

the CROSBY CROONER



THE CROSBY ESTATE AT RANCHO SANTA FE

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FROM THE PRESIDENT

The Community Welcomes Bando

By Carole Hogan, Board President

On behalf of The Crosby community, the HOA extends a hearty welcome to our newest member, Bando National Corporation. As most of you know, Bando purchased the assets of the Crosby National Golf Club, LLC in the Bankruptcy Court on January 9, 2017. According to its representatives, Bando intends first to restore and then surpass the Golf Club's former high-end private operation.

From the HOA's perspective, Bando's ownership of the Club brings to an end almost five years of disputes with the former Club owner. For our part, the fight was a struggle to safeguard the privacy of our community from those who would make it a public playground.

We are pleased to announce that Bando represents a return to the spirit of cooperation and mutual support that existed during the early years of the Club. This spirit is manifested in several ways. Chief among them is an agreement that permits Bando to operate its private club using its best-practices business principles while the HOA retains its own private nature.

In that regard, Bando, like every HOA member, is subject to the governing documents. However, as a commercial entity, it is permitted a degree of operational latitude unavailable

to other HOA members. As a commercial entity, the Club intersects with the HOA's operations in three critical areas: (1) gate access, (2) common area use and (3) nuisance potential.

Under our agreement, which the former Club owner repeatedly rejected, the Club will adhere to the current gate rules, limit its use of the common area to Bing Crosby Blvd. for ingress and egress only and establish procedures designed to prevent nuisances from occurring.

In turn, the HOA will grant the Club an access accommodation for Tuesday tournaments, allow the Club the operational leeway necessary for success and encourage the participation of HOA members in Club events designed for them.

We look forward to a long and successful relationship with Bando as it repairs and enhances the Club. Those efforts will also help to restore a sense of pride and harmony in our community.

The Board members are especially grateful to you, our residents, who suffered through the years of disputes. Thank you for supporting our efforts. We very much hope that you join us in supporting Bando, their new Club and its private operations.

FROM THE CROSBY CLUB

Bryan M. Addis, PGA, General Manager of The Crosby Club

Greetings residents of The Crosby Estate at Rancho Santa Fe! It is with great excitement and anticipation that I am writing this letter to you, introducing myself as the new General Manager at The Crosby Club. With an extensive family history in San Diego and in the game of golf, it is truly a dream come true to be able to return to this beautiful city and in particular, this amazing golf club.

As a third generation PGA Member, I bring a bloodline of total hospitality and guest experience along with my 17 years of club management. Most of my professional career has been outside of San Diego, but includes high end club management

and construction at various facilities throughout the years. Feel free to come on down to the club and we can share some stories!



On behalf of Bando National Corporation, I would like to express their pride in ownership of The Crosby Club. Each member of the Bando team is determined to make this facility the best club in the region. Bando owns three other golf courses and brings that experience and expertise to their flagship property in the United States: The Crosby Club.

We are excited to work within and be a part of this beautiful community and are dedicated to creating lasting memories for everyone.



ACCESS CONTROL COMMITTEE

By Peter Shapiro, Access Control Committee Chair

In a recent Crooner we updated you on the renovation of the Del Dios Gatehouse to provide our access control staff better equipment and an improved working environment. We're pleased to let you know that things are working well and we'll soon be planning an update to the Del Sur Gatehouse.

Each GMI gate attendant at The Crosby undergoes several interviews and must have prior access, customer service or security experience. Upon first assignment at The Crosby, each attendant completes four days of on the job training, which includes customer service orientation and learning dwellingLive, our Post Orders and other policies and procedures. This training is intended to ensure that our community access and other rules are applied equally and fairly to everyone, including residents, guests and vendors. Next time you pass through the gates, give a wave to the attendants if you can, they'll appreciate it.

