maps filed of record or filed with the Declaration;

b) the right to create or construct additional Common Elements and Limited common Elements (the "Additional Improvements") to Convert Units into Common Elements;

c) the right to withdraw all or any portion of the property; provided, however, that no portion of the Property may be withdrawn after a Unit in that portion of the Property has been conveyed to a purchaser;

d) the right to exercise any development rights reserved or allowed in the Act;

e) the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary;

f) the right to make the Project subject to a master association and master declaration;

g) the right to merge or consolidate the Project with another Common Interest Community or Condominium;

h) the right to appoint or remove any officer of the Association or any Director during the Declarant Control period;

i) the right to amend the Declaration in connection with the exercise of any development right.

j) the right to amend the Declaration or Map in connection with the exercise of any development right or to correct typographical or other errors to bring the Declaration or Map into conformance with applicable law.

Section 8.02 <u>Additional Reserved Rights</u>. In addition to the rights set forth above, subject to applicable Town of Ridgway ordinances and regulations, Declarant also reserves the following

additional rights (the "Additional Reserved Rights"):

a) Sales. The right to maintain sales offices, management offices and models in Units or on the Common Elements.

b) Signs. The right to maintain signs and advertising in the Project and to advertise the Project.

c) Dedications. The right to establish, from time to time, by dedication or otherwise, public ways, utility and other easements for purposes including but not limited to public access, access, paths, walkways, skyways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions.

d) Use Agreements. The right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulations of parking and/or recreational facilities and/or Common Elements, and/or the maintenance of the exterior of Units and appurtenant landscaping, which may or may not be a part of the Project.

e) Construction Easement. Declarant expressly reserves the right to perform warranty work, and repairs and construction work and to store materials in secure areas, in Units and in Common Elements, and the future right to control such work and repairs, and the right of access thereto, until completion. All work may be performed by Declarant without the consent or approval of any Unit Owner or holder of a Mortgage. Declarant has such an easement through the Common Elements as may be reasonably necessary for exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Property.

f) Other Rights. The right to exercise any additional reserved right created by any other provision of this Declaration or the Act.

Section 8.03 <u>Rights Transferable/Right Transferred.</u>

(a) Any rights created or reserved under this Article or the Act for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of Ouray County. Such instrument shall be executed by the transferor Declarant and the transferee.

(b) Notwithstanding the foregoing, the Development Rights and Special Declarant Rights of Declarant to relocate the boundaries of Units, to create new Units or Common Elements, and/or to further subdivide Units and the right of the Declarant to designate the type of use allowed in Units, shall be transferred and assigned to the title Owner of those Units within those levels for the maximum period of time reserved to the Declarant, subject to the rights of the PACE Lender under the terms of this Declaration and the terms of the CoPACE Funding. The foregoing rights are subject to the following additional terms and conditions: (i) the Unit Owners of the Units affected must comply with the requirements of C.R.S. §38-33.3-210 and C.R.S. §38-33.3-209(6); (ii) the authority of the Owners of the specified Units to make these changes is not limited by or subject

to the consent of the Association or any other person; and (iii) the express written consent may be required of the Declarant, or, alternatively, the Declarant may veto and reject the proposed changes as it determines in its sole discretion, which powers of the Declarant to require approval by it or to veto the change shall exist as long as the above rights exist.

Section 8.04 <u>No Further Authorizations Needed.</u> The consent of Unit Owners or holders of Mortgages shall not be required for the Declarant to exercise any reserved rights, and subject to the rights of the PACE Lender hereunder and the terms of the CoPACE Funding, and subject to applicable Town of Ridgway ordinances and regulations, Declarant may proceed without limitation at its sole option. Declarant may exercise any reserved rights on all or any portion of the property in whatever order Declarant, in its sole discretion, determines subject to the rights of PACE Lender. Declarant shall not be obligated to exercise any reserved rights or to expand the Project beyond the number of Units initially submitted.

Section 8.05 <u>Amendment of the Declaration or Map.</u> If Declarant elects to exercise any reserved rights, Declarant shall comply with the Act. Declarant shall not amend the Declaration or the Map without first obtaining the written consent of PACE Lender.

Section 8.06 <u>Interpretation</u>. Recording of amendments by the Declarant to the Declaration and the map or plat in the office of the Clerk and Recorder of Ouray County, Colorado shall automatically effectuate the terms and provisions of that amendment, provided that no amendment shall be valid unless such amendment has been approved by the PACE Lender. Further, such amendment shall automatically:

i) vest in each existing Unit Owner the reallocated Allocated Interests appurtenant to their Unit; and

ii) vest in each existing Security Interest a perfected security interest in the reallocated Allocated Interests appurtenant to the encumbered Unit.

Further, upon the recording of an Amendment to the Declaration, the definitions used in this Declaration shall automatically be extended to encompass and to refer to the property, as expanded and, the Development Property, or any part thereof, or the Additional Improvements, shall be added to and become a part of the Property for all purposes. All conveyances of Units after such amendment is recorded shall be effective to transfer rights in all Common Elements, whether or not reference is made to any Amendment of the Declaration or plat or map. Reference to the Declaration and plat or map in any instrument shall be deemed to include all Amendments to the Declaration, and the plat and/or map without specific reference thereto.

Section 8.07 <u>Maximum Number of Units</u>. The maximum number of Units currently allowed on the Property is six (6). Additional Units may only be created with the approval of the Town of Ridgway after compliance with applicable Town of Ridgway processes and standards.

Section 8.08 <u>Construction</u>. The buildings, structures and types of improvements to be placed on the Property or the Development Property or any part thereof shall be of a quality equal to or better than the Improvements previously constructed on the Property, and to the extent

reasonably feasible shall be of similar size, style or configuration. Except as otherwise restricted in this Declaration or by the Act, the Improvements may be located anywhere on the property reserved for future development or on the Development Property.

Section 8.09 <u>Reciprocal Easements.</u> If all or part of any property is withdrawn ("Withdrawn Property"):

i) the Unit Owner(s) of the property and/or Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Project; and

ii) The Unit Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Property and Withdrawn Property.

Section 8.10 <u>Termination of Reserved Rights.</u> The rights reserved to Declarant, for itself, its successors and assigns, shall expire as set forth above or in the Act, unless (i) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose on the subsequent exercise of the expansion rights by Declarant, or (ii) extended as allowed by law.

Section 8.11 <u>Reserved Rights Subject to Town Ordinance</u>. All Reserved Development Rights, Special Declarant Rights and Additional Reserved Rights as provided in this Declaration shall be subject to applicable Town of Ridgway ordinances and regulations, and nothing contained herein shall serve to supersede or circumvent said ordinances and regulations.

## ARTICLE IX INSURANCE/CONDEMNATION

Section 9.01 <u>Insurance Carried.</u> Out of the assessments levied under this Declaration, the Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado. Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available, policies with the following terms or provisions:

a) All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be canceled or modified without at least twenty (20) days prior written notice to all of the Unit Owners, holders of First Mortgages and the Association.

b) If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all holders of First Mortgages at least ten (10) days prior to expiration of the then current policies.

c) All liability insurance shall be carried in blanket form naming the Association, the Board, the manager or managing agent, if any, the officers of the Association, the Declarant, holders of First Mortgages, their successors and assigns and Unit Owners as insured.

d) Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost.

e) Unit Owners may carry and are advised to carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Association shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Association. In this regard, Declarant discloses that the Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit.

f) All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any events, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

g) Declarant shall cause all lenders and holders of any portion of the CoPACE Funding to be named additional insureds on all insurance policies and coverages for the Common Elements.

Section 9.02 <u>Hazard Insurance on the Common Elements.</u> Insurance of fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Executive Board to represent not less than the full then current insurable replacement cost of the Building located on the Property including all of the Units and Common Elements, including all fixtures, interior and perimeter walls and floors, partitions, decorated and finished surfaces of interior and perimeter walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Units and including any fixtures, equipment or other property within the Units which are to be financed by a Mortgage to be purchased by an Agency including FNMA and FHLMC, and excluding any betterments and improvements made by Unit Owners and building excavations and foundations. Maximum deductible amounts for such policy shall be determined by the Executive Board shall

follow such Agency's requirements. In the event the Project has central heating or cooling, coverage for loss or damage resulting from the machinery equipment accidents in an amount equal to the lesser of \$2,000,000.00 or the insurable value of the buildings housing the machinery shall also be obtained. The Association shall obtain insurance covering the original specifications of each Unit. Each Unit Owner shall be responsible for obtaining additional or supplemental insurance covering any additions, alterations, or improvements to his Unit which increase the replacement value of his Unit. In the event that satisfactory arrangement is not made for additional insurance by the Unit Owner, the Unit Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. Any additional premiums attributable to the original specifications of a Unit for which the insurance is increased as herein provided may be the subject of a lien for nonpayment as provided in Article VI hereof in the event the Association pays such premium for a Unit Owner.

All policies shall contain a standard non-contributory mortgage clause in favor of each holder of First Mortgage, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of such holders of First Mortgages, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk-and Recorder of the County of Ouray, Colorado. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Executive Board: (a) an Inflation guard endorsement by a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, and (e) an increased cost of construction endorsement.

Section 9.03 <u>Comprehensive Liability Insurance</u>. Comprehensive general public liability and property damage insurance for the Project in such amounts as the Executive Board deems desirable, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence insuring the Association, the Executive Board, the Manager or managing agent, or both, if any, and their respective agents and employees, and the Unit Owners from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Project in the Ouray County, Colorado including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

The insurance policies may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Unit Owners. Each Unit Owner shall be an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association. Each Mortgagee and PACE Lender and its successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses for the Unit, which the Mortgage or PACE Lien encumbers. The insurance company shall waive its rights of subrogation under the insurance policy against any Unit Owner or member of the Unit Owner's household. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, shall void the insurance policy or be a condition to recovery under the insurance policy. If, at the time of a loss under an insurance policy described above there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the Association's policy shall provide primary insurance.

Insurance coverage on the furnishings and other items of personal property belonging to an Owner and any additions and alterations to a Unit which increase the Unit's replacement value above that of the original specifications for the Unit (unless financed by a Mortgage to be purchased by FNMA or FHLMC), casualty and public liability insurance coverage for each Unit and the Limited Common Elements associated therewith and workman's compensation insurance covering work within each Unit or on the Limited Common Elements associated therewith shall be the responsibility of the Owner of the Unit.

Section 9.04 <u>Fidelity Insurance.</u> The Association may obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The clause "officers, directors, trustees and employees" shall not include any officer, director, agent or employee of Declarant or any officer, director, agent or employee of any independent, professional manager or managing agent theretofore or hereafter employed by the Association. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

Section 9.05 <u>Worker's Compensation and Employer's Liability Insurance.</u> If applicable, the Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 9.06 <u>Officers' and Directors' Personal Liability Insurance</u>. The Association may obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

Section 9.07 <u>Flood Insurance</u>. The Association, if required by holders of First Mortgages, or by a governmental agency, shall purchase and maintain flood insurance.

Section 9.08 <u>Other Insurance</u>. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 9.09 <u>Insurance Premium</u>. Except as assessed in proportion to risk, if permitted under the terms of this Declaration, insurance premiums for the above provided insurance shall be

a Common Expense to be included a part of the annual assessments levied by the Association.

Section 9.10 <u>Managing Agent Insurance</u>. The manager or managing agent, if any, shall be insured to the same extent as the Association, as herein provided, and as provided in the Act, for the benefit of the Association, and shall maintain and submit evidence of such coverage to the Association.

Section 9.11 <u>Waiver of Claims Against Association</u>. As to all policies of insurance maintained by or for the benefit of the Association and Unit Owners, the Association and the Unit Owners hereby waive and release all claims against one another, the Board and Declarant, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 9.12 <u>Annual Insurance Review.</u> The Board shall review the insurance carried by and on behalf of the Association at least annually, for the purpose of determining the amount of insurance required.

Section 9.13 <u>Adjustments by the Association.</u> Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association, and not to any holder of a first lien Security Interest. The Association shall hold any insurance proceeds in trust for the Association, Unit Owners and holders of First Mortgages as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property and the Association Unit Owner and holders of First Mortgages are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 9.14 <u>Duty to Repair</u>. Any portion of the Project for which insurance proceeds are available under this Article which damaged or destroyed must be repaired or replaced promptly by the Association, except as provided in the Act.

Section 9.15 <u>Condemnation and Hazard Insurance Allocations and Distributions.</u> In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record, and pursuant to the Act.

## ARTICLE X LENDER PROTECTIONS

Section 10.01 <u>Benefit of Lenders</u>. This Article establishes certain standards and covenants which are for the benefit of Lenders. This Article is supplemental to, and not in substitution of, any other provisions of this Declaration, but in the case of any conflict, this Article shall control.

Section 10.02 <u>Notice of Actions</u>. The Association shall give prompt written notice of the following to each Lender:

(a) any condemnation loss or any casualty loss which affects a material portion of the Common Elements or any Unit in which an interest is held by the Lender;

(b) any delinquency in the payment of Assessments which remains uncured for 60 days by an Owner whose Unit is encumbered by a First Mortgage or PACE Lien held by such Lender;

(c) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) any proposed action which would require the consent of Lenders as set forth in this Article; and

(e) any judgment rendered against the Association.

Section 10.03 <u>Consent Required</u>. Notwithstanding anything to the contrary contained in this Declaration, the Association may not take any of the following actions without the consent of 67% of the Lenders (based on one vote for each Unit covered by a First Mortgage or a PACE Lien and two votes for each Unit covered by a First Mortgage and a PACE Lien):

(a) by act or omission seek to materially amend, abandon or terminate this Declaration, the Condominium or the Association, except to the extent provided by applicable law after condemnation or substantial casualty;

(b) except as provided herein for condemnation, casualty and the exercise of Special Declarant Rights, change any Unit's Interest in Common Elements, Share of General Common Expenses, Share of Residential Common Expenses, Share of Commercial Common Expenses, or votes in the Association;

(c) subdivide, partition, or relocate the boundaries of any Unit, except as permitted with respect to Special Declarant Rights subject to the terms and conditions of the CoPACE Funding;

(d) abandon, subdivide, partition, encumber, sell, or transfer the Common Elements (the granting of easements for public utilities or for other purposes provided for in this Declaration shall not be deemed transfers) subject to the terms and conditions of the CoPACE Funding;

(e) use hazard insurance proceeds for losses to any portion of the Common Elements for other than repair, replacement, or reconstruction of such Common Elements, except as provided by the Act (PACE Lender shall have the right to participate in the adjustment or settlement of any claim under any insurance maintained by the Association to the extent set forth in the CoPACE Funding documents); or

(f) merge the Condominium with any other common interest community, except as permitted with respect to Special Declarant Rights.

Section 10.04 <u>Amendments</u>. Notwithstanding anything to the contrary herein, no amendment or modification to this Declaration shall be effective or valid, unless Declarant, the Association and/or Unit Owners have first obtained the consent of PACE Lender.

# Section 10.05 Lender's Rights.

(a) Lenders, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against any of the Common Elements or improvements thereon, and may pay overdue premiums on hazard insurance policies, for the Common Elements. Lenders making such payment shall be owed immediate reimbursement from the Association.

(b) A Lender shall be entitled to cure any delinquency of the Owner of a Unit encumbered by its First Mortgage or PACE Lien in the payment of Assessments. In that event, the Lender shall be entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

Section 10.06 <u>Limitations on Lender's Rights</u>. No requirement for approval or consent by a Lender provided in this Article shall operate to:

(a) deny or delegate control over the general administrative affairs of the Association by the Owners or the Executive Board;

(b) prevent the Association or the Executive Board from commencing, intervening or settling any legal proceeding; or

(c) prevent any insurance trustee or the Association from receiving and distributing any insurance proceeds in accordance with the requirements of the <u>Article IX</u> above.

Section 10.07 <u>Declarant Rights</u>. No provision or requirement of this <u>Article X</u> shall restrict or limit any Special Declarant Rights or any other rights reserved to Declarant in this Declaration

Section 10.08 <u>Foreclosure</u>. During the pendency of any proceeding to foreclose a Mortgage or PACE Lien, the holder or a receiver appointed in any such action, may (but need not) exercise any or all of the rights and privileges of the defaulting owner including, but not limited to, the right to vote as a member of the Association in the place and stead of the defaulting Unit Owner.

