RNO AGREEMENTS WITH DEVELOPERS AND BUSINESSES (INC PRESENTATION AUGUST 16, 2023)¹

I. Introduction/Context. With Denver's changing development environment, it is important for RNOs to have a seat at the table. RNOs are encouraged to follow zoning changes in their neighborhoods and take action to educate their residents about the proposed changes and impacts on the community. Rezoning efforts come in several sizes and forms:

- 1. City-Wide Zoning Code Changes. In 2010, Denver re-wrote the majority of the zoning code which replaced the former Chapter 59 for the majority of the City. This City-wide effort resulted in a new 'form-based' zoning code with a new and different vernacular and zone category descriptions. This rewrite effort was accomplished over a long period of time with numerous public meetings and input. For the most part, the changes have been implemented with great success. But bringing all properties into the newly revised zone categories designated by the City in 2010 was just the first step in the process. Many property owners who were not really engaged or aware of the rezoning process had their properties re-zoned under the new 2010 Code without being fully aware of the consequences or of what other building types would be allowed to be constructed next to their properties. Thus, it became important for RNOs to fully understand and communicate to their neighborhoods what could now be constructed in their neighborhoods.
- 2. <u>Administrative Zoning Changes</u>. Some of the zoning changes seen throughout Denver are administrative zoning changes where, for example, the City Council member promotes a rezoning of a large area of a neighborhood. In these rezoning efforts, the RNOs are brought to the table early by the Council Member and property owners are usually advised well in advance in order to allow full resident participation in the effort. Another example, although not a zoning change per se, is where there is a supported 'overlay district' approved for a neighborhood or portion thereof to specify certain design standards within that current zoning. In the overlay example, the zoning is not changed, but what can be constructed is changed by the approved overlay district provisions. Again, approval of an overlay district requires full education of the neighborhood for buy-in to the types of overlay

¹ Prepared by Lou Raders, INC Executive Committee member and retired attorney, not currently licensed to practice law. THIS OUTLINE DOES NOT CONSTITUTE LEGAL ADVICE.

district requirements being proposed and the RNOs play a tremendous role in the process, including often initiating the overly effort to address perceived issues, including consistent design standards or limitations.

- 3. <u>Individual Property Rezoning Efforts</u>. By far the most pervasive rezoning efforts are those filed by individual property owners (each of which can be referred to as an "Applicant", "Property Owner" or "Developer") seeking to have specific properties rezoned to allow for a different height, use or configuration. These rezoning efforts must be in accordance with the Denver Zoning Code, which spells out a specific process that the Applicant must follow in order to seek a rezoning of the property. The process is handled in the City by the Department of Planning and Development ("CPD"). The rezoning process includes notification of RNOs and INC of the impending rezoning application, posting of the property and working with CPD staff on the proposed rezoning and building form specifics. A few key points of any such rezoning include:
 - All rezoning must be approved by City Council at the end of the process.
 - The City Council Member is usually notified of the rezoning by the Applicant before they file for the rezoning, but once filed, the City Council Member is prohibited by law from discussing the matter with anyone since it is considered a matter pending before City Council for determination.
 - RNOs are able to file for support or objection to the application for rezoning at any time in the process and are able to present at the City Council hearing, as is any resident. The RNO forms are on the City website and include information such as how many residents were notified/voted and the specifics of the process undertaken by the RNO to obtain input from the constituents of the RNO backing the position being taken.
 - Larger sites/properties are subject to what is called a Large Development Review ("LDR") process. LDRs are often handled by the City's CPD long before the neighborhood is included in the discussion with the City. However, most developers (at least the better educated ones) will reach out to the applicable RNO even before any required postings are made to involve the neighborhood and to gather support for the project. Not all LDRs involve rezoning,

but given the larger impact of the proposed developments, it is important for RNOs to make themselves aware of the details of the proposal and get involved since the City has a lot of control over what can and cannot be developed on and within these larger sites.