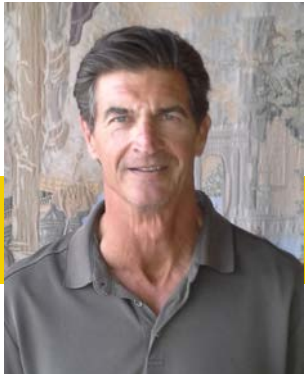
We can all help make access by our guests and vendors easier by cleaning up and updating our dwellingLive guest lists online. When a guest is not properly listed in your account it takes extra time for the attendant to make a (sometimes multiple) phone call, meanwhile your guest and others behind them must wait in line holding up everyone else. If you haven't made use of it, we suggest you use the notification feature of the dwellingLive app to get a text message when one of your guests or vendors gains access to the community. If that guest/vendor is not supposed to be in the community, please contact the North Gate at 858-759-3755.

Last but not least, our gate staff deserves the same respect they give to our residents, guests and vendors. Even if you happen to disagree with their direction, please respond courteously. Disruptive, loud or impolite behavior is never appropriate. The staff has the job of following the protocols of the CC&Rs which all residents agreed to follow when they purchased their homes within the community. If you have any issues you'd like to report, please send email to Cheryl Moulton, Community Manager, at cmoulton@keystonepacific.com.



Speeding within the community, and effective measures to deter it, are frequent topics of homeowner discussion at HOA general meetings. Almost no voices are heard advocating increased speeding. Most community residents recognize the safety necessity of speed limits. Protecting others on the roads, and the HOA from liability, are critical. However, several voices question the effectiveness of traditional deterrence measures. Speed bumps and similar vertical deflection devices such as speed cushions, speed tables and speed humps, may be among the most effective deterrents. But, the Rancho Santa Fe Fire Protection District, which governs several aspects of our roads, strictly prohibits them. Adding more GMI rovers, unless the number is six or more, will have insufficient impact.

Where tradition fails, improving technology may succeed. The HOA is currently investigating speed limit signs with integrated LED warning lights and cameras. The rear license plates of speeding cars are photographed for identification and citation purposes. Please look for further updates as the investigation proceeds. In the meantime, the HOA appreciates the cooperation of its residents in minding the speed limit. Please let guests know that abiding by the speed limit promotes safe transit on the roads managed by the Crosby HOA. Thanks!



COMMUNITY IMPROVEMENTS

By Craig Bernard, Board Member and Landscape Committee Chair

The work on the medians and parkways is just about completed. We hope that it has not been too much of an inconvenience for you with workers in the street, cranes moving boulders around, and plants being delivered.

The parkways had more than 50 boulders in them which made mowing every Friday more laborious. We moved and rearranged them under the trees. We took the plant material from under the trees which included salvia, day lilies, and aloes and replanted them in other areas of the property. This provided a much cleaner, more consistent look for our parkways.

In the medians, we have planted 4,500 carissa which will grow together and we will keep it low cut to form a beautiful flowing carpet of plants.

At the entry off Del Dios we have planted 500 cyclamen which is an annual and will be changed out to different annuals probably three times a year. We have used birds of paradise, raphiolepis, and fountain grasses as the complementary plants to the carissa on the way to the north gate. Around the north gate itself we added some iceberg roses and more birds of paradise.

The medians inside the gates to Old Course Road stay consistent with the base plant material of carissa, along with fountain grass, birds of paradise and raphiolepis.

As we move from Old Course Road towards the center gate, the consistent base plant of carissa remains but the complementary plant is primarily little johns.

We have installed sod in areas that are wide enough and flat enough to not cause sprinklers to damage the asphalt. We have replaced all irrigation with either drip for the plant material or the most efficient spray heads for the turf.

Next we will complete the seal-coating of Bing Crosby Boulevard in April.

Looking forward, in approximately 18 months we will have our carpet of carissa and it will greatly enhance the drive through the community. Combined with the newly completed paver path, the Bing Crosby Boulevard enhancements will make our community shine above all others.



*Above: Ribbon cutting for the new paver path
Left: Ground-breaking for median renovation project
(pictured Board members)*



DOLLARS & CENTS

By David Kingston, Secretary/Treasurer of the Board



The Finance Committee welcomes Doug Regnier as a new member of the Committee, replacing Chris Fugelsang who recently resigned due to work and family commitments. On behalf of the community, we thank Chris for his years of dedicated service on the Committee.

