



**APPROVED**  
**Board of Directors**  
**Tuesday, April 19, 2016**

## **EXHIBIT**

### **Commercial Residential/Care Facility (CRCF) & GVR Membership**

#### **Overview**

*GVR Bylaws state the following with respect to commercial real estate membership in GVR:*

- *A Commercial Residential/Care Facility ("CRCF") is a commercial property that leases residential units and/or provides its residents with care related services. A CRCF Resident is a resident of a CRCF.*
- *CRCF Residents are entitled to use GVR facilities subject to the then current rules, regulations and fees established by the Board.*

*There are no provisions in the Corporate Policy Manual (CPM) regarding CRCF dues or fees for CRCF Residents.*

The only CRCF that has participated in GVR to date is Silver Springs which consists of 107 units. Under an Agreement between the developer of Silver Springs and GVR, Silver Springs was brought within GVR's jurisdiction (by referendum) and agreed to pay "all dues, fees and assessments on each residential unit as do all other members of GVR...regardless of whether or not it is occupied."

Recently, Villas at Green Valley, a new residential care facility consisting of 100 units, contacted GVR staff regarding the use of GVR facilities by its residents.

According to GVR's attorney Wendy Ehrlich, Villas is within GVR's jurisdiction and thus, a GVR membership property. Ms. Ehrlich noted, however, that because the CPM does not address annual dues for CRCF facilities, Villas could claim that it should pay no more than any other GVR membership property. For this reason, Ms. Ehrlich recommends both of the following:

- (1) amending the CPM to establish the amount of annual dues payable by CRCFs; and
- (2) requiring Villas to enter into a written agreement acknowledging its responsibility to pay annual dues on that basis. Once the CPM is amended, all new CRCF facilities within GVR's jurisdiction will be subject to the CPM annual dues provision without the need for a separate written agreement.

## Recommendation

Amend the Corporate Policy Manual by adding the following text:

**CORPORATE POLICY MANUAL (CPM)**

**SECTION II – MEMBERSHIP**

**SUB-SECTION 3. ANNUAL DUES, ANNUAL DUES INSTALLMENT PAYMENT PLAN, INITIAL FEES, FEES FOR SERVICES**

**B. ANNUAL DUES**

[Note: Add new item #4; underline = new text]

4. Commercial Residential/Care Facility (CRCF) membership properties shall pay annual dues in an amount equal to the then-current annual dues multiplied by the number of units in the facility, regardless of whether or not such units are occupied.