- 4. What can Neighborhoods Do to Address Concerns or Impact Proposed **Developments**? While not always the case, in many circumstances, the answer is to work with the Applicant to address concerns posed by the rezoning and the proposed development that requires the rezoning. This involves having a seat at the table which, in some cases, may not be welcomed by the Applicant. The goal is to respect the fact that the Developer is taking the financial and development risk to do a new development in the neighborhood that will add either homes or businesses in the neighborhood. But whether and how that development will be implemented in the neighborhood and whether the rezoning will set a precedent are questions which the RNO may have concerns. And the goal in those cases is to end up with an enforceable agreement between the Developer/Applicant and the RNO that reflects the agreements reached among the parties. The issues and path forward on such agreements are outlined below.
- 5. Taking a Position; Supporting or Objecting to Proposed Rezonings. In some cases, the RNO may seek to file for support or opposition to an Application outright. For example, an RNO may oppose a proposed rezoning for various reasons, including that the proposed rezoning is not in accordance with an Area Plan that was adopted for that part of the neighborhood.

The forms for filing an objection or otherwise taking an official position by an RNO can be found at

<u>https://www.denvergov.org/content/dam/denvergov/Portals/646/documents/Zoning/rezoning/RNO_Position_Statement.pdf.</u>

6. <u>Area Plans</u>. INC was involved in promoting and encouraging the adoption of Area Plans for statistical neighborhoods and wider areas. Area Plans are usually longer-term efforts that reflect much time and input by the neighborhood, working with the City, to determine what and how the area

should be rezoned and developed. Many of Denver's neighborhoods now have area plans and those are located on the City website at: https://www.denvergov.org/Maps/map/plansassessmentsandstudies.
An example of the process and purpose of area plans comes from the Baker Area Plan, which states as follows:

The [Baker Area] Plan establishes long range goals and objectives for the development and stabilization of the neighborhood. It provides a framework and establishes implementation strategies which will direct the neighborhood towards its vision as a community where people live, work, play, and celebrate the neighborhood's cultural heritage. It is primarily a plan for land use, transportation and urban form.

The plan provides a neighborhood and city-approved guide to the acceptable future development of Baker. It is intended for use by Denver's Community Planning and Development Agency, Department of Public Works, Transportation Planning, Transportation Engineering, Traffic Operations, Department of Parks and Recreation, Police Department, other City agencies, Denver Planning Board, the Mayor, City Council, other public and quasi-public agencies, neighborhood associations, residents, property owners, business people and private organizations concerned with planning, development and neighborhood improvement. The plan is intended to promote patterns of land use, urban design, circulation and services that contribute to the economic, social, and physical health, safety and welfare of the people who live and work in the neighborhood.

The neighborhood plan addresses issues and opportunities at a scale that is more refined and more responsive to specific needs than the City's Comprehensive Plan. The neighborhood plan serves as a supplement of the Comprehensive Plan. The plan is neither an official zone map, nor does it create or deny any rights. Zone changes that may be proposed as part of any development must be initiated under a separate procedure established under the Revised Municipal Code. (Emphasis added.)

Armed with the Area Plan, RNOs may weigh in on proposed rezonings and developments with reference to the Area Plan adopted for their area. Does the proposed rezoning comply with the Area Plan? If not, it may be that the rezoning Application and development proposal will not be supported by the neighborhood or the City CPD staff. Area Plans play an important role in determining how a neighborhood responds to proposed rezonings or developments in their neighborhoods.

II. Development, Community Benefit and 'Good Neighbor' Agreements.

A. Introduction to RNO Agreements/Sample Agreements. When a Developer/Applicant seeks to rezone or develop a parcel of land for a specific use or development, there is an opportunity for the RNO to work with that Applicant to determine if there are agreements that can be reached to <u>facilitate the development</u> in a manner that will "work for the neighborhood".

What does this mean? It can mean anything from limiting uses otherwise allowable under the zoning that are of a concern to the neighborhood. For example, if the development will create excessive vehicle trips, uses can be limited to avoid those uses that generate more traffic. Or a development may be required to include more than the minimum number of Affordable Housing² units.

