

## Clarification of Interior Remodeling Requiring Prior Approval

### Covenant 2: Approval of plans by the Association required before start of work

**Exact Language:** *Second: The design, materials, construction and location on each lot of any home, residence, commercial structure or other permitted building or buildings or the alteration or addition thereto, before the beginning of work thereon, shall be submitted to the Ocean Hill 1 Property Owners Association Inc. for approval and its approval shall be a condition precedent to the beginning of work on the structure. Book 776 page 520, recorded 18 May 2004*

It has been brought to the Board's attention that there is some inconsistency in communication to owners as to what alterations to an owner's property require prior Covenant Compliance approval.

The legally binding Covenant language quoted above states that **any** construction or remodeling change to an owner's property requires Association approval. **However**, as a practical matter the Association is only focused on changes that might impact the few Covenant defined limitations, such as setbacks, storm water runoff, house size and number of bedrooms. Thus, the Board has defined a streamlined process for Covenant compliance approvals documented on our website. This includes the Covenant Interpretation Guidelines that capture how our covenants have been interpreted in the past to ensure consistent reviews. It also includes a one-page application form.

It has been pointed out that the recent passage of Covenant 15 that limits house size to 5,400 square feet and the number of bedrooms to eight has an interpretation that might imply that any interior remodeling needs to be approved by the Board. This is not the intent of the Board. Therefore, the Board is proposing to update the Covenant 2 and Covenant 15 interpretation to reflect this, consistent with the already existing language on our website's section "Thinking of Building or Remodeling" that states:

*"Interior renovations that change the square footage or number of bedrooms also require prior approval. Normal maintenance and repair of your home does not require prior approval."*

The Board proposes that this phrase be added to the Covenant 2 and 15 interpretation guidelines to clarify the narrow scope of interior changes that need to be reviewed prior to start of work. In Covenant 15 we proposed to replace the phrase "any interior ... remodeling plans" with "only interior ... remodeling plans that change the square footage or number of bedrooms."

**Addition to Covenant 10 Interpretation on Storm Water Runoff**

**Covenant 10: No noxious or offensive activity; storm water runoff to Association Property interpreted as nuisance**

**Exact Language:** *Tenth: No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Book 157 pages 143-147, registered Aug 29, 1978*

Beginning in 2010, the Association has used Covenant 10 as a rationale to require owners applying for covenant compliance approval to modify their plans as necessary to ensure that any changes on their lots do not increase the amount of storm water flow to the street. Flooding of our roads is an issue and a significant amount of this water runs from owners' properties to the street. The interpretation of storm water flow as a nuisance is generally accepted in North Carolina with both legal opinion and Court precedent, as noted in our Interpretations Guidelines document.

Although in the past seven years there has never been a situation where an owner and the Covenant Compliance Review committee has not been able to reach agreement on an acceptable design meeting this requirement; the question has been raised that perhaps our volunteer-owner committee members, and indeed, our Board of volunteer-owners may not have the technical expertise necessary to determine whether or not specific proposed changes meet this requirement. To cover this possibility the Board proposes to add the following sentences to the end of the current Covenant 10 interpretation.

**“In the event that the Covenant Compliance Review Committee or the Board cannot reach agreement with an owner on whether or not a proposed change to an owner’s property will increase storm water flow to the street, the owner may submit the report of a licensed North Carolina Professional Engineer that this criteria will be met by the design. Such a report will satisfy this requirement.”**