# ARTICLE XI EASEMENTS

Section 11.01 <u>Recorded Easements</u>. The Property shall be subject to all easements as shown on any Map or plat, those of record, those provided in the Act (including easements for encroachment set forth in Section 214 of the Act and an easement for maintenance of any such encroachment), and otherwise as set forth in this Declaration.

Section 11.02 <u>Declarant 's Rights Incident to Construction</u>. Declarant, for itself and its successors and assigns, and the Association, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements, together with the right to store materials on the Common Elements, to build and maintain temporary walls, and to make such other use of the Common Elements as may be reasonably necessary or incident to any construction of the Units, or improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment or access to the Project by the Owners.

Section 11.03 <u>Utility Easements</u>. There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements and the Units and the structures and improvements situated on the Property for ingress and egress, storm water drainage, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, cable TV and electricity. Said blanket easement includes future utility services not presently available to the Units which may reasonably be required in the future. By virtue of this easement, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment on any of the Units and to affix and maintain electrical and/or telephone wires, circuits, conduits and pipes on, above, across and under the roofs and exterior walls of the improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Association as to locations.

Section 11.04 <u>Reservation of Easements, Exceptions and Exclusions</u>. The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Elements for the best interest of all the Owners and the Association. Each Owner is hereby granted a perpetual non-exclusive right of ingress to and egress from the Owner's Unit over and across the General Common Elements and Limited Common Elements appurtenant to that Owner's Unit, which right shall be appurtenant to the Owner's Unit, and which right shall be subject to limited and reasonable restriction on the use of Common Elements set forth in writing by the Association, such as for closure for repairs and maintenance.

Section 11.05 <u>Emergency Access Easement</u>. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 11.06 <u>Support Easement</u>. Each Unit is subject to a blanket easement for support and a blanket easement for the maintenance of structures or improvements presently situated or to be built in the future on the Property or any Expansion Property.

# ARTICLE XII NOTICE OF CoPACE FUNDING

AS SET FORTH HEREIN, THIS ARTICLE XII serves as notice to the Owners and the public, in general, that the Property is currently encumbered by a PACE Lien in connection with the CoPACE Funding (defined below). In connection with its development of the Property, Declarant

has obtained funding for certain improvements, fixtures and equipment to improve the efficiency of energy, water and resiliency measures associated with its construction that will be affixed to the Property and permanently incorporated within the Condominium. The funding for these improvements, fixtures and equipment to be incorporated throughout the Property in order to improve its energy efficiency and resiliency (collectively, the "Authorized Efficiency Improvements") were made available to Declarant and the Condominium through the Colorado Commercial Property Assessed Clean Energy financing program ("CoPACE"). This funding for the Authorized Efficiency Improvements was obtained by the Declarant ("CoPACE Funding") and is secured by a PACE Lien levied against the tax parcel associated with the Property. Upon the filing of this Declaration, the PACE Lien will be allocated against the applicable Units pursuant to the terms of the CoPACE Funding.

Until a Commercial Unit has been released as outlined above, the CoPACE Funding shall encumber the applicable Units in the same manner as property tax assessments and liens for the same shall be junior in priority only to property tax liens. The obligation for Declarant to repay the CoPACE Funding cannot be reduced or eliminated through foreclosure or bankruptcy. This Declaration, the Bylaws, the Articles of Incorporation of the Association and all other instruments relevant to the ownership and/or control of the Condominium project and/or the Property (i) shall not be drafted, revised or amended to include any provision(s) that would impact or change the above-described terms of the CoPACE Funding or its terms or limit the ability of the holder(s) of the CoPACE Funding to collect assessments and other amounts, as applicable, to repay the CoPACE Funding, and (ii) with respect to Units that have not been released from the CoPACE Funding, shall not be drafted, revised or amended to change (A) the size or components of the Units encumbered by a PACE Lien, General Common Elements and/or the Limited Common Elements, (B) the number of Units in the Condominium project, (C) the amount of real property dedicated to and included in the Condominium project, (D) the number of Units to be sold to thirdparties and/or (E) the use of the Condominium project and/or any portion of it. Likewise, neither the Owners (including Declarant) of Units within the Condominium project nor the Association shall take or allow any actions to change or subvert the terms of the CoPACE Funding and/or the repayment obligations for the CoPACE Funding. Declarant, the Association and the Owners of Units encumbered by a PACE Lien shall sign such additional documents and take such reasonable, Act-compliant actions in a timely manner as requested by the holder(s) of the CoPACE Funding to confirm the rights and obligations of parties in connection therewith. Except as may be agreed to in writing by all lenders and holders of the CoPACE Funding, all liens held by the Association against Units in the Condominium project which are encumbered by a PACE Lien shall be subordinate to all liens securing the CoPACE Funding against such Units, the Condominium project and/or the Property, as applicable.

Until all obligations related to the CoPACE Funding have been fully satisfied, in the event of (i) substantial damage to one or more of the Units which are encumbered by a PACE Lien or any portion of the General Common Elements and/or (ii) the commencement of any condemnation or eminent domain proceedings with respect to any portion of the Condominium project, Declarant shall send written notice of same to all lenders and holders of the CoPACE Funding within five (5) business days after Declarant first learns of such occurrences. Likewise, until all obligations related to the CoPACE Funding have been fully satisfied, Declarant (possibly by or through its properly appointed agent) shall provide written notice of any default by an Owner of a Unit

encumbered by a PACE Lien within thirty (30) days after the date Declarant first learns of such default.

Upon full satisfaction of the CoPACE Funding, the provisions of this Article XII, and all other provisions relating to the CoPACE Funding shall be null and void and of no further force or effect. Upon full satisfaction of the CoPACE Funding, the PACE Lender shall execute and record a release and termination of the CoPACE Funding.

## ARTICLE XIII GENERAL PROVISIONS

Section 13.01 Enforcement; Arbitration. In the event of a violation of any of the terms of this Declaration, the Association or a Unit Owner or Unit Owners of any of the Units may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration. The Association may promulgate rules and regulations for notice and other procedures for dealing with any alleged violation of the terms of this Declaration or of any of the Association Documents. Such procedures or remedies as established by the Association shall be cumulative and in addition to the enforcement provisions as contained in this Declaration. Declarant, for each Unit, shall be deemed to covenant and agree, and each Unit Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and voluntarily agree, on their own behalf and on behalf of their heirs, successors and assigns, to submit any such enforcement action to arbitration under the provisions of the Uniform Arbitration Act, C.R.S. § 13-22-201 et. seq., either to recover damages for such violation, including reasonable attorneys fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. The process for designating an arbitrator shall be as follows: A party demanding arbitration of a dispute under this provision shall, in writing, submit a name of an arbitrator to the other parties to the dispute. The other parties shall have ten days from the date of the receipt of notice of designation of the arbitrator to object and name an alternate Arbitrator. Failure to object and designate an alternate arbitrator in writing within ten days shall be deemed to be an acceptance of the arbitrator so designated. If an alternate arbitrator is designated within the ten days, the initial party who designated the original arbitrator shall have ten days to object to the alternate arbitrator. If no such objection is received, the alternate arbitrator shall be the arbitrator of the dispute. If there is a timely written objection to the alternate arbitrator, the original and the alternate arbitrator shall jointly select a third arbitrator who shall be the sole arbitrator of the dispute. In the event the original and alternate arbitrators are not able to agree upon a third arbitrator, one shall be appointed by any court of competent jurisdiction. The parties agree that any arbitration held pursuant to this section shall be binding upon the parties and shall not be appealable to the courts except for the reasons listed in the Uniform Arbitration Act as cited above. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and expenses including reasonable attorney's fees, arbitrator's fees and reasonable out-of-pocket expenses. "Prevailing party" shall mean the party whose position is most nearly upheld in arbitration. If a dispute involves the Declarant or the Association, no Person shall file a memorandum of lis pendens or similar instrument that would encumber, create a lien upon or otherwise cloud the title to land owned by either the Declarant or the Association. Failure of the Association, the Declarant or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so

thereafter. The Executive Board may post on a bulletin board at a conspicuous place on the Common Area notices of any covenant violations by members and copies of any recorded statements. Failure to post shall not affect the validity of any lien or action to redress any covenant violation.

Section 13.02 <u>Severability</u>. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 13.03 <u>Term of Declaration</u>. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 13.04 Amendment of Declaration by Declarant. Until the first Unit has been conveyed by Declarant by deed recorded in the office of the County Clerk and Recorder of the County of Ouray, Colorado, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting forth such amendment or termination. Thereafter if Declarant shall determine that any amendments to this Declaration shall be necessary in order to make non-material changes, such as the correction of a technical, clerical or typographical error or clarification of a statement, then, subject to the following sentence of this Section, Declarant shall have the right and power to make and execute any such amendments without obtaining the approval of any Unit Owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to make or consent to an amendment under this section on behalf of each Unit Owner and holder of a Security Interest. Each deed, Security Interest, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant to make, execute and record an amendment under this Section.

Section 12.05 <u>Amendment of Declaration by Unit Owners.</u> Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of sixty-seven percent (67%) of all of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the, amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Section 13.06 <u>Amendment Required by Government Mortgage Agencies</u>. Prior to ten (10) years after recording of this Declaration, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration which FHA, VA, FHLMC, GNMA, FNMA or any similar entity authorized to insure, guarantee, make or purchase mortgage loans requires to be amended or repealed may be amended or repealed by Declarant or the Association. Any such

amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the amendment or repeal in full.

Section 13.07 <u>Required Consent of Declarant to Amendment.</u> Notwithstanding any other provision in this Declaration to the contrary, any proposed amendment or repeal of any provision of this Declaration shall not be effective unless Declarant has given its written consent to such amendment or repeal, which consent may be evidenced by the execution by Declarant of any certificate of amendment or repeal. The foregoing requirement for consent of Declarant to any amendment or repeal shall terminate ten (10) years after the recording of this Declaration, or upon conveyance of 100% of the Units to an Owner other than Declarant, whichever occurs first.

Section 13.08 <u>Interpretation</u>. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado.

Section 13.09 <u>Singular Includes the Plural.</u> Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 13.10 <u>Captions</u>. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section of article hereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_.

Firehouse Investment Real Estate, LLC, Declarant

) ss.

By:\_\_\_\_\_ Patrick O'Leary, Managing Member

STATE OF COLORADO	)
or concine o	

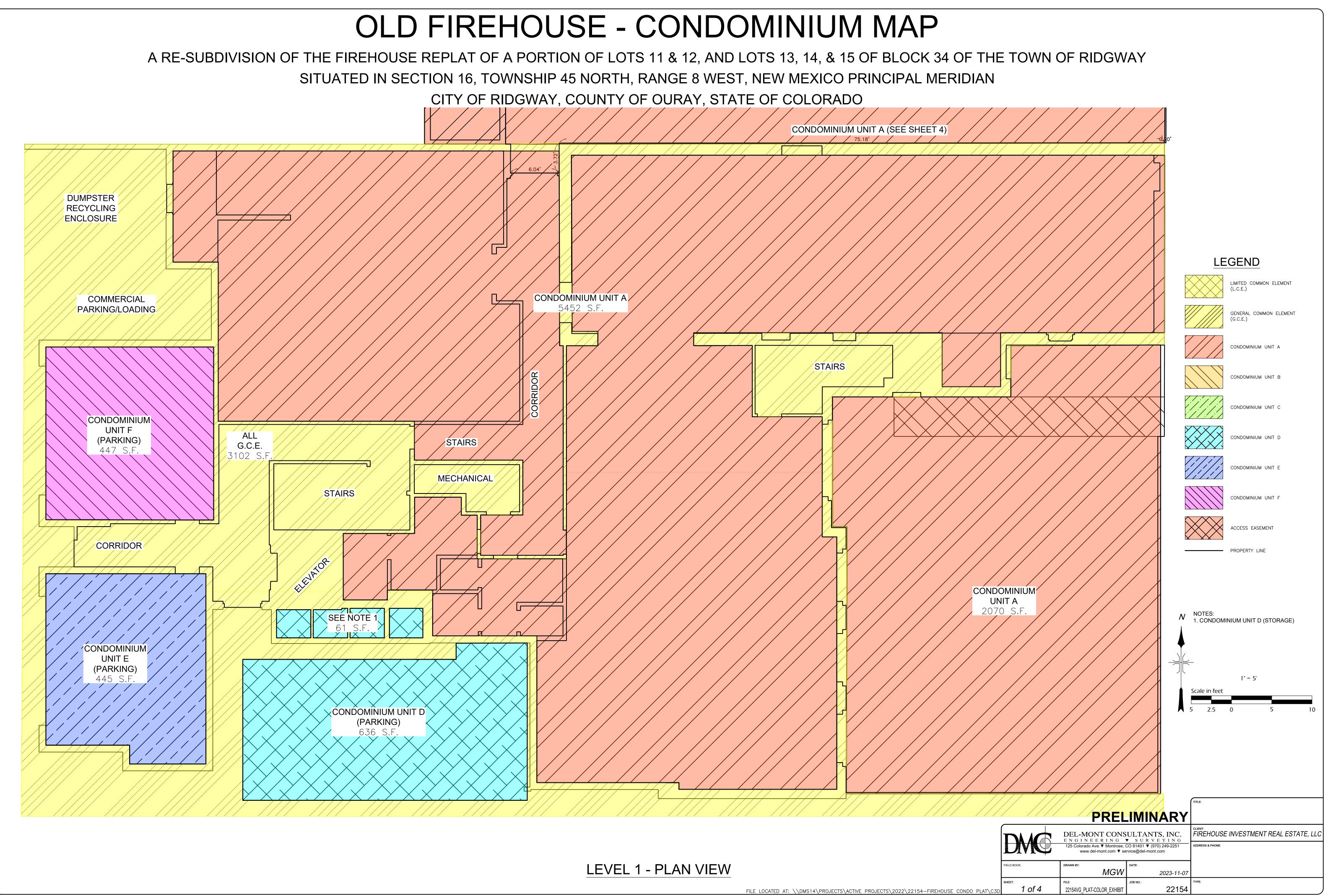
COUNTY OF

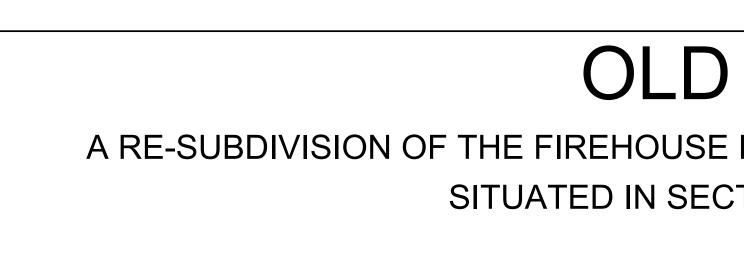
The foregoing document was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_ by Patrick O'Leary, Managing Member of Firehouse Investment Real Estate, LLC. Witness my hand and official seal.