<u>Agreements come in all sizes</u>. These agreements can include those for very large proposed developments like the 48-page Park Hill Golf Course Community Benefits Agreement (a copy of which can be found here:

https://drive.google.com/file/d/1_MroSDBW0KZAm0RmiSmpaHJihvae8a8O/view) (the "Park Hill Agreement") for the proposed rezoning and reuse of the Park Hill Golf Course. The Park Hill Golf Course initiative was defeated by Denver voters, and the Park Hill Agreement was terminable as a result thereof. But whether you supported or opposed this failed measure, the Park Hill Agreement is a well-drafted example of a development agreement that includes a wide range of provisions that would bring agreed 'benefits' to the community.

Other agreements are <u>shorter</u>, <u>more specific agreements that discuss specific needs</u> <u>or wants related to a particular building or business</u>. For example, the <u>attached</u> Development Agreement is for a single office building in the Cherry Creek North neighborhood. The property is located close to residential units and thus created concerns for those immediate neighbors. The RNO worked with the Developer and reached agreements of the developer regarding uses, building design, parking requirements and construction practices.

Another example is the <u>attached</u> "Gateway Development Agreement" for the corner of 1st Avenue and Colorado Blvd., an important corner for the Cherry Creek statistical neighborhoods and the RNOs of Cherry Creek North and Cherry Creek

² The term Affordable Housing can have different meanings. The use here is intended to include those created pursuant to the expanding mandatory housing affordability ordinance adopted in December 2022 that requires new residential developments of 10 units or more to designate eight to 12 percent of the units being developed as affordable to those making 60% of AMI, area median income., regardless of whether the units are for rent or for sale.

East, which were both parties to the negotiated Development Agreement since the rezonings were being addressed together for both the NW and SW corners of this major intersection. This Gateway Development Agreement was very detailed and included requirements that were important to the neighborhood as the property is located on the 'gateway' intersections leading into the neighborhood. The Gateway Development Agreement included restrictions on height, uses, drive patterns and even restrictions on balconies and windows which would be very visible to those passing this important neighborhood intersection. The Gateway Development Agreement was RECORDED against the properties so that the terms thereof would bind any future owner of the property.

- B. Key Components of Any Agreement/Contract for RNOs. Regardless of what they are called, whether a Good Neighbor Agreement, Community Benefits Agreement or Development Agreement, each of these agreements is a **CONTRACT** and for purposes of this outline, I will use the word "Agreement" or "Contract" to refer to them. In each of these contracting situations, the RNO is one of the contracting parties to the Agreement and the Developer/Applicant is the other. The City is usually NOT a party to these Agreements and often makes it very clear that the City will not enforce the Agreement if there is a failure of the Developer/Applicant to follow through on their contractual commitments thereunder. The exception to this is the type of Good Neighbor Agreement used in the liquor or other Excise and Licensing Department situations where the City will enforce those provisions that are agreed to be <u>listed on the FACE of the license</u> itself. [Gerti Grant will be talking about these specific types of Good Neighbor Agreement Contracts later in today's presentation.] However, for each of these Agreements, the following key elements should be present for the Agreement to be understandable and enforceable.
 - 1. Contracting Parties Owner of the Subject Property. Each Agreement must name the parties thereto and have valid signatures for each. The RNO should be the contracting party for the RNO neighborhood, and the formal legal entity which is the Applicant/Developer should be the other party. Make sure that each entity is properly formed for this purpose (check the Colorado Secretary of State's website to see what information you can find on the exact entity) and make sure the Developer is the owner or authorized representative of the owner of the subject property. The RNO should make sure that the entity signing the Agreement is the owner and has the authority to enter into the Agreement that it is signing. The RNO may require the

signing entity to deliver to the RNO a Certificate of Good Standing showing that the entity exists and is in good standing to operate as a legal entity and a title report that shows that it is the owner of the subject property. A few simple searches at the Colorado Secretary of State's website will help the RNO confirm that the applicant/developer entity exists in Colorado and is in good standing. You can ask the Developer for a copy of the title report for the property to make sure you know the exact name of the entity shown as the property owner. The title report will also give you the exact legal description of the property that is the subject of the Agreement so that the RNO is assured that the Agreement applies to the correct property.

- 2. Recitals 'Tell the Story'. The beginning of any Agreement is the place where the story is told as to what the Agreement is about and generally what is being agreed upon. This Recitals section of the Agreement is usually where terms used throughout the Agreement are defined (See Examples.) Who are the parties? Where is the property? What is the Developer seeking from the RNO? What approval rights does the RNO have and will the RNO be giving its approval based on the agreements of the developer/owner as set forth in the Agreement? These recitals are set up to be a part of the Agreement itself and allow the actual substantive agreement terms to be drafted more succinctly.
- 3. Consideration Hint: Almost Anything Works. Every Agreement/Contract needs consideration, meaning you have to GIVE something (such as a promise, act or forbearance) in exchange for GETTING something. But the rules are light in this regard and promises do count for consideration, so that if the RNO agrees to not oppose or officially support the application/development, then that is sufficient consideration for the Applicant/Developer to promise to do what is being negotiated. So, for example, if a Developer is seeking to rezone a parcel of property, obtain a liquor or other necessary operating license, then there is specific consideration when the Developer agrees to (covenants to) provide certain specific actions (related to use/design etc.) in exchange for the RNOs approval of (or agreement not to oppose) the Application. In addition, most Agreements include some type of language at the end of the Recitals to remove all doubt about consideration with something like: "Now, therefore, for Ten Dollars and other good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged and agreed, the parties agree as follows:" This statement confirms that the parties have agreed that there is adequate consideration to support the enforceability of the Agreement.

4. **Keep it Simple for Simple Matters**. If an RNO is able to work from a sample 'form' that includes the ability of the zoning or development committee to generate new draft Agreements for certain matters, then that is to the RNOs benefit. If the RNO has lawyers willing to donate their time in creating these sample forms, then that is terrific. If not, simple form agreements can be created from other samples, including those provided by INC. or those available in the public records.

When to get a Lawyer involved. An RNO can prepare its own Agreements and they will be enforceable. As you know from the movies, even an 'agreement on the back of a napkin' can be enforceable so long as the requirements of an enforceable contract are present. However, nobody should cross the line and practice law without a license as this is prohibited under Colorado law. Basically, this means that the officers/appointed committee or other members of the RNO are able to work for the organization of which they are a part, use forms used in the realm of the subject matter (such as Good Neighbor Agreement and Development Agreement forms they have used in the past) without crossing that line. Think of it as representing YOURSELF (as the RNO) in the process. If an RNO has volunteers on its board or within its boundaries that can help that RNO work through any specific negotiations or drafting, then that is GREAT! But RNOs often don't have funds to hire counsel and so the RNO Board often is able to use the good work of others in publicly available forms as a starting point. But if there are difficult issues to draft or negotiate, the RNO should seek counsel. Sometimes, the RNO can request that the Developer/Applicant pay for the RNO's legal advice of counsel as a part of the deal. If there is any time where the RNO has concerns where an attorney should be involved, make sure to seek counsel.³

³ This outline is not 'legal advice' and the reader is encouraged to seek legal counsel for any matters that the RNO board determines requires legal advice, including the drafting or negotiating any legal documents.

5. Enforcement and Attorneys' Fees. Agreements between and RNO and a Developer need to address how the Agreement is to be enforced if the Developer fails to comply with the terms of the Agreement. These types of enforcement provisions can vary widely, but usually involve the RNO making claims that the Developer has defaulted on the terms of the Agreement since the RNOs obligations are often limited to providing approvals. The Developer, however, has a long list of obligations and the RNO must have a method to enforce them – especially if the subject property is sold to a third party who is bound by the terms of the Agreement to complete the development specifics. Below is one example of an Agreement which addresses default:

Default; Enforcement

- . If Owner defaults in the performance or observance of any covenant, agreement or obligation of Owner set forth in this Agreement or in any of the Recorded Covenants, then written notice thereof shall be given to Owner by [RNO]. For purposes of the enforcement of this Agreement, [RNO] shall have a right to identify facts under which [RNO] asserts constitute a default by Owner under this Agreement and [RNO] shall confirm such assertion by and through the Board for or on behalf of [RNO] (following a formal vote of the Board in accordance with the respective organizational bylaws or adopted processes). Notwithstanding anything herein to the contrary, nothing herein shall give any individual member of [RNO] or any individual owner or resident within [RNO] any right to enforce the provisions hereof, it being the intent that only an action by and through the Board of [RNO] has the right to take action under this Agreement. In the event that the Board agrees that an Owner default has occurred, then the Board shall deliver written notice of such default to Owner with a copy to the City (the "Notice of Default"). If such Notice of Default remains uncured by Owner during the sixty (60) day period following the date of such notice of default, then an "Event of Default" shall be deemed to have occurred hereunder; provided, however, that if the Event of Default stated in the Notice of Default is of such a nature that it cannot be corrected within 60 days, such default shall not constitute an Event of Default hereunder so long as Owner institute corrective action within said 60 days and diligently pursues such action until the default is corrected. Following the declaration of an Event of Default hereunder, this Agreement may be enforced as follows:
 - i. By mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, requiring Owner to perform its obligations and covenants hereunder or enjoining any acts or things which may be unlawful or in violation of the rights or obligations hereunder.
 - ii. By taking such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of Owner hereunder, including seeking damages, equitable remedies or both.
 - iii. If [RNO] institutes any action or proceeding in court to enforce any provision hereof against Owner for breach of this Agreement or for

damages by reason of any alleged breach of any provision of this Agreement or for any other judicial remedy, they shall be entitled to recover all reasonable court costs and attorneys' fees incurred in connection with such proceeding.

iv. Owner hereby agrees that specific enforcement of Owner agreements contained herein is the only means by which [RNO] may obtain the benefits of such agreements made by Owner herein and Owner therefore agrees to the imposition of the remedy of specific performance against them in the case of any default by Owner hereunder. Notwithstanding anything herein to the contrary, nothing herein shall be deemed to require the Board to act on any uncured Event or Default or to expend funds for enforcement of this Agreement. Any costs so expended to enforce this Agreement shall be recoverable by in accordance with (iii) above.

This example includes the right of the RNO to recover its attorneys' fees and costs if it is forced to seek legal enforcement actions. This type of provision may help the RNO obtain legal counsel to assist in any enforcement efforts.

Other Enforcement Provisions include a right of the party that wins the action to recover its attorneys' fees and costs. The exact type of provision is one that the parties must negotiate. But in negotiating these Agreements, attention should be paid to the fact that the Developer, not the RNO, has control of the property, has undertaken the financial risk to perform the agreements as a condition of the development and has the ability to perform as outlined in the Agreement. So, if the Developer fails to do so, thus forcing the RNO to seek enforcement, the Developer and not the RNO should bear the expenses. Note: there may be circumstances (such as the City requiring something under a building code that is not allowed under the Agreement) that may require the parties to revisit the specific provision, in which case, the parties should meet to address the issue and amend the Agreement to best reach the intent of the original agreement while acknowledging that there is a regulatory obstacle that the Developer must address.

6. Good Neighbor Construction Provisions. Agreements for developments often include an agreement by the Developer to follow good construction practices that acknowledge the disruption of the daily lives of the nearby neighbors. This is especially true in areas where new development occurs in densely populated neighborhoods that are experiencing tremendous growth. Requiring constant communication is key to keeping neighbors calm while

they are living through the construction activities of the Developer. An EXAMPLE of a Good Construction Practices provision (often attached as an exhibit) is attached to this outline.

7. Recording of Agreement to Bind Property and Future Owners. If the RNO Agreement is related to a parcel of land, the Agreement should be recorded with the Clerk and Recorder for the County in which the property is located. Recording instructions and fees can be found on the website of the Clerk and Recorder. Often the Developer's counsel will record the Agreement and deliver a copy to the RNO showing the recording date time and recording references. In addition, a statement in the Agreement should confirm that the Agreement will be recorded and will 'run with the land' to bind the land and all future owners. An EXAMPLE is as follows:

Effective Date and Binding Nature of Agreement; Recorded

. This Agreement and all and each of the provisions hereof shall become effective upon the final, non-appealable approval of the Rezoning Application and shall remain in full force and effect as if fully set forth in the Rezoning Application. This Agreement or a memorandum hereof in form and substance satisfactory to [RNO] shall be recorded against the Property in order to restrict such parcels in accordance with this Agreement. Owner hereby subjects the Project Property and the Project (including any portion of the Project Property that Owner may in the future own, control or acquire any interest therein or in Ownership entity therefor) to the covenants, reservations and restrictions set forth in this Agreement by Recorded Covenants, it being expressly agreed and understood that the provisions hereof are intended to run with the land and survive the transfer, sale or assignment (whether by voluntary transfer, foreclosure or otherwise) of any portion of the Project Property. In addition, in the event of demolition and reconstruction of the Project, the covenants and restrictions contained herein shall apply to any reconstruction of the Project on the Project Property and, to effectuate such agreement, the restrictions contained herein shall be incorporated into the Recorded Covenants to bind any reconstruction.

8. How long does the Agreement last and what if things change? Well-drafted Agreements often contemplate that things change and that such changes may impact the property and the provisions of the Agreement. In addition to contemplating amendments that the parties may agree to, Agreements might also contemplate situations where changes should be accommodated. For EXAMPLE, if there is a Code change, the agreement may provide as follows to keep the benefits of the agreements made to the RNO as much as possible:

Modifications to Code

. Owner agrees that (i) to the extent that the Code is modified to relax or change any zoning or use restrictions contemplated herein, then this Agreement shall continue to control with respect to the matters so modified, and (ii) to the extent that the Code is modified to impose more restrictive zoning and/or use requirements than those that are contemplated herein, then the modified zoning code provisions control with respect to such matters made more restricted. This Agreement shall continue to be effective notwithstanding the implementation of revisions to or restatements of the Code and shall, to the extent possible, be read to be in conformity with such Code. In the event of a conflict between the Code and this Agreement, this Agreement shall control.

In addition, the Agreement may contemplate that there will be a time when the Agreements should no longer bind the property and can be removed or modified:

Term; Termination or Amendment of Agreement. This Agreement may be amended or otherwise terminated only upon (i) a rezoning of the Property (or as to any portion thereof) subsequent to the rezoning pursuant to the Rezoning Application which is the subject of this Agreement so long as such further rezoning is in accordance with the rezoning procedures of the City and [RNO] or any then applicable registered neighborhood organizations existing under the then applicable Code are notified and given an opportunity to comment, approve or contest such rezoning and the applicability of this Agreement thereto, or (ii) by amendment or termination agreement in writing executed by Owner and [RNO], including written approvals of the Boards thereof.

9. **Protecting the RNO and its Board**. RNOs act through their boards of directors, who are unpaid volunteers. And, while many RNOs has insurance knows as Officers' and Directors' liability insurance (which protects officers acting in good faith in their capacities as such), the RNO can include some provisions which provide protection against claims that may arise in connection with residents who may not agree with the RNO and may want to object to the Application for the development notwithstanding the Agreement. The following **EXAMPLE** is a provision intended to protect the RNO board and acknowledge that there are individuals who may not be in favor of the Agreement reached by the Board:

[RNO] Approval; Board Participation. [RNO] agrees to prepare a letter in support of the Rezoning Application proposed by Owner on the conditions as outlined herein. [RNO] further agrees that, so long as Owner has not been reasonably alleged by [RNO] to be in default in the terms and conditions of this Agreement as of the applicable date, [RNO] will not oppose the Project or the approval of any subsequent Development Documents, including without limitation by filing any appeal thereto. Notwithstanding such letters of support, Owner acknowledges that there may be members or non-members

of [RNO] who may take individual actions inconsistent with the approved actions of [RNO] or their respective Boards or committees. Owner acknowledges that [RNO] is a non-profit organization with a volunteer Board. Owner agrees to hold harmless the individual members of the Board (whether serving prior to or as of the date of this Agreement or in the future) in their individual capacity for any loss, expenses, damages or harm accruing to Owner and resulting out of this Agreement or from and against any actions by or through [RNO] (acting through or under their respective Board) in the negotiation, adoption, implementation and enforcement of this Agreement or in processing any changes hereto or in the implementation of the obligations hereunder.