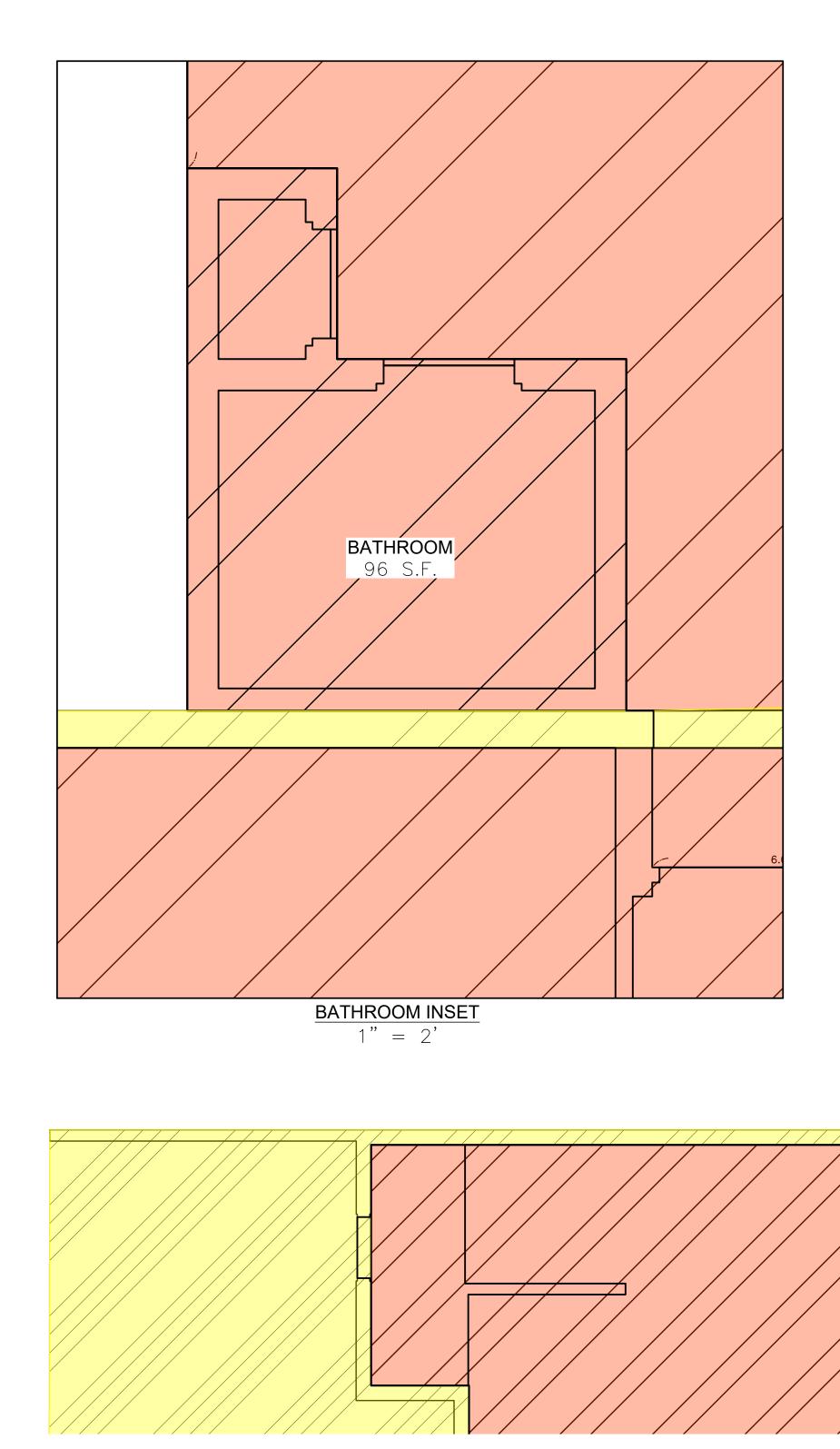
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Notary Public

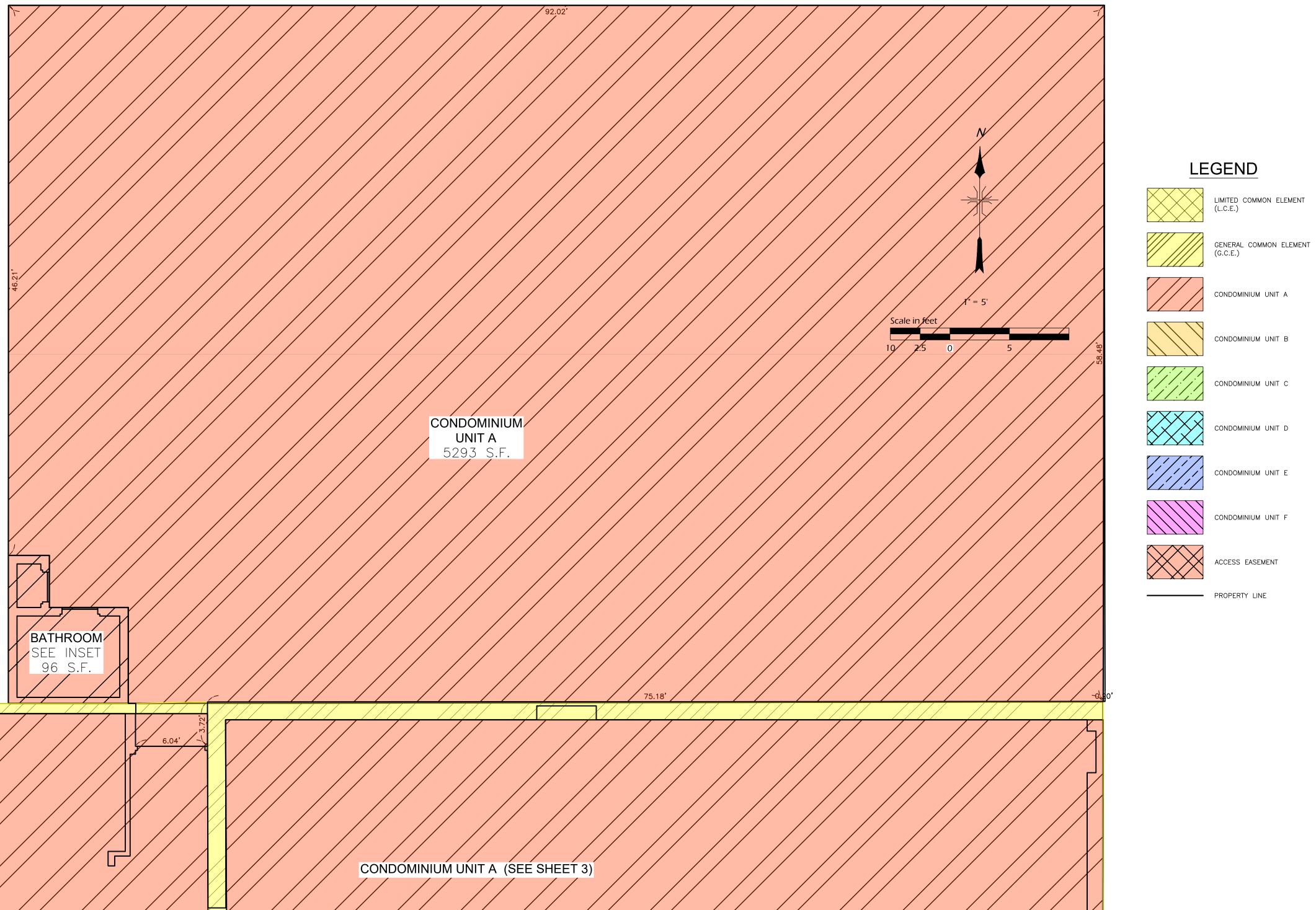






# OLD FIREHOUSE - CONDOMINIUM MAP

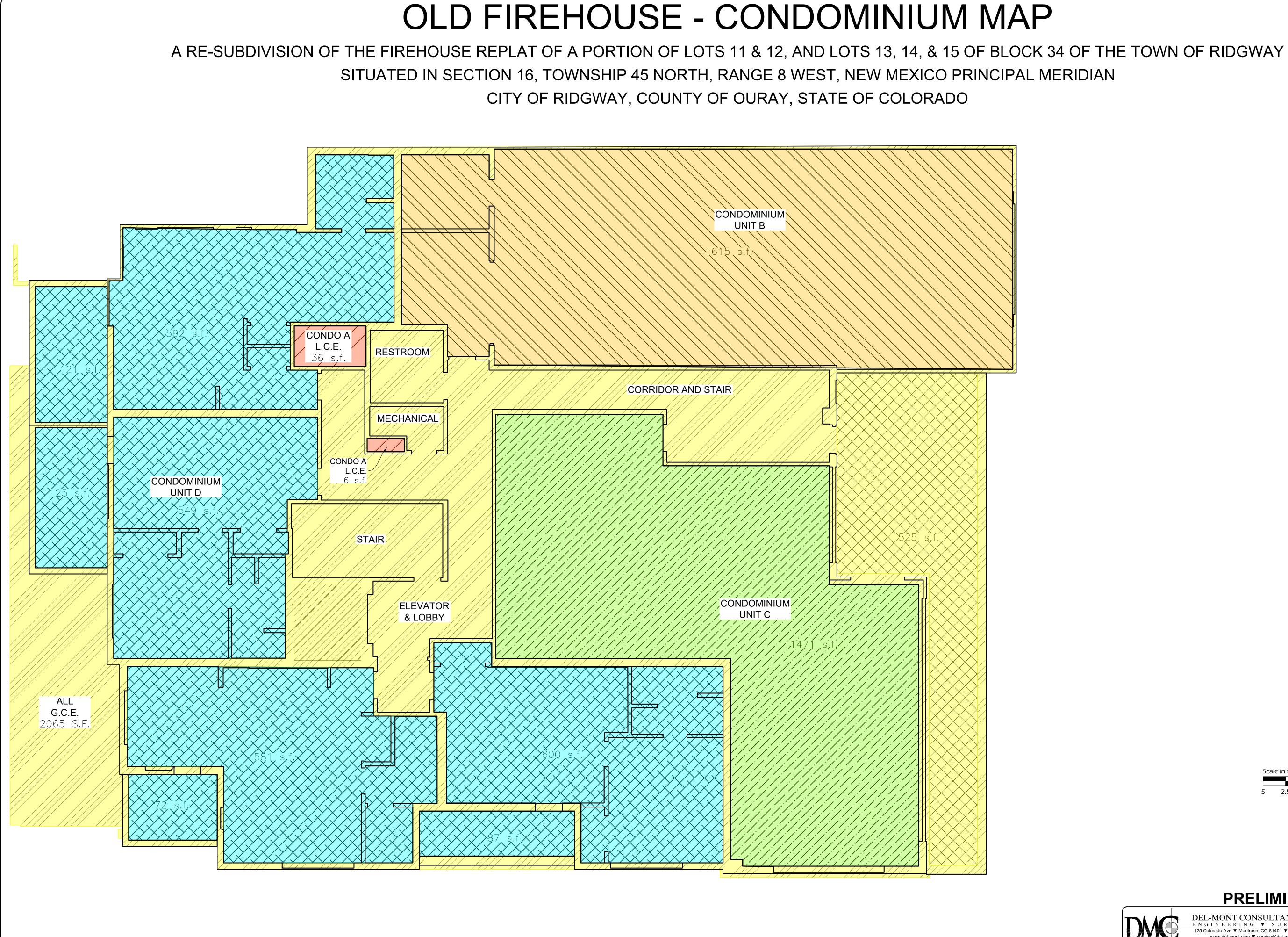
A RE-SUBDIVISION OF THE FIREHOUSE REPLAT OF A PORTION OF LOTS 11 & 12, AND LOTS 13, 14, & 15 OF BLOCK 34 OF THE TOWN OF RIDGWAY SITUATED IN SECTION 16, TOWNSHIP 45 NORTH, RANGE 8 WEST, NEW MEXICO PRINCIPAL MERIDIAN CITY OF RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO



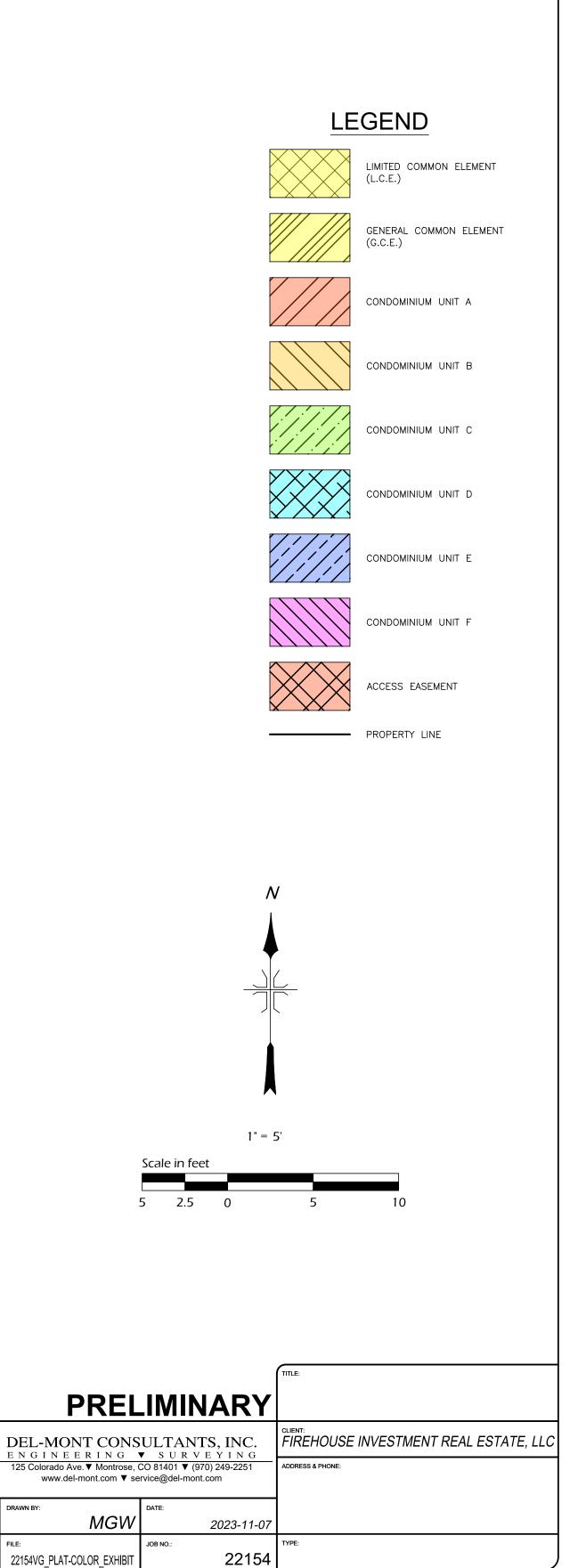
# LEVEL 1 - PLAN VIEW

# PRELIMINARY

		DEL-MONT CONS	,	GLIENT: FIREHOUSE INVESTMENT REAL ESTATE, LLC
		125 Colorado Ave. ▼ Montrose, ( www.del-mont.com ▼ se	CO 81401 ▼ (970) 249-2251	ADDRESS & PHONE:
ľ	FIELD BOOK:	DRAWN BY:	DATE:	
		MGW	2023-11-07	
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# LEVEL 2 - PLAN VIEW

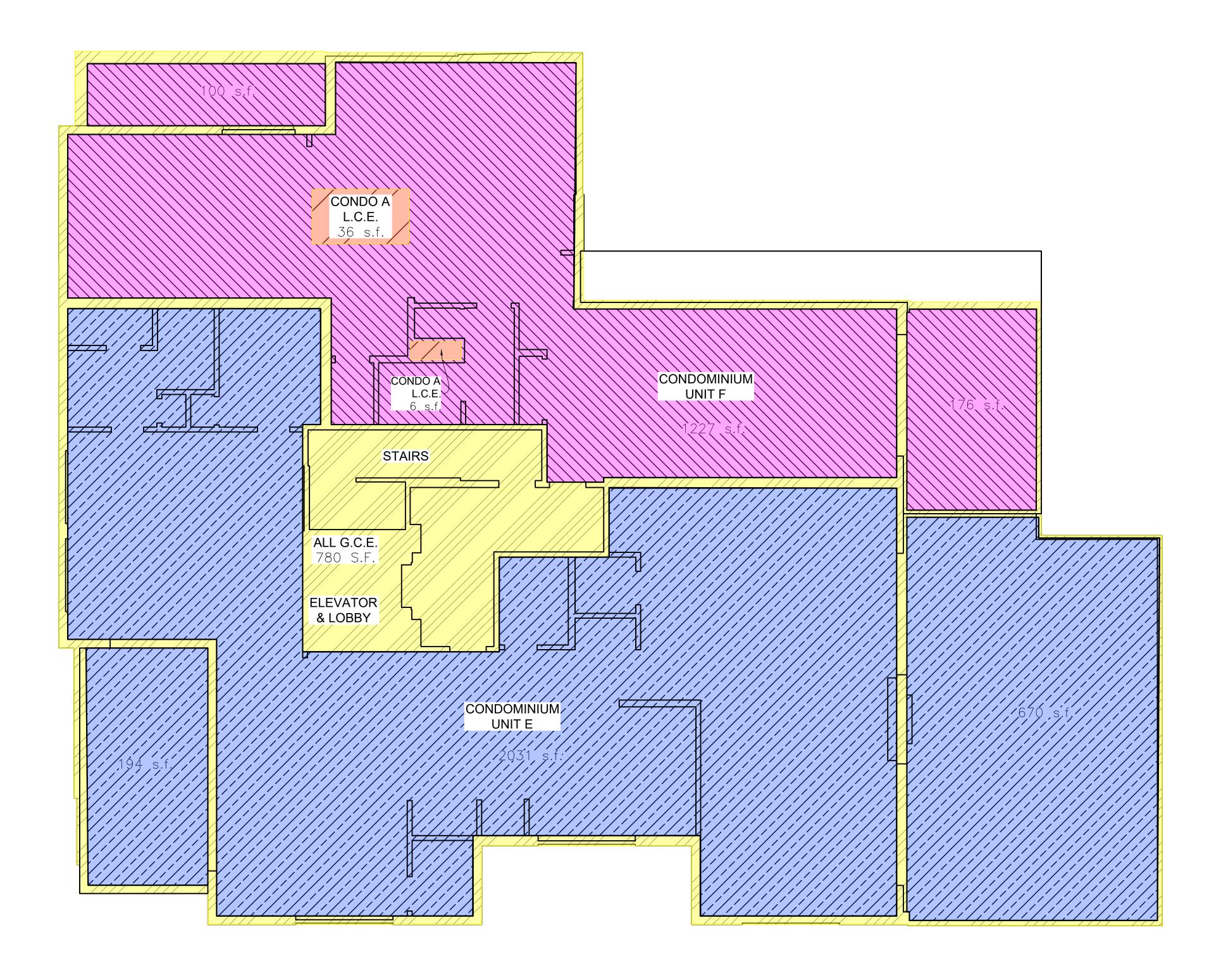


				SHEET:	
-FIREHOUSE	CONDO	PLAT\	C3D		3 of 4

IELD BOOK

RAWN BY:

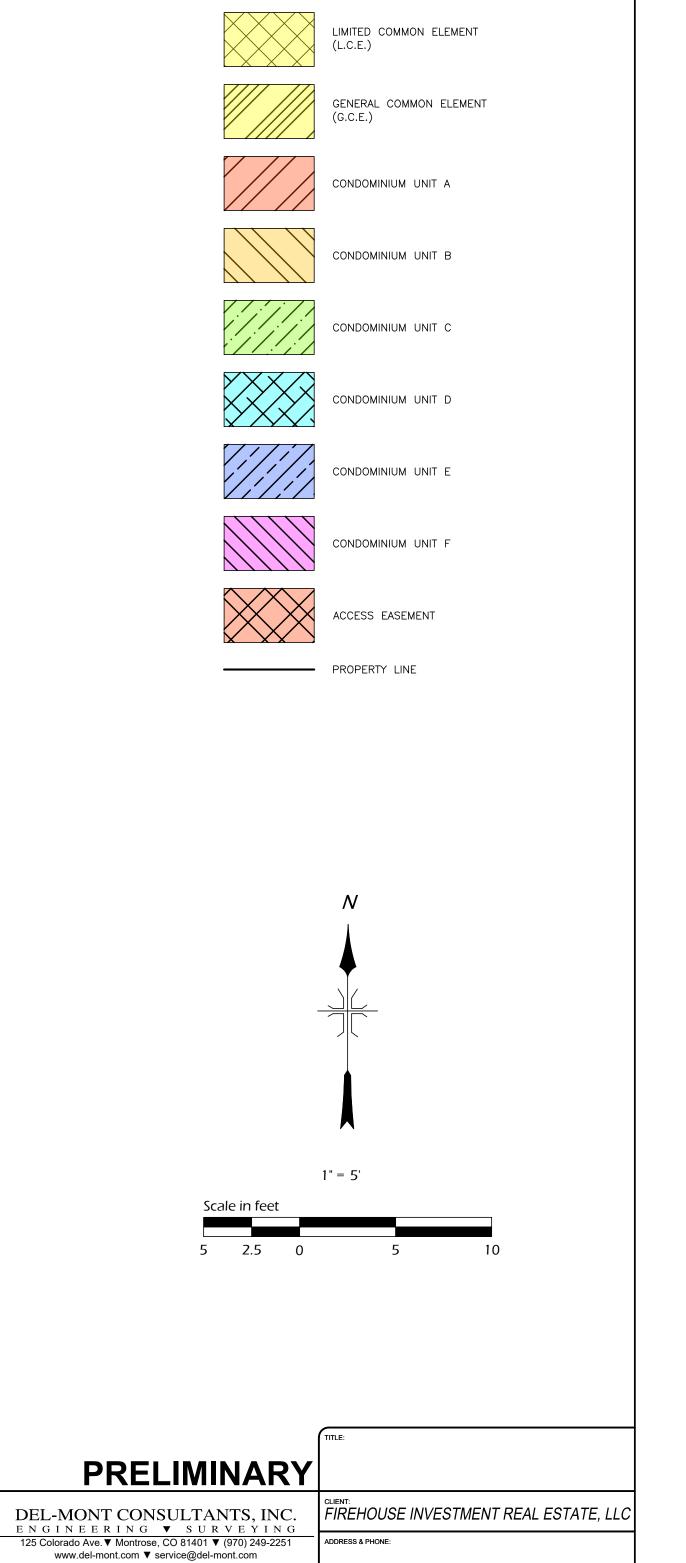
# OLD FIREHOUSE - CONDOMINIUM MAP A RE-SUBDIVISION OF THE FIREHOUSE REPLAT OF A PORTION OF LOTS 11 & 12, AND LOTS 13, 14, & 15 OF BLOCK 34 OF THE TOWN OF RIDGWAY SITUATED IN SECTION 16, TOWNSHIP 45 NORTH, RANGE 8 WEST, NEW MEXICO PRINCIPAL MERIDIAN



CITY OF RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO

# LEVEL 3 - PLAN VIEW

# LEGEND



		www.del-mont.com V se		
	FIELD BOOK:	DRAWN BY:	DATE:	
		MGW	2023-11-07	
	SHEET:	FILE:	JOB NO.:	TYPE:
PLAT∖C3D	4 of 4	22154VG_PLAT-COLOR_EXHIBIT	22154	

CONDOMINIUM SUB	DIVISIO
A REPLAT OF THE FIREHOUSE	REPLAT O
	(
SITUATED IN SECTION	ON 16, TOWN
	CITY OF RIDG
FINAL PLAT NOTES	<u>SURVEYOR'S CERTIFICATE</u> I, <u>Nicholas E. Barrett,</u> be
<u>CERTIFICATE OF OWNERSHIP AND DEDICATION:</u> Know all persons by these presents: <u>FIREHOUSE INVESTMENT REAL ESTATE, LLC</u> , a Colorado Limited Liability Company, being the owner of the land described as follows: The East 92 feet of Lots 11 and 12 and all of Lots 13, 14, and 15, all in Block 34, Town of Ridgway, County of Ouray, State of Colorado, has laid out, platted and subdivided same as shown on this plat under the name of CONDOMINIUM SUBDIVISION FOR OLD FIRE HOUSE CONDOMINIUMS, and by these presents does hereby dedicate to the perpetual use of the Town of Ridgway, Ouray County, Colorado, the streets, alleys, roads, and other public areas as shown and designated for dedication hereon and hereby dedicate those portions of land labeled as utility easements for the installation and maintenance of public utilities as shown hereon.	this plat was prepared un of my knowledge, conforr of Ridgway regulations, ar
In witness hereof Owner has executed this Plat effective as of, 202, 202 	Nicholas E. Barrett PLS 3
Printed Name: Title: STATE OF COLORADO ) ) ss.	LIEN HOLDER'S CERTIFICAT The undersigned hereby c real property described in
COUNTY OF OURAY )	forth in this Plat, and dc fee simple dedications an
The foregoing Certificate of Ownership and Dedication was acknowledged before me this day of, 202, by as the of	By: Steven R. Chevalier
Witness my hand and official seal. My commission expires:	The foregoing Lien Holder
Notary Public	day of
	Witness my hand and off
ATTORNEYS CERTIFICATE: I,, an attorney at law duly licensed to practice before the courts of record of Colorado, do hereby certify that I have examined the Title Commitment Order Number effective as of atM. issued by and according to that title commitment, of all land herein platted and that title to such land is in the dedicator(s) and owners, and that based upon my review of said title commitment, the property dedicated hereon has been dedicated free and clear of all liens and encumbrances, except as follows: • <u>Deed of Trust in favor of Steven R. Chevalier and Catherine T. Chevalier, recorded in the office of</u> the Ouray County Clerk and Recorder at reception #232267.	Notary Public <u>LIEN HOLDER'S CERTIFICAT</u> The undersigned hereby c described in this Plat, do Plat, and does hereby su dedications and grants of
•	Ву:
By:, Attorney at Law	Name:
PLANNING COMMISSION:	Title:
Recommended for approval by the Planning Commission this day of day of	The foregoing Lein Holder
Michelle Montague, Town of Ridgway Planning Commission Chairperson	of
TOWN COUNCIL: Approved by the Town Council thisday ofday of, 202	Witness my hand and off  Notary Public
By: John Clark, Town of Ridgway Mayor	<u>TREASURERS CERTIFICATE:</u> According to the records any part thereof for un
APPROVAL OF TOWN ATTORNEY: Approved for recording with the Ouray County Clerk and Recorder's Office thisday of, 202 By:,	payable. Dated this By: Jill Mihelich, Ouray Co
Bo Nerlin, Town of Ridgway Town Attorney	
ENGINEERS CERTIFICATE: I, a Registered Professional Engineer in the State of Colorado, do certify that the streets, curbs, gutters, and sidewalks, sanitary sewer system, water distribution system, fire protection system, and storm drainage system for this subdivision are properly designed, meet the	RECORDER'S CERTIFICATE: This plat was filed for re on theday of
Town of Ridgway specifications, and are adequate to serve the subdivision shown hereon.	By: Michelle Nauer, Ouray
Dated thisday ofday_of, 202	
Dated thisday ofday_of, 202	

# SION FOR OLD FIRE HOUSE CONDOMINIUMS

# T OF A PORTION OF LOTS 11&12, AND LOTS 13, 14, AND 15 OF BLOCK 34 OF THE TOWN OF RIDGWAY

OWNSHIP 45 NORTH, RANGE 8 WEST, NEW MEXICO PRINCIPAL MERIDIAN RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO

<u>TIFICATE</u>

arrett, being a Registered Land Surveyor in the State of Colorado do hereby certify that epared under my direct supervision and that said survey is true and accurate to the best e, conforms to all requirements of the Colorado Revised Statute, and all applicable Town ations, and that all required monuments have been set as shown.

ett PLS 38037

ERTIFICATE:

hereby certifies that they are jointly a lawful lienholder/deed of trust holder as to the scribed in this Plat, do hereby certify that they accept the conditions and restrictions set t, and do hereby subordinate their interests in the property described in this Plat to the ations and grants of easements (if any) hereby provided to the Town of Ridgway.

Chevalier and Catherine T. Chevalier

en Holder's Certificate was acknowledged before me this

and official seal.

\_\_\_\_\_ My commission expires: \_\_\_\_\_\_

# ERTIFICATE:

hereby certifies that it is a lawful lienholder/deed of trust holder as to the real property Plat, does hereby certify that it accepts the conditions and restrictions set forth in this nereby subordinate its interests in the property described in this Plat to the fee simple grants of easements (if any) hereby provided to the Town of Ridgway.

ein Holder's Certificate was acknowledged before me this \_\_\_\_ day of

\_\_, 202\_\_, by \_\_\_\_\_\_ as the \_\_\_\_\_

\_\_\_\_\_, a Colorado\_\_\_\_\_.

and official seal. \_\_\_\_\_ My commission expires: \_\_\_\_\_\_

records of the County of Ouray Treasurer there are no liens against this subdivision or for unpaid state, county municipal or local taxes or special assessments due and

\_\_\_\_\_day of\_\_\_\_\_, 202\_\_\_, 202\_\_\_ \_\_\_\_\_

Ouray County Treasurer

led for recording in the office of Clerk and Recorder of Ouray County at \_\_\_\_\_\_.M. \_\_day of \_\_\_\_\_, under Reception No.

er, Ouray County Clerk and Recorder

**REQUIRED PLAT NOTES:** 

- 1. All construction will conform with the Ridgway Municipal Code. 2. Outdoor Lighting; All outdoor lighting shall conform to Ridgway Municipal Code Section 6-5 "Outdoor
- Lighting regulations", as may be amended. 3. The maximum number of dwelling units allowed is 2 for which the applicable excise tax has been paid. If any additional units are added the excise tax for said units shall be due with the building permit or upon any further subdivision.
- 4. Unit owners at Old Fire House Condominiums are subject to the Declaration of Conditions, Covenants and Restrictions of Old Fire House Condominiums, Town of Ridgway, Ouray County, Colorado, recorded in the office of the Ouray County Clerk and Recorder at reception
- Research for recorded easements and rights of way was conducted by Land Title Guaranty Company and this property may be subject to the easements, rights and restrictions listed in their Title Policy Order No.\_\_\_\_\_\_ dated \_\_\_\_\_\_, 2024.
- 6. The Declaration of Conditions, Covenants and Restrictions of Old Fire House Condominiums provides that THE OLD FIRE HOUSE CONDOMINIUMS OWNERS ASSOCIATION, INC., Articles of Incorporation for a Nonprofit Corporation filed on 11/02/23 under ID#20238168930, shall have the obligation to maintain the General Common Elements and improvements located within the Community that are owned by the Association as provided in the Declaration. This obligation shall include but not be limited to the maintenance and repair of all commonly owned sidewalks, fences, retaining walls, benches, lighting, shared parking areas, including snow removal, landscaping, weed mitigation and control, irrigation systems, ditches and pipelines, drainage/stormwater management facilities, commonly owned utilities, and other Community facilities. Owners of Units are responsible for Limited Common Elements from which they receive benefit as shown on the Plat and for the repair and Improvements located on or within their unit, unless designated for maintenance and repair by the Association. The Town is not responsible or liable in any manner for the maintenance, repair or operations of such Common Elements and Improvements owned and operated by the Association. In the event that said maintenance is not properly performed, Town of Ridgway, following written notice and reasonable time to cure, may cause the work to be done, assess the cost to the Association, may certify such charges as delinquent charges to the Treasurer to be collected similarly to taxes, may record a lien on said Common Element, which may be foreclosed in any lawful manner, or may pursue and other remedy available in order to collect such charges. These obligations shall run with the land and be binding upon all successors in interest to the said Condominium Units.

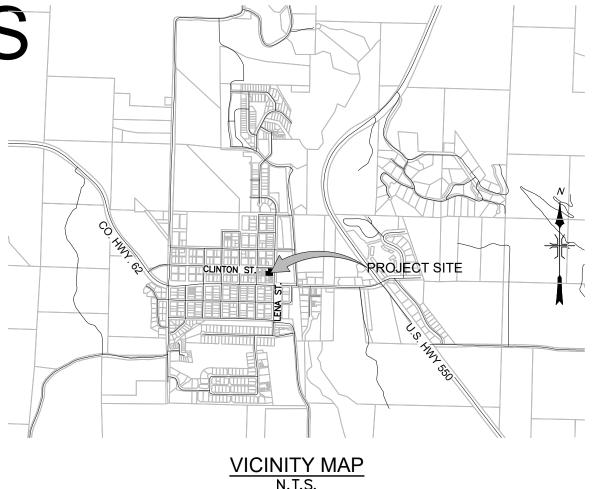
BASIS OF BEARINGS

The bearing between the found  $1\frac{1}{2}$ " Aluminum Cap as a 2' witness corner to the Southwest corner of Lot 15, Block 34, Ridgway, Colorado and the found  $1\frac{1}{2}$ " Aluminum Cap as a 2' witness corner to the Southeast corner of Lot 15 of said Lot 15, Block 34, Ridgway, Colorado , bears S88°25'39"E (ASSUMED)

<u>LINEAL UNITS STATEMENT</u>

The Lineal Unit used on this plat is U.S. Survey Feet

NOTICE: According to Colorado Law (13-80-105, CRS) you must commence any legal action based upon any defect in this survey within three (3) years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten (10) years from the date of the certification shown hereon



LE	GEND	Total S.F.	% S.F.
	LIMITED COMMON ELEMENT (L.C.E.)	525	19.0%
	GENERAL COMMON ELEMENT (G.C.E.)	5947	1.7%
	CONDOMINIUM UNIT A	12953	41.5%
	CONDOMINIUM UNIT B	1615	5.2%
	CONDOMINIUM UNIT C	1471	4.7%
	CONDOMINIUM UNIT D	3424	11.0%
	CONDOMINIUM UNIT E	3340	10.7%
	CONDOMINIUM UNIT F	1950	6.2%
	ACCESS EASEMENT	165 (OVER UNIT A)	
	PROPERTY LINE		

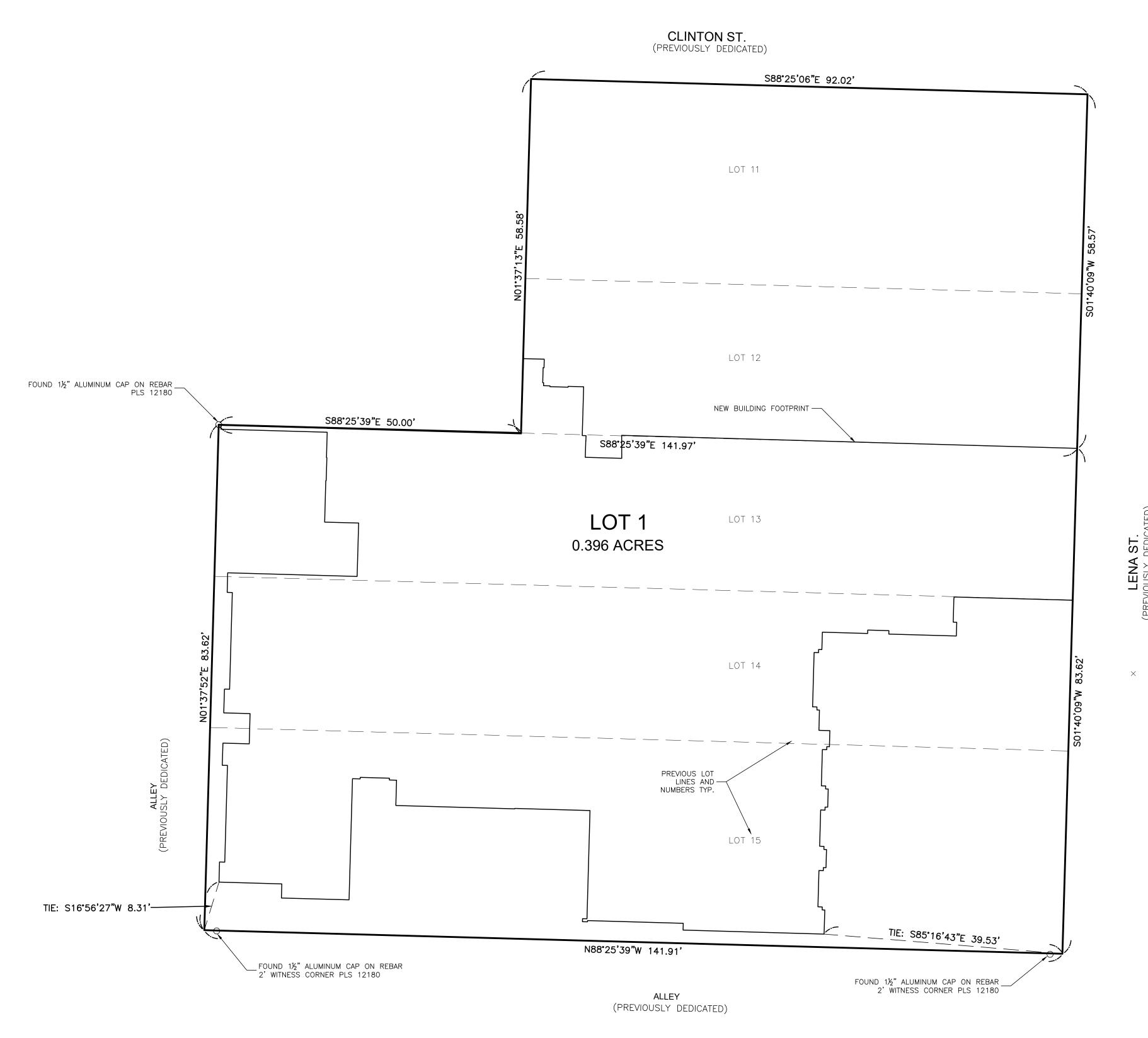
# PRELIMINARY

CONDOMINIUM PLAT RIDGWAY, COLORADO DEL-MONT CONSULTANTS, INC. FIREHOUSE INVESTMENT REAL ESTATE, LLC

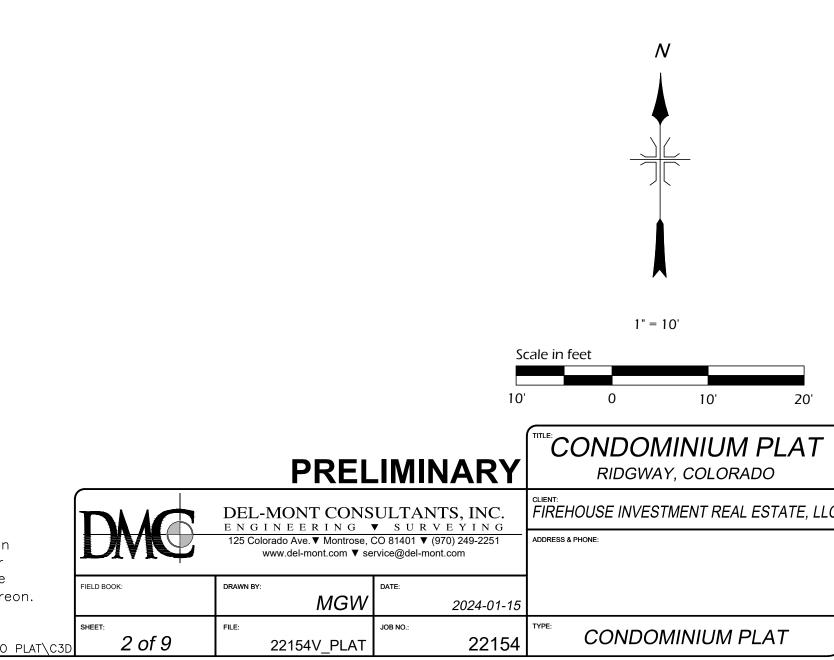
	<b>DMC</b>	ENGINEERING ▼ SURVEYING 125 Colorado Ave. ▼ Montrose, CO 81401 ▼ (970) 249-2251 www.del-mont.com ▼ service@del-mont.com		ADDRESS & PHONE:
n.	FIELD BOOK:	drawn by: MGW	date: 2024-01-15	
LAT\C3D	sheet: 1 of 9	<sup>file:</sup> 22154V_PLAT-CONDO	JOB NO.: 22154	CONDOMINIUM PLAT

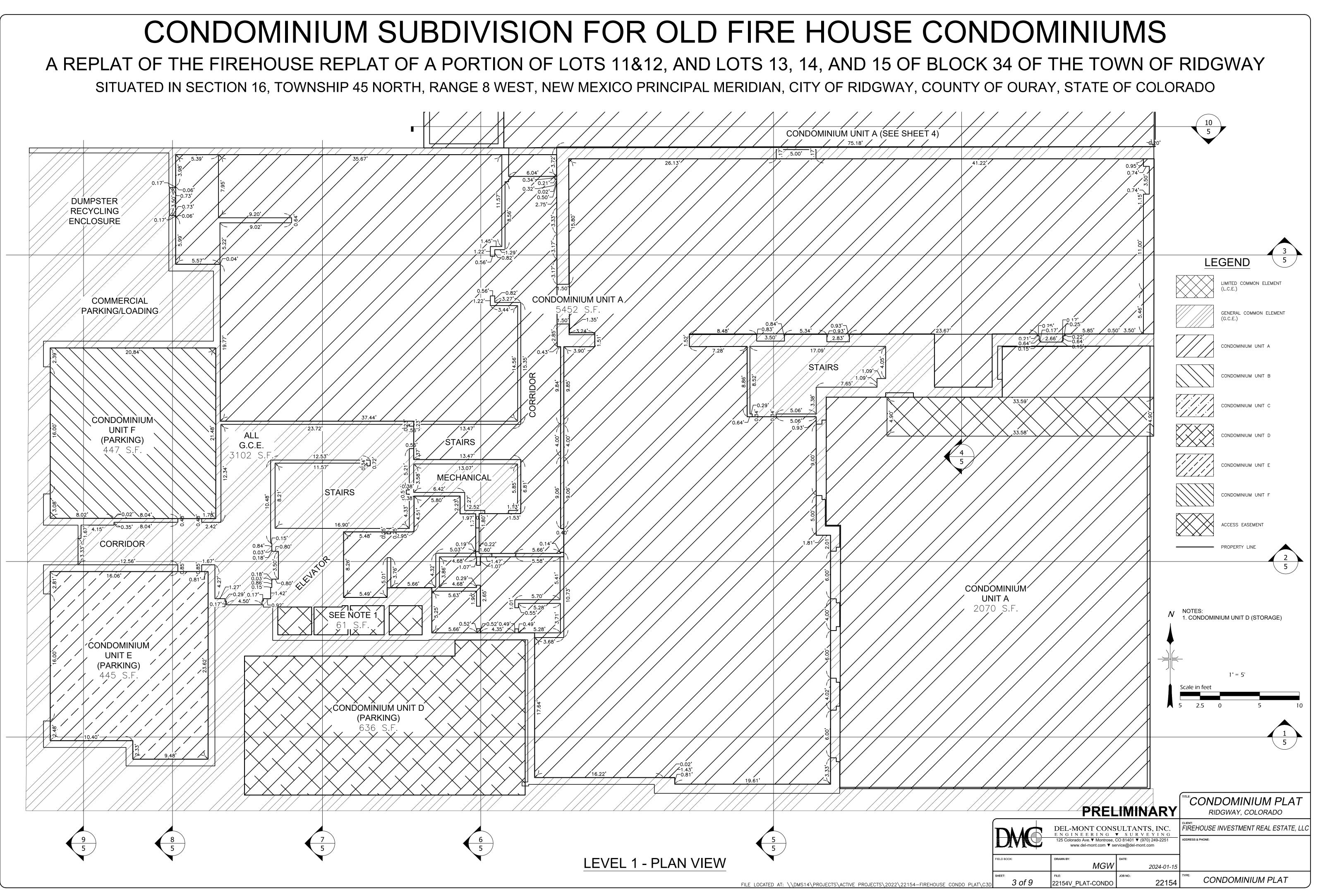
# CONDOMINIUM SUBDIVISION FOR OLD FIRE HOUSE CONDOMINIUMS SITUATED IN SECTION 16, TOWNSHIP 45 NORTH, RANGE 8 WEST, NEW MEXICO PRINCIPAL MERIDIAN CITY OF RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO

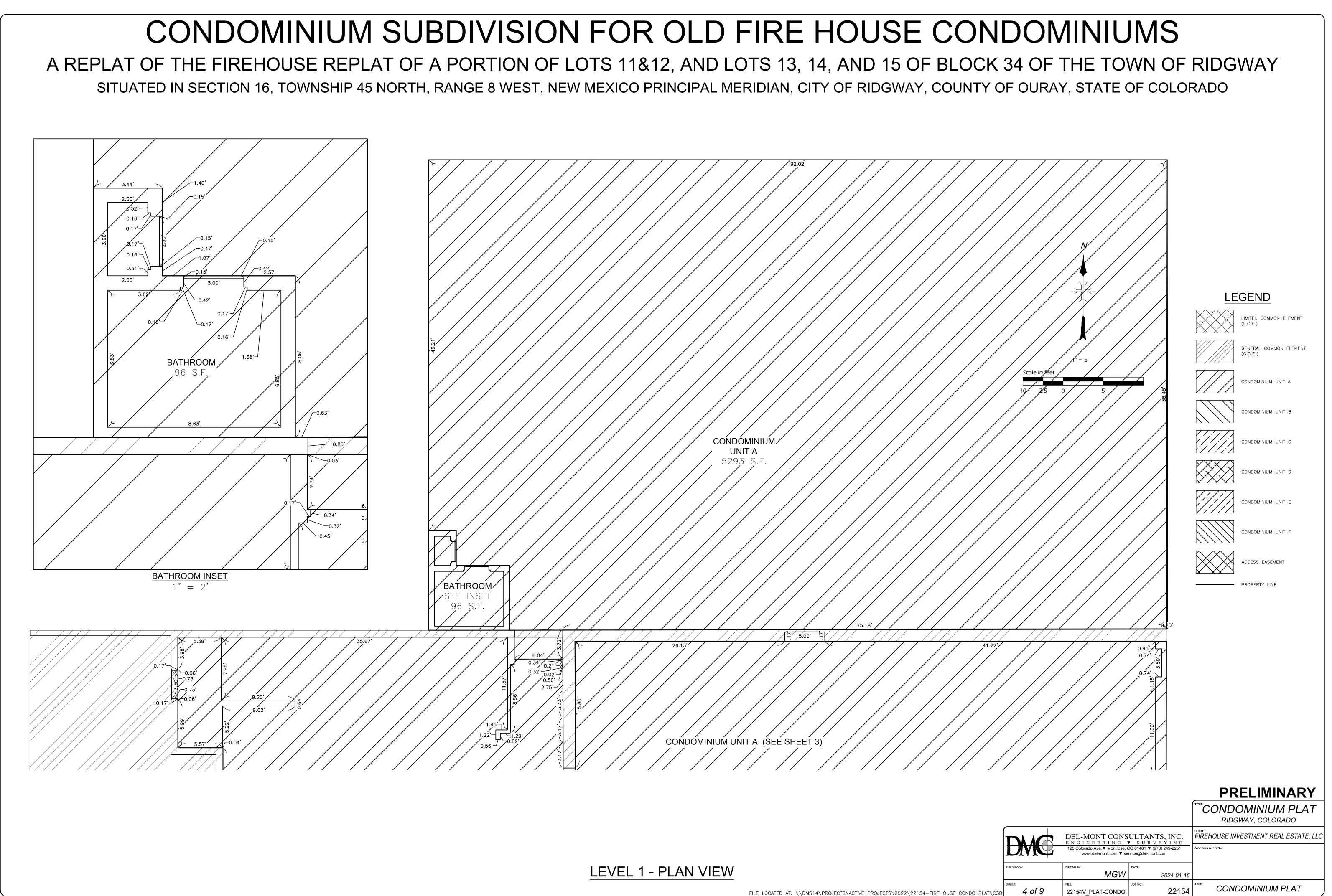
# A REPLAT OF THE FIREHOUSE REPLAT OF A PORTION OF LOTS 11&12, AND LOTS 13, 14, AND 15 OF BLOCK 34 OF THE TOWN OF RIDGWAY