III. Equity. In addressing equity issues that exist in our City, we cannot ignore the fact that RNOs located throughout the City have differences in how they are able to participate in the processes that impact their neighborhoods. Language and resource differences may make it harder for some RNOs to utilize some of the tools that have been available to others. INC seeks to help fight these inequities and will continue to look for ways that it can reach and facilitate better utilization of the tools offered in this outline to empower all neighborhoods to work with developers and address change in their neighborhoods. If you or your RNO are able to help with this goal and have ideas, please let INC know.

IV. CONCLUSION. This outline is intended to provide a PRIMER on development and other Agreements that RNOs can utilize to address changes being proposed in their neighborhoods. There are many examples and forms, and no one form will necessarily fit all needs. But knowing that there are samples and existing agreements that have been utilized by RNOs throughout the City can help RNOs learn what is available and how they, too, can work with developers in their neighborhoods to mitigate perceived problems while welcoming the inevitable changes that will occur in a vibrant and growing City.

EXHIBIT GOOD NEIGHBOR CONSTRUCTION POLICY

Owner agrees to implement a plan of construction management techniques, including the following:

Project manager cell phone 24/7

Address parking for workers (on-site if possible) and agree to apply for parking restrictions if the rest of the block owners so desire

Trash picked up/enclosed port of lets out of sight

No trucks and back up beeps before 8 a.m.

Construction weekdays 7a.m. – 7 p.m. / weekends 8 a.m. – 5 p.m.

Dust mitigation methods, including without limitation, water wagons for construction dust control.

Use a website for the purpose of updating the [RNO] of important dates (such as street closures and water interruption) and generally for project updates. Provide a complaint forum via email so that neighborhood concerns are able to be expressed on a timely basis.

Owner will adhere to the "4 C's": Communication with Neighbors Can Facilitate Cooperation and Support

The 4-C Solution:

Communication:

Builders who communicate while attempting to limit the impact that construction invariably causes will win the tolerance of the neighboring residents. A sign on the site, a flyer, a letter to residents in the immediate area explaining the project and the anticipated schedule can alleviate much of the residents' concerns about the short-term problems commonly generated by construction.

Common Sense:

While it is the nature of construction to be messy, noisy and paced to meet the pressure of deadlines and budgets, neighborhood sites require special consideration. Neighbors and builders must acknowledge the root of the situation – the area is both a neighborhood, where people retreat from the work-a-day world, and a job site, where time is money and money are the bottom line. Residents' concerns arise when construction practices continually go beyond the limits of common sense.

Courtesy:

Builders can work to the limit of the law, which allows construction noise from 7 AM to 9 PM seven days a week. Thoughtful contractors who make the effort to schedule the more disruptive aspects of the project to take place during weekdays between 8 AM and 5 PM should expect few complaints from the surrounding residents. Builders who respect neighbors' concerns and take action to remedy or modify a problem will find that that kind of consideration should gain friendly support during the project. By responding with common courtesy, the contractor may attract a future project from another homeowner.

Compromise:

Compromise begins when builders and neighbors consider each other's point of view. Compromise takes place through friendly communication between neighbors, Owner and the contractors.

GUIDELINES FOR BUILDERS

Informing Neighbors: At least two days in advance of construction or demolition, Owner should:

Call or meet with as many adjacent neighbors as possible.

Mail letter or flyers describing the project.

Post a sign at the site with a phone number for questions.

During Construction: Considerate site policies and procedures should be specifically outlined for the contractors' employees as well as any subcontractors on the job.

- 1. Limit working hours of high noise operations to the middle of the day at least until the structure is fully enclosed.
- 2. Limit and control radio noise
- 3. Consider neighbor's exposure in siting and screening the project's mechanical equipment
- 4. Place the dumpster on the lot or on the street in the middle of the site
- 5. Avoid blowing debris and accumulation of clutter
- 6. Cover the dumpster with a tarp bound by cord to contain dust and debris and to control unauthorized use of the dumpster
- 7. Park construction vehicles off-street if possible. Turn off engines unless operating other equipment
- 8. Place portable toilets away from property lines in less visible locations; arrange for regular service
- 9. Control dust with water and chutes
- 10. Avoid unnecessary damage to trees and landscape.