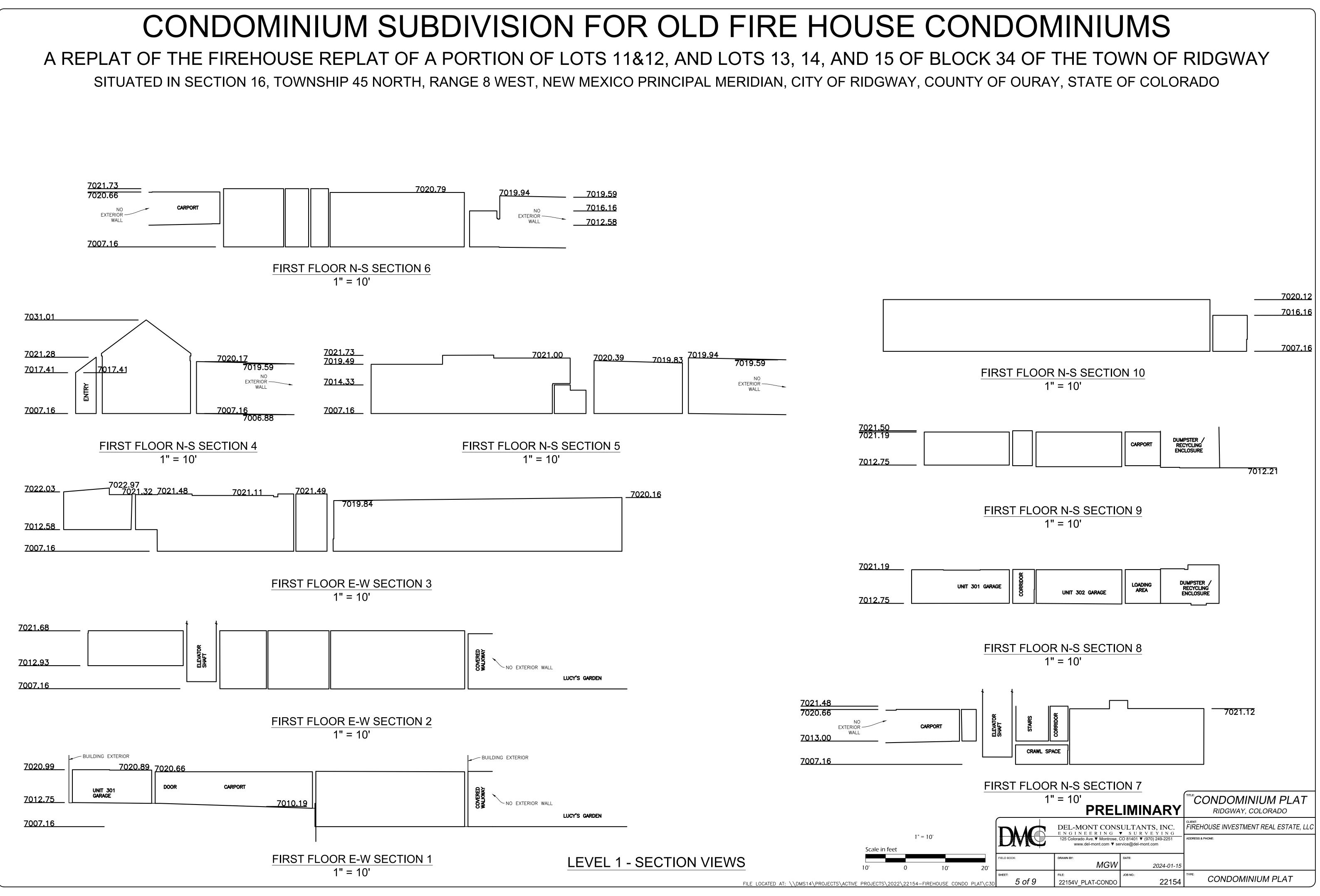


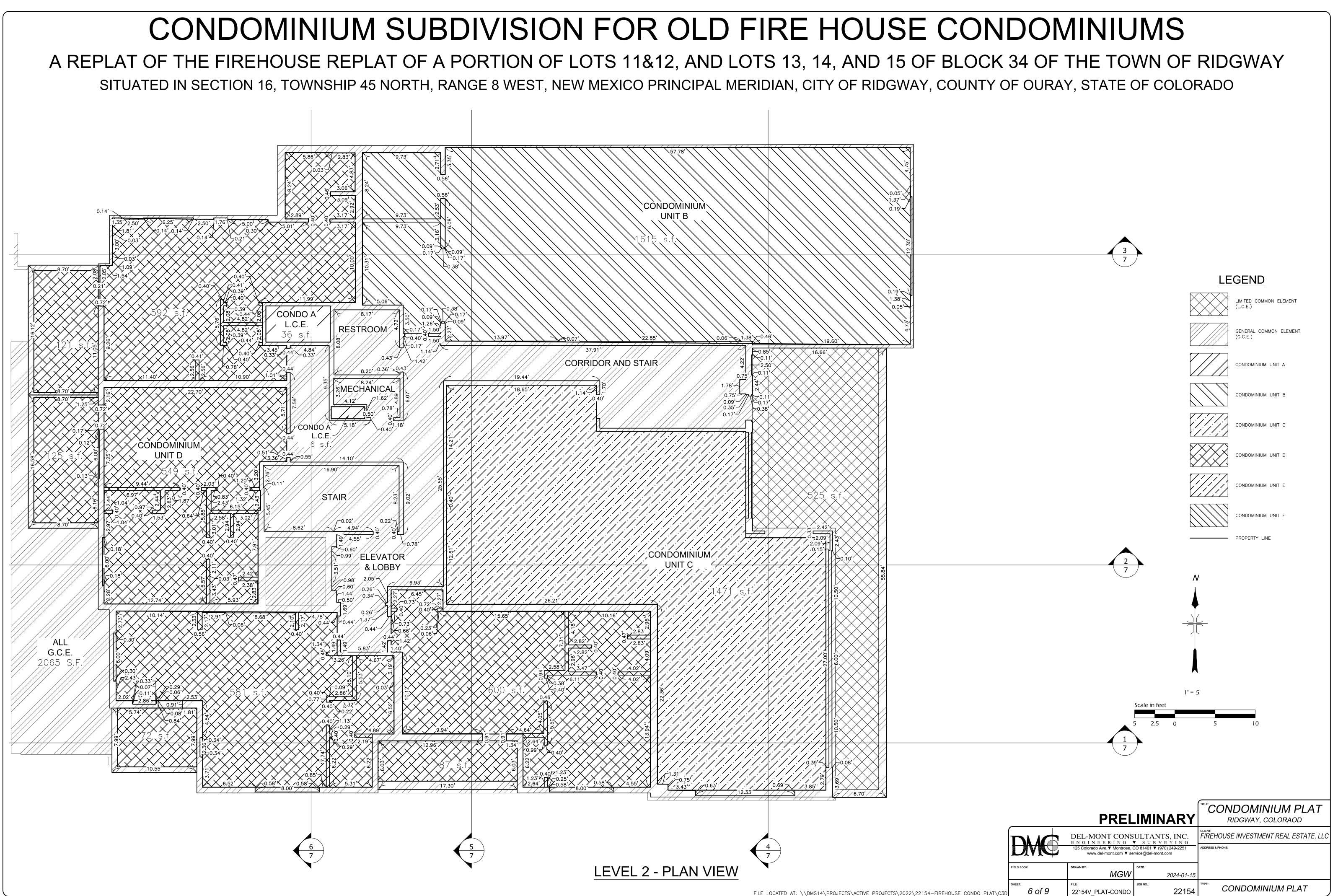
NOTICE: According to Colorado Law (13-80-105, CRS) you must commence any legal action based upon any defect in this survey within three (3) years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten (10) years from the date of the certification shown hereon.





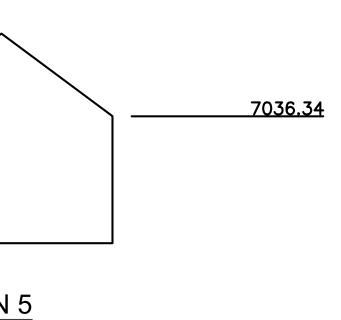


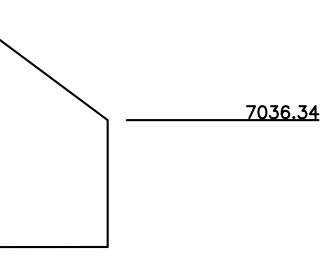




CONDOMINIUM SU
A REPLAT OF THE FIREHOUSE REPLAT OF
SITUATED IN SECTION 16, TOWNSHIP 45 NORTH
7043.93
7033.15
7032.12
FIRST FLOOR N-S SECTION
1" = 10'
7043.93
<u>7033.16</u> 7031.12
7023.12
SECOND FLOOR N-S SECTIO
7044.99
7032.88     7033.13       7032.12
7023.12
<u>SECOND FLOOR E-W SECTIO</u> 1" = 10'
<b>† †</b>
7032.10 703 .62 7023.12
$\mathbf{A}$
<u>SECOND FLOOR E-W SECTIO</u> 1" = 10'
7032.86 7032.10
NO     COVERED       EXTERIOR     DECK       7023.12
SECOND FLOOR E-W SECTION
1" = 10'

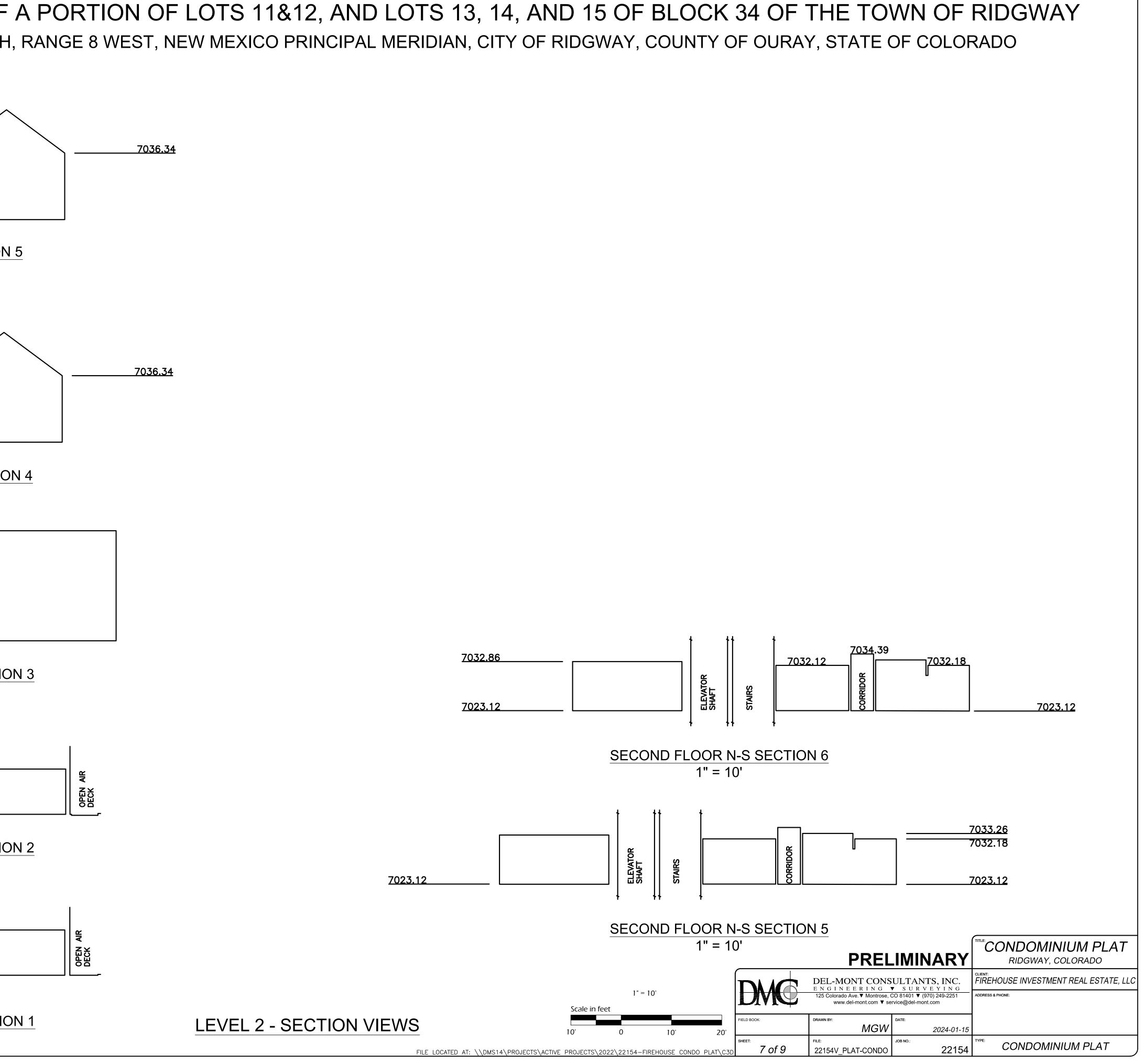
# **IBDIVISION FOR OLD FIRE HOUSE CONDOMINIUMS**

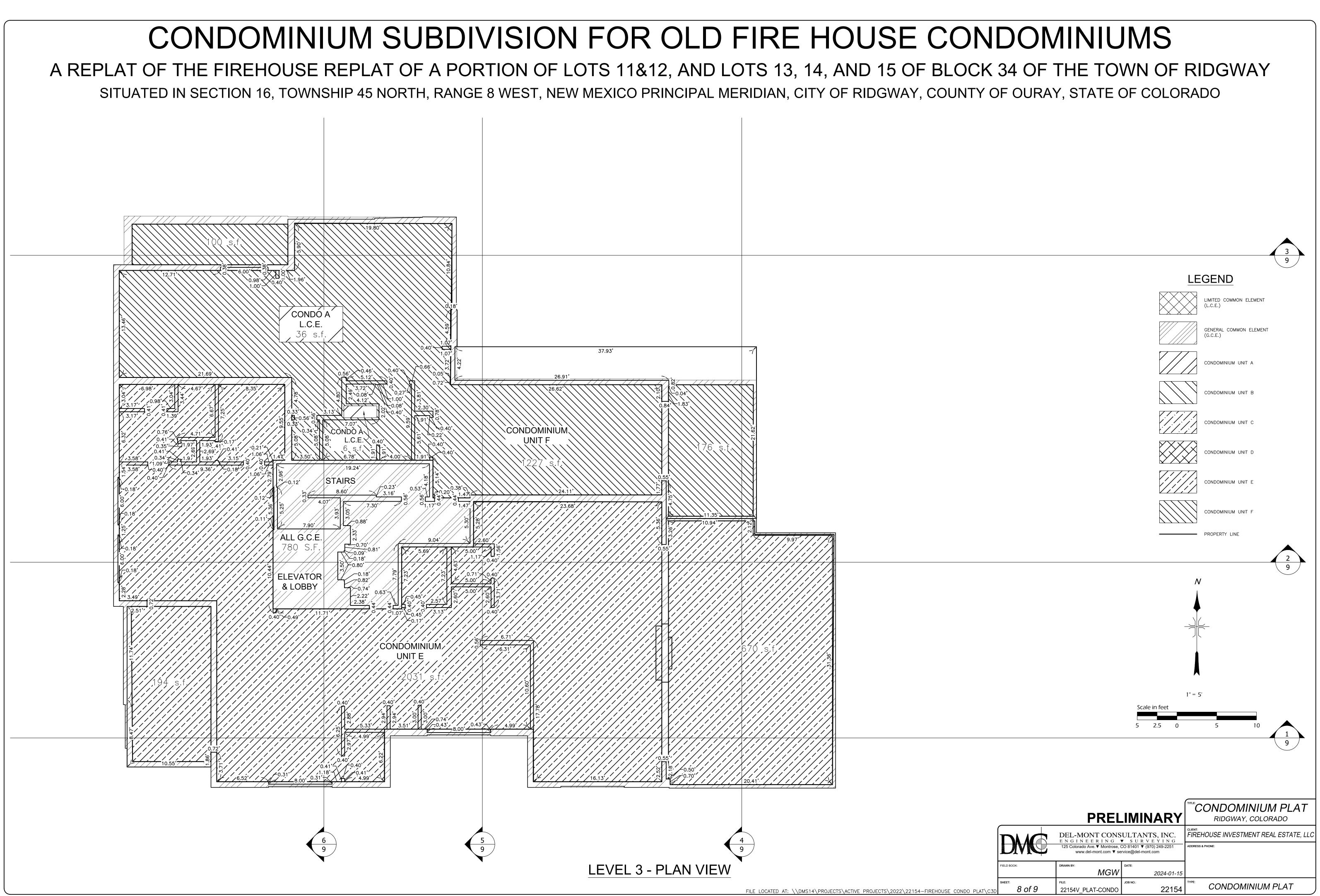


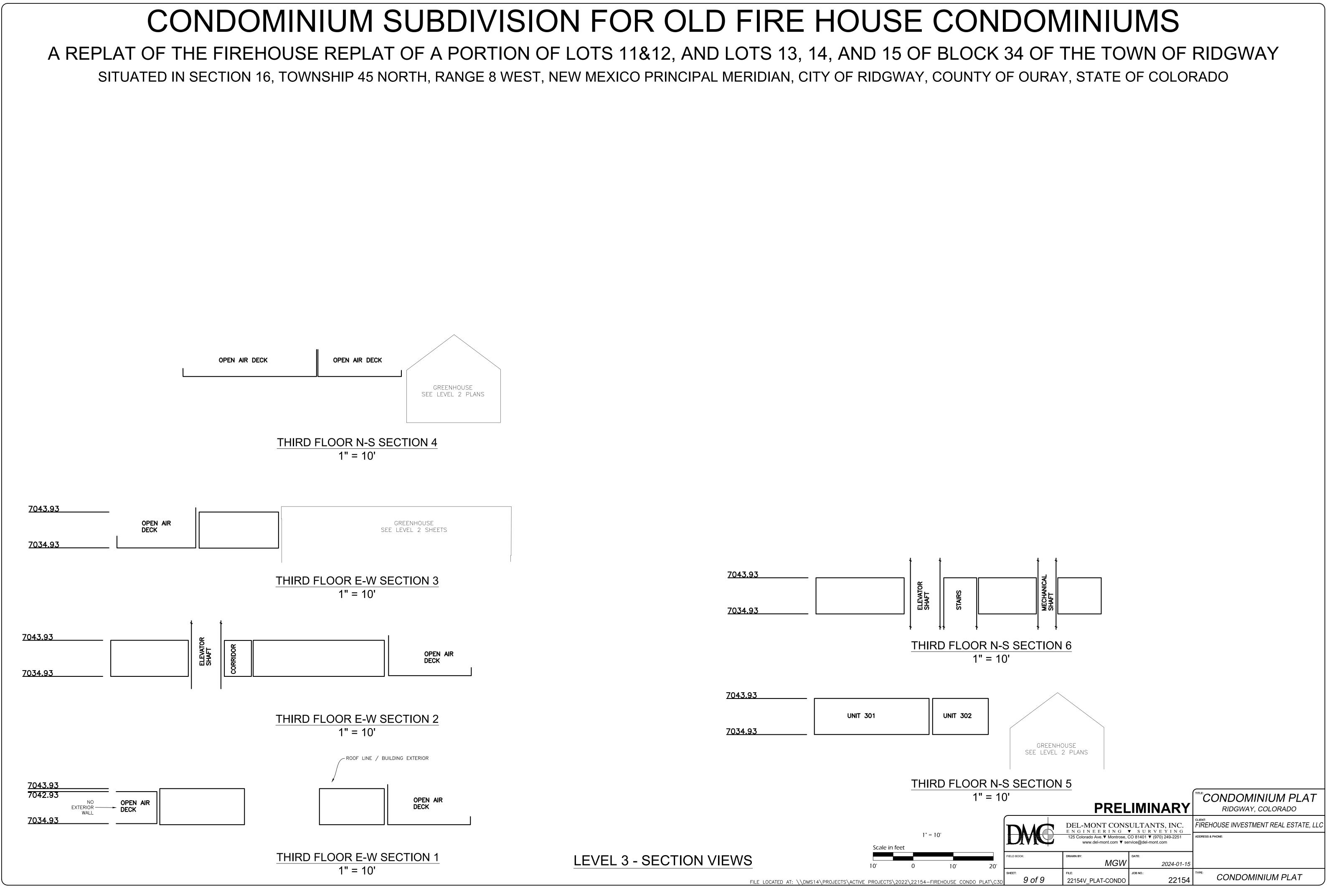












GREENHOUSE SEE LEVEL 2 PLANS	



January 25, 2024

Patrick O'Leary Firehouse Investment Real Estate, LLC (FIRE, LLC) PO Box 1182 Ridgway, CO 81432 SENT VIA EMAIL: POLEARY1975@GAMIL.COM

### **RE:** Old Firehouse Condominium Subdivision 2<sup>nd</sup> Review Comments.

Dear Mr. O'Leary:

The above-mentioned application and supplemental materials were reviewed by the Town of Ridgway staff. The enclosed comments represent the findings of the review against applicable Town of Ridgway (Town) development and land use regulations.

1. Amend the title of the Condominium Plat to read:

Condominium Subdivision for [*Subdivision Name*] A Replat of [*Legal description*] Section [*XX*], Township [*XX*] North, Range [*XX*] West, New Mexico Principal Meridian Town of Ridgway, Ouray County, Colorado

#### January Response: Comment addressed.

2. Add a plat note referencing the HOA Articles and recording information.

January Response: Comment addressed.

3. Add a plat note stating ownership and maintenance provisions for the HOA.

January Response: Comment addressed.

4. Verify if there are or are not lien holders. If so, fill in the information. If not, remove the certificate block.

**January Response**: Per response, this will be revised once the revised Title Commitment is received. This is acceptable provided it is completed prior to the recording of the subdivision plat.

5. Address all comments on attached redlines.

January Response: Comment addressed.

New comments based on January 25, 2024, review:

- 6. Amend the title of the plat in the Certificate of Ownership and Dedication to be "Condominium Subdivision for Old Firehouse Condominiums".
- 7. Add exceptions in Attorney Certificate
- 8. Something we missed on the initial review was that since the condo subdivision doesn't get reviewed by the Town Council, that signature block may be unnecessary. We will confirm with the Town Attorney and provide guidance before the final mylars are produced.
- 9. Remove the "Preliminary" stamp from the bottom right of each page of the condominium subdivision.

*Town of Ridgway Old Firehouse Condominium Subdivision January 25, 2024 2 of 2* 

Please reach out if you have any questions regarding these review comments at 970-744-0623 or tdlubac@planstrategize.com.

Sincerely,

## **COMMUNITY PLANNING STRATEGIES, LLC**

7 Delle

TJ Dlubac, AICP Contracted Town Planner

- Encl: Old Firehouse Condominium Subdivision Plat redlines
- Cc: Preston Neill, Town of Ridgway Town Manager

<b>CPS</b> Review
1/25/2024

CPS Review	
CONDOMINIUM SUB	DIVISION FOR OLD FIRE H
A REPLAT OF THE FIREHOUSE	REPLAT OF A PORTION OF LOTS 11&12, AN OF THE TOWN OF RIDGWAY
	ON 16, TOWNSHIP 45 NORTH, RANGE 8 WEST, NEW ME> CITY OF RIDGWAY, COUNTY OF OURAY, STATE OF COLO
FINAL PLAT NOTES CERTIFICATE OF OWNERSHIP AND DEDICATION: Know all persons by these presents: FIREHOUSE INVESTMENT REAL ESTATE, LLC, a Colorado Limited Liability Company, being the owner of the land described as follows: The East 92 feet of Lots 11 and 12 and all of Lots 13, 14, and 15, all in Block 34, Town of Ridgway, County of Ouray, State of Colorado, has laid out, platted and subdivided same as shown on this plat under the name of CONDOMINIUM SUBDIVISION FOR OLD FIRE HOUSE CONDOMINIUMS, and by these presents does hereby dedicate to the perpetual use of the Town of Ridgway, Ouray County, Colorado, the streets, alleys, roads, and other public areas as shown and designated for dedication hereon and hereby dedicate those portions of land labeled as utility easements for the installation and maintenance of public utilities as shown hereon.	SURVEYOR'S CERTIFICATE I, <u>Nicholas E. Barrett</u> , being a Registered Land Surveyor in the State of Colorado do hereby certify that this plat was prepared under my direct supervision and that said survey is true and accurate to the best of my knowledge, conforms to all requirements of the Colorado Revised Statute, and all applicable Town of Ridgway regulations, and that all required monuments have been set as shown. 3 4
In witness hereof Owner has executed this Plat effective as of, 202, 	Nicholas E. Barrett PLS 38037 6
Printed Name: Title: STATE OF COLORADO ) ) ss. COUNTY OF OURAY ) The foregoing Certificate of Ownership and Dedication was acknowledged before me this day of 202 by as the	LIEN HOLDER'S CERTIFICATE: The undersigned hereby certifies that they are jointly a lawful lienholder/deed of trust holder as to the real property described in this Plat, do hereby certify that they accept the conditions and restrictions set forth in this Plat, and do hereby subordinate their interests in the property described in this Plat to the fee simple dedications and grants of easements (if any) hereby provided to the Town of Ridgway.
	By: Steven R. Chevalier and Catherine T. Chevalier The foregoing Lien Holder's Certificate was acknowledged before me thisday of, 202, by Witness my hand and official seal.
ATTORNEYS CERTIFICATE: I,, an attorney at law duly licensed to practice before the courts of record of Colorado, do hereby certify that I have examined the Title Commitment Order Number effective as of at:M. issued by and according to that title commitment, of all land herein platted and that title to such land is in the dedicator(s) and owners, and that based upon my review of said title commitment, the property dedicated hereon has been dedicated free and clear of all liens and encumbrances, except as follows: • <u>Deed of Trust in favor of Steven R. Chevalier and Catherine T. Chevalier, recorded in the office of</u> <u>the Ouray County Clerk and Recorder at reception #232267.</u>	

By:

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_. \_\_\_\_\_ , Attorney at Law

PLANNING COMMISSION:

Recommended for approval by the Planning Commission this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_. By: \_\_\_\_\_

Michelle Montague, Town of Ridgway Planning Commission Chairperson May not need this signature block since Condo Plat doesn't go to TC. Need to confirm with Attorney. TOWN COUNCIL:

Approved by the Town Council this \_\_\_\_\_\_day of \_\_\_\_\_day of 202\_\_. By: \_\_\_\_ John Clark, Town of Ridgway Mayor

APPROVAL OF TOWN ATTORNEY:

Approved for recording with the Ouray County Clerk and Recorder's Office this \_\_\_\_\_day of \_\_\_\_\_, 202\_\_. By: \_\_\_\_\_,

Bo Nerlin, Town of Ridgway Town Attorney

ENGINEERS CERTIFICATE:

\_\_\_\_\_, a Registered Professional Engineer in the State of Colorado, do certify that the streets, curbs, gutters, and sidewalks, sanitary sewer system, water distribution system, fire protection system, and storm drainage system for this subdivision are properly designed, meet the Town of Ridgway specifications, and are adequate to serve the subdivision shown hereon. Dated this \_\_\_\_\_\_day of \_\_\_\_\_\_, 202\_\_\_.

By: \_\_\_\_\_ Joanne Fagan, Town of Ridgway Town Engineer

CERTIFICATE OF IMPROVEMENTS:

The undersigned, Town Manager of the Town of Ridgway, certifies that all required improvements and utilities are installed, available, and adequate to serve each lot in the \_\_\_\_\_\_ Subdivision. Dated this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 202\_\_\_\_ Ву: \_\_\_\_\_

Preston Neill, Town of Ridgway Town Manager

## **IOUSE CONDOMINIUMS**

# ND LOTS 13, 14, AND 15 OF BLOCK 34

XICO PRINCIPAL MERIDIAN ORADO

QUIRED PLAT NOTES:

- All construction will conform with the Ridgway Municipal Code. Outdoor Lighting; All outdoor lighting shall conform to Ridgway Municipal Code Section 6-5 "Outdoor Lighting regulations", as may be amended.
- The maximum number of dwelling units allowed is 2 for which the applicable excise tax has been paid. If any additional units are added the excise tax for said units shall be due with the building permit or upon any further subdivision.
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## SIS OF BEARINGS

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## EAL UNITS STATEMENT

e Lineal Unit used on this plat is U.S. Survey Feet

The foregoing Lein Holder's Certificate was acknowledged before me this \_\_\_\_ day of

\_\_\_\_\_, 202\_\_\_, by \_\_\_\_\_ as the \_\_\_\_\_

of \_\_\_\_\_, a Colorado\_\_\_\_\_.

Witness my hand and official seal.

Name: \_\_\_\_\_

Title:

\_\_\_\_\_ My commission expires: \_\_\_\_\_\_

TREASURERS CERTIFICATE:

Notary Public

payable.

By:

According to the records of the County of Ouray Treasurer there are no liens against this subdivision or any part thereof for unpaid state, county municipal or local taxes or special assessments due and

Dated this \_\_\_\_\_, 202\_\_\_ Ву: \_\_\_\_\_

Jill Mihelich, Ouray County Treasurer

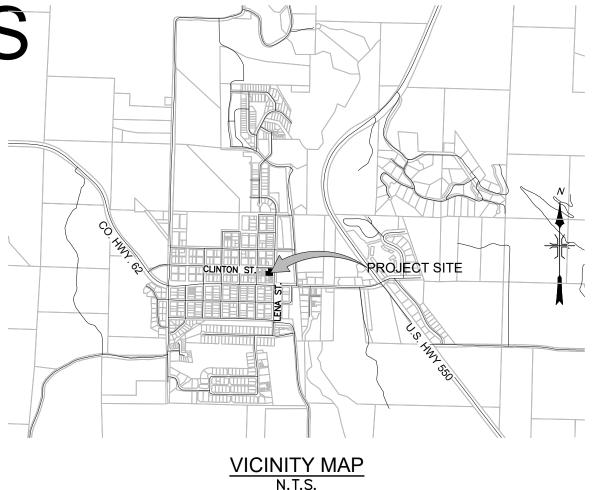
**RECORDER'S CERTIFICATE:** 

\_\_\_\_\_

This plat was filed for recording in the office of Clerk and Recorder of Ouray County at \_\_\_\_\_.M. on the \_\_\_\_\_day of \_\_\_\_\_\_ , A.D. 202\_\_\_\_, under Reception No.

\_\_\_\_\_ Michelle Nauer, Ouray County Clerk and Recorder

> NOTICE: According to Colorado Law (13-80-105, CRS) you must commence any legal actic based upon any defect in this survey within three (3) years after you first discove such defect. In no event may any action based upon any defect in this survey be commenced more than ten (10) years from the date of the certification shown he



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	GENERAL COMMON ELEMENT (G.C.E.)	5947	1.7%
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	CONDOMINIUM UNIT C	1471	4.7%
	CONDOMINIUM UNIT D	3424	11.0%
	CONDOMINIUM UNIT E	3340	10.7%
	CONDOMINIUM UNIT F	1950	6.2%
	ACCESS EASEMENT	165 (OVER UNIT A)	
	PROPERTY LINE		

		PREL	.IMINARY	<b>CONDOMINIUM PLAT</b> <i>RIDGWAY, COLORADO</i>
on er	DMC	DEL-MONT CONS E N G I N E E R I N G 125 Colorado Ave. ▼ Montrose, 6 www.del-mont.com ▼ se	▼ <u>SURVEYING</u> CO81401 ▼ (970) 249-2251	CLIENT: FIREHOUSE INVESTMENT REAL ESTATE, LL Address & phone:
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## AGENDA ITEM #3



То:	Town of Ridgway Planning Commission
Cc:	Preston Neill, Ridgway Town Manager
From:	TJ Dlubac, AICP, CPS, Contracted Town Planner
Date:	January 26, 2024
Subject:	2024 Land Development Code Updates

Throughout the course of the Chapter 7 updates which were adopted in June of 2023, there were a number of sections, standards, or provisions identified which should be evaluated and updated as needed in the future. This list was developed by the Planning Commission, Town Staff, and CPS and was put into the Future Land Use Considerations table dated July 9, 2023, and is attached for your review. Upon the adoption of the Chapter 7 updates, it was represented that each year the Planning Commission would strive to take on one or more of these topics as priorities shifted and as funding was available.

Through the 2024 budget process, the Town Council, taking Planning Commission's recommendations under advisement, allocated funding for Planning Commission, Town Staff, and CPS to undertake the following updates:

- 1. Analyze the Town's commercial, industrial, and residential portfolio.
- 2. Review and update the Town's parking standards.
- 3. Draft and codify the regulations for Section 7-7, Affordable Housing, of the RMC.
- 4. Review and update the Town's Accessory Dwelling Unite (ADU) regulations.

The intent of this memo, and our discussion on January 30<sup>th</sup>, is to kickoff these projects by refining the scope of each and developing project timelines for them. We will all discuss the project objectives and key considerations of each. Following the meeting, CPS will work with Town Staff to develop a more refined approach and timeline for each that will be followed over the next year or so. The information in this memo and the presentation are intended to start the conversation.

#### 1. Analyze Land Use Portfolio

Over the past couple years, and still continuing, there have been a number of requests to rezone commercial or industrial property to residential districts to allow more housing. While housing is a very high need for the community, staff, Planning Commission, and Town Council have all expressed a concern that if the areas of town intended to be reserved for jobs and sales tax generation switch to residential uses, the balance of uses in town – which create a vibrant, diverse, and sustainable community, may be lost.

Therefore, this project is intending to initially inventory the current zoning districts and land uses in town and calculate the areas of each as well as some other basic calculations and analysis to obtain a baseline understanding of the dispersion of land uses in town currently. Next, based on this data gathering, industry best practices, and anecdotal observations, we can develop a methodology to identify the right balance for Ridgway.

Following the development of these findings, next steps will be determined. Since the next steps will be based on the findings of the initial analysis, they could range from doing nothing to developing strategies to achieve a more balanced land use portfolio to developing criteria to either incentivize or limit rezonings in a particular direction.

#### 2. Parking Standards

The new RMC section 7-4-6(L) describes the Town's current parking standards, and these were not deeply analyzed nor updated during the original Chapter 7 updates. The trend in parking requirements

*Town of Ridgway January 26, 2024 Page 2 of 2* 

is to reduce them and allow for shared parking opportunities which encourage visitors to park once and walk to multiple establishments or events.

This analysis will start by a breakdown of the Town's current regulations, identification of the town's objectives related to parking, a gathering of best practices, industry trends, and strategies to reach the objectives, and then finish up with some implementation through the drafting of code standards.

This project will also include community engagement along the way. Depending on feedback, the project may shift or adapt to address both on-street parking and off-street parking calculations and design standards.

Early conversations related to parking were generally vague and unspecific and understanding specific concerns or recommendations from the Commission at this kickoff meeting would be valuable.

#### 3. Affordable Housing Provisions

This topic doesn't need much introduction. When we drafted the Chapter 7 updates last year, we left Section 7-7 as a placeholder because the Town Council was in the midst of evaluating funding and programmatic options related to Affordable Housing. With a lot of those decisions being made, it's time to memorialize the direction the Town seeks to go related to Affordable Housing.

Since a lot of research, evaluation, and analysis was done previously, this element of the project would kickoff with the workshops to inventory the discussions and direction charted last year and t identify how to best fold those into the Ridgway Municipal Code.

If additional research or analysis is needed, that can be accomplished as well.

#### 4. Accessory Dwelling Unit Regulations

One of the plethora of contributors to solving the housing affordability issue is the allowance of ADU's. Others that the Town has successfully tackled in the past are to allow smaller lot development and a variety of housing types. While the Town does allow for ADU's, and these are widely present throughout Ridgway, the provisions of Section 7-4-6(A) of the RMC will be evaluated and revised to be more supportive of the creation of work force housing and to allow current homeowners to stay in their homes.

#### **PROJECT TIMELINE:**

Based on our current understanding of these projects, we generally believe they can generally run concurrently which would mean we discuss one or two of these at each Planning Commission meeting while our team is concurrently working on others behind the scenes until they are ready to be presented and discussed with the Planning Commission.

However, on the flip side, we could focus on each project individually from start to finish before we move onto the next.

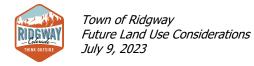
In general, the process to complete all four of these should take between 7 and 12 months depending on what the initial findings tell us and how deep we want to go into each topic. If each is done independently, each project could take 1-3 months.

This will be a good part of the discussion next week to understand where we should focus our time and the Commission's time as we work through the data gathering, evaluation, and policy drafting for each of these.

#### **ATTACHMENTS**

A. Future Land Use Considerations dated July 9, 2023







The following table identifies the groups or topics which should be further explored by the Planning Commission, Town Council, Planning Commission, Town Staff, or a combination of them. As an outcome of the Chapter 7 update to address the development review and approval process, this list was compiled to assist in identifying annual and multi-year work plans.

This version was categorized by groups discussed with the Planning Commission at their June 27<sup>th</sup> meeting. The listing is organized by the Planning Commission's suggested priority.

Code Citation	Title	Comment	CPS Specific Comment
Group 1: Tech	nnical Updates		
General	Fines	These are throughout Chapter 7. Town Council should consider if the stated fines are up-to-date	
General	Public Notice requirements	For all application types, consider adding a public notice requirement for mailings to property owners within a certain distance from subject property	This comment raised by public 4.2023
General	Approval Criteria	Update approval criteria to be consistent and appropriate.	
General		Ensure that there is clarity as to when a Reso/Ordinance should be used	
7-1-5	Adequate Public Water Supply	Town Staff has requested this section get a full re- write in the future	
7-4-1(D)	Zoning Regs and Zoning Map	These shouldn't be tied together way stated in Code. Town may consider modifying language	This comment raised by public 4.2023
7-4-2	Zoning Map	Comment made that new zoning map needed	
Group 2: Affo	rdable Housing		
7-4-6(A)	Accessory Dwelling Units	PC brought up confusion surrounding ADUs being used as STRs. Consider (F)(12) rolling into (H) and (F) stating that STRs not allowed. Does (F)(12) take those units out of ADU designation?	CPS did not evaluate this since not directed to re-write sections at this point in time. However, agree completely that this needs to be analyzed and potentially re-written in future. PC and CPS recommend discussion seemed to be in agreement that ADUs should not be allowed to be an STR.





Code Citation	Title	Comment	CPS Specific Comment
7-4-6(E)	Employee Housing	Have there been any problems with employee housing regulations/licensing in Ridgway? If so, modify this section. If not, leave this section as is	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-4-6(M)	Parking Standards	PC noted that they are looking forward to a re-write of this section in the future. A lot of newer parking trends the Town can consider	PC requested this be made a priority for future revisions
7-4-6(N)	Short-Term Rental Regulations	Have there been any problems with STR regulations/licensing in Ridgway? If so, modify this section. If not, leave this section as is	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-6-2(B)	PUD Standards	Consider elaborating on affordable terms. May want to include "Attainable" and "Workforce Housing. Consider putting a connection between AMI and Workforce %, Affordable %, and Attainable %	PC noted that 7-6-2(B)(2)(a) would require 25% housing units within a PUD to be restricted. It was acknowledged this is a good starting point and to be sure to link this to housing discussions that occur with Town in future
7-7	Affordable Housing	Consider refining the concepts drafted in the unadopted Section 7: Affordable Housing to establish a program, standards, incentives, and rules around affordable housing development in the Town.	
Group 3: Stre	ets, Blocks, and Alleys		
7-4-6(M)	Parking Standards	PC noted that they are looking forward to a re-write of this section in the future. A lot of newer parking trends the Town can consider	PC requested this be made a priority for future revisions
7-4-8(H)	ROW Landscape Standards	Evaluate the impact requiring street trees has given that water is short and if (when) street landscaping dies, it isn't replaced and only a metal grate with a hole remains.	There are benefits to street trees that should be considered. Evaluate/update code to require adjacent property owner responsible for replacement (Maybe BID/Main St. program downtown?)





Code Citation	Title	Comment	CPS Specific Comment
7-5-4(C)(13)	Streets, Alleys, Blocks	Section could use an update and consideration should be given to narrower streets to encourage slower speeds	
Group 4: Loda	ing Provisions		
7-4-6(C)	Bed and Breakfast Operations	Has there been any problems with B&Bs in Ridgway? If so, consider adding more standards to this. If not, leave this section as is. Or, reevaluate all lodging type uses and consider if B&Bs needed with STRs	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-4-6(E)	Employee Housing	Have there been any problems with employee housing regulations/licensing in Ridgway? If so, modify this section. If not, leave this section as is	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-4-6(I)	Manufactured Homes	General re-write needed of this section. Seems to be confusing information that should be elaborated on with regards to differentiating between definitions with regards to mobile homes, manufactured homes, double wides, travel homes, RVs, etc.	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-4-6(P)	Use and Location of Travel Homes	Has there been problems with travel homes in Ridgway? If so, consider adding more standards to this. If not, leave this section as is	CPS recommends that all lodging/residential/occupancy uses should be analyzed to be in conformance with what the Town's needs are and what current definitions are
7-9	Definitions	Consider re-evaluating, combining, or removing "Bed & Breakfast", "dwelling, co-housing development"	Evaluate all lodging related terms and remove contradictions, and overlaps.
Group 5: PUD	Provisions		
7-6	PUD Major and Minor Amendments	Consider allowing amendments to be initiated by a member of a PUD, and not require all owners within a PUD consent (and add public notice mailings so they are notified)	This comment raised by public 4.2023



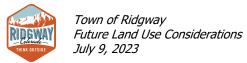


Code Citation	Title	Comment	CPS Specific Comment
7-6-2(B)	PUD Standards	Consider elaborating on affordable terms. May want to include "Attainable" and "Workforce Housing. Consider putting a connection between AMI and Workforce %, Affordable %, and Attainable %	PC noted that 7-6-2(B)(2)(a) would require 25% housing units within a PUD to be restricted. It was acknowledged this is a good starting point and to be sure to link this to housing discussions that occur with Town in future
7-6-2(B)	PUD public benefits	Consider allowing for a broader range of public benefits (housing, cultural or arts venues, etc.)	This comment raised by public 4.2023
Group 6: Arc	hitectural Design Standard	ds	
7-4-9	Residential Design Standards	Staff recommends modifications to this section to ensure what Town wants	
7-4-10(D)	Historic Business Design Guidelines	Consider requiring the first floor of new or redeveloped buildings to be commercial uses within a set distance of the building front to improve downtown vitality and activity	This comment raised by public 4.2023
7-4-11	Industrial Design Standards	Town should further analyze the new standards created in February 2023 and ensure adequate to meet Town's needs	
Group 7: Zon	ing & Land Use		
7-4-4(A)	Establishment of Districts	Evaluate Zoning Districts to determine if they are appropriate. PC suggested adding a more rural residential district to address Vista Terrace and other more rural subdivisions on the edge of Ridgway.	
7-4-4(N)	Uncompahgre River Overlay District	PC brought up need for this zone district to be relooked at in entirety	PC requested this be made a priority for future revisions
7-4-4(0)	Land Use Table	Analyze all uses and ensure uses are permitted where Town thinks are adequate for each zone district. For example: Consider allowing Live Work Dwellings in more zone districts.	PC specifically requested the MR district be looked at and consider adding more service type uses and also consider adding Arts & Crafts studio in more places





Code Citation	Title	Comment	CPS Specific Comment
Group 8: Sta	ndards to Evaluate		
7-4-5(0)	Telecommunication Antenna and Tower Regulations	This needs to be amended in future to bring into compliance with small cell regulations and other FCC regulations	
7-4-6(H)	Home Occupations	May want to distinguish more between home offices and home occupations. More standards could be added if Town wanted (customer and/or delivery trips to unit, outdoor storage, etc.). Home offices could be use category permitted as an accessory use everywhere	
7-4-6(K)	Outdoor Lighting Regulations	Have there been any problems with sign regulations/licensing in Ridgway? If so, modify this section. If not, leave this section as is	
7-4-6(L)	Outdoor Storage	Basic information was brought in February 2023. The town should consider adding further standards for outdoor storage regulations	
7-4-7	Sign Regulations	Any updates planned?	
7-9	Definitions	Consider looking at "gross floor area". This probably cannot be modified as matches UBC definition. However, the PC suggested that "livable space" be added as a definition and that referred to throughout Article 4 when referencing items such as ADU 800 sq. ft. limit	PC raised concern that measuring from external walls reduces the livable space if more energy efficiency is utilized with construction equaling thicker walls
7-9	Definitions	Consider further evaluation of new terms added in February 2023, and add further standards: brewery, microbrewery, distillery and brewpub	
7-9	Definitions	"Cluster Development" needs better definition and standards inserted for clarity	
7-9	Definitions		Consider adding "Greenhouse, Personal" and allowing them by right where residential uses are permitted.
7-9	Definitions	Consider deleting and/or re-evaluating "B&B", "nursing home", "dwelling, co-housing development", "nursing homes", "tavern", "Private and Fraternal Clubs". Outdated terms	





Code Citation	Title	Comment	CPS Specific Comment
Group 9: General Comments/Suggestions			
General Comment		Consider having the PC approve Master Plans. Currently PC recommends to TC. Comment raised by PC	
General Comment			PC could evaluate the Ridgway Master Plan annually to ensure vision, goals, actions and strategies are still aligned with where the community is headed.

## AGENDA ITEM #4

### PLANNING COMMISSION

### MINUTES OF THE REGULAR MEETING

## OCTOBER 31, 2023

#### CALL TO ORDER

The Planning Commission convened both in-person at 201 N. Railroad Street, Ridgway, Colorado and via Zoom Meeting, a virtual meeting platform, pursuant to the Town's Electronic Participation Policy.

The Chairperson called the meeting to order at 5:30 p.m. Commissioners Foyster, Liske, Nelson, Petruccelli, Mayor Clark and Chairperson Montague were in attendance. Mayor Pro Tem Meyer was absent.

#### PUBLIC HEARING

1. <u>Review and Action of the Town of Ridgway Master Plan Amendment Request from Preserve</u> <u>Planned Unit Development (PUD); Location: Savath Subdivision Part of Outlot A and Woodford</u> <u>Addition; Address: To-Be-Determined County Road 23; Zone: Residential; Owner: Dalwhinnie</u> <u>Group, LLC</u>

Staff Report dated October 27, 2023, presenting background, analysis and staff recommendation prepared by TJ Dlubac of Community Planning Strategies, LLC.

Planner Dlubac provided an overview of the process to amend the Master Plan and noted the amendment will include updates to the Future Land Use Map, the Initial Growth Boundary, and the Three-Mile Plan. He explained the updates will assist with the annexation of the portion of the parcel that is outside of the Town of Ridgway boundary. Dlubac recommended approval of the updates based on the comments received from the referral agencies, special districts and the public.

The Commissioners discussed the process with the Planner.

Chris Hawkins, of Alpine Planning LLC, representing the Owner explained the request to update the Master Plan is based on the Preserve PUD meeting the conditions of approval for the Preliminary Plat. He further explained the annexation of the outlying portion of land is needed to relocate a lift station and other Town improvements. He noted there is no intention for urban development on the eastside of the river, and an annexation for the outlying portion of land will be requested in the future.

The Planning Commission discussed the request with Mr. Hawkins. They expressed concern that the parcel may not be developed due to "long-standing lack of development." Michael Cox, Manager for Dalwhinnie Group, LLC assured the Commissioners that they are moving forward with the development and reviewed the monumental task to clean up the debris from the old marijuana grow facility, noting it would be an eye-soar for residents in that location.

Mr. Hawkins noted that another plat extension will be requested because of the time lost during the pandemic, the time needed for the amendment process, review of code updates and the

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requirements of the annexation process. He added they are hopeful to start construction next summer.

The Chairperson opened the hearing for public Comment and there was none.

#### ACTION:

Mayor Clark moved to <u>approve the amendments to the Master Plan</u>, Future Land Use Map, and the <u>Three-Mile Plan to include the area requested by Dalwhinnie Group</u>, LLC per the details in the <u>Staff</u> <u>Report dated October 27</u>, 2023, prepared by <u>Community Planning Strategies</u>, LLC. Commissioner Foyster seconded the motion, and it was carried unanimously on a roll-call vote.

#### APPROVALOF THE MINUTES

### 2. Approval of the Minutes from the Meeting of September 26, 2023

### ACTION:

<u>Commissioner Liske moved to approve the Minutes from September 26, 2023.</u> Commissioner Foyster seconded the motion, and it was carried unanimously.

### **OTHER BUSINESS**

### 3. Letter from Mayor Clark regarding appointment to the Planning Commission

Letter to the Town Council, and Town Manager dated October 6, 2023, regarding the Ridgway Planning Commission Appointment from Mayor John Clark.

Mayor Clark asked the Commissioners if there was an interest for the chairperson position, and there was none. He recommended Michell Montague as Chairperson for another term for the Ridgway Planning Commission.

### 4. <u>Appointment of Chairperson and Vice Chairperson at November 28, 2023, Regular Planning</u> <u>Commission Meeting</u>

Chairperson Montague noted she is the current and to-be-reappointed Chairperson, and Commissioner Liske is currently the Vice Chairperson. Mayor Clark asked the Commissioners to advise him if there is an interest for either position for consideration at the November meeting. Montague and Liske agreed to serve another term if appointed in November.

#### 5. Updates from Planning Commission Members

Mayor Clark reported on the Growing Water Smart Workshop he attended in Grand Junction. He explained other municipalities and staff attended. The attendees collaborated on reducing water usage and waste. The Mayor provided information from the workshop and discussed ways to reduce landscape water usage on municipal turf, through irrigation efficiencies, obtaining a reliable water supply, supporting and informing the community, and reducing residential landscape water usage with the Commissioners.

#### ADJOURNMENT

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The meeting was adjourned at 6:35 p.m.

Respectfully submitted,

Karen Christian Deputy Clerk