As we move into 2017, we are closing the books on 2016 which has been a year of extraordinary successes. These successes resulted in a \$930,000 budget overrun, which was financed through withdrawals from our contingency operations fund. The fund was created several years ago to finance critical costs that fall outside ordinary budget planning.

Let us start with the Starwood litigation. We sued the developer for various construction defects. We ultimately settled the case for \$2.5 million. After paying some residual legal fees, we created a Starwood Settlement fund of \$2.1 million. Under Board Member Craig Bernard's leadership, we have used this fund for road and gutter repairs, certain drain replacements, replacement of the DG path with our very own "yellow brick road," access control equipment upgrades and repairs to the Del Dios Gate House.

In 2015, at the request of the Cielo HOA, we joined forces with Cielo and The Lakes to negotiate a contract dispute with the Fire District. At issue was a very onerous contract the three communities inherited from each of their developers. It required the communities to underwrite the expenses of the Cielo Fire Station. The contract contained inadequate cost overrun protections. The Fire District's interpretation of the contract resulted in billing us for an ever-escalating amount every year for the next 23 years. Under Board Member Mick Dannin's leadership, we were able to negotiate an attractive buyout of the contract with payment over five years starting in 2016. We have retained sufficient funds in the Starwood Settlement account to fulfill this buyout obligation.

On another front, the Avaron HOA sued the Crosby HOA alleging that the Crosby was not fulfilling its duties under

a shared use and maintenance agreement (SUMA). The agreement, created by Starwood and Black Mountain Ranch, allows Crosby residents, guests and contractors to transit through Avaron on Bing Crosby Boulevard. In return the Crosby maintains the roadway, adjacent landscaping and other facilities, as well as provides staff for the Gate House at Avaron's entrance. The Crosby pays 81.5 percent of the SUMA costs and the Avaron pays the remaining 18.5 percent.

Avaron's lawsuit followed almost three years of unsuccessful negotiations including Internal Dispute Resolution and mediation. The case was heard by a referee in September of 2016. Based on the referee's ruling, a judgment in favor of the Crosby was entered by the Court on November 16, 2016. The ruling rejected Avaron's allegations that the Crosby failed to perform its duties. Further, it upheld the Crosby's cross-complaint against Avaron and awarded our HOA \$155,000. This sum was Avaron's unpaid share of the SUMA costs which had accrued over several years. We are now in the process of asking the Court to allow us to recover our legal fees and costs.

Finally, I believe everyone is aware of the long, hard-fought battle with the prior owners of the Club relating to violations of our CCRs. The outcome has brought new owners who have expressed an eagerness to comply with our rules. We look forward to an amicable and mutually-supportive relationship with the new owners. We owe many thanks to Board Member Carole Hogan who led this activity, devoting much of her free time to a successful result.

The disputes of the last few years are the result of Starwood agreements and related actions. Sorting through such arrangements is a typical task of homeowner Boards that follow the developer's departure from the community. We are expecting a much "calmer" year in 2017.

We very much appreciate the support and patience shown by our homeowners. Without homeowner support, our efforts could not have succeeded.



REAL ESTATE ROUND UP

2016 AND 2017 FORECAST

By Eilis McKay, Realtor and Access Control Committee Member
eilismckay@barryestates.com

According to the National Association of Realtors (NAR) “solid job creation throughout 2016 and exceptionally low mortgage rates translated into a good year for the housing market.” Year over year home sales in every major region of California recorded double digit increases. San Diego saw a 32 percent increase in sales with the *median price of a San Diego home up by 4.6 percent from December 2015 to \$557,000 in December 2016.

Locally, the number of home sales in 92067 dropped from 230 in 2015, to 204 in 2016, with a median price reduction of -8.4 percent to \$2,300,000.

Sales in the Bridges dropped from 23 to 14 in the same period, with a median price drop of -8 percent to \$2,622,000.

Cielo saw a surge in sales from 29 sold in 2015, to 46 in 2016. However, the median price declined -9.2 percent to \$1,656,000. This largely reflects sales of new construction product at Upper Cielo.

Rancho Santa Fe Covenant maintained both the level of sales, and median price: 90 sold in 2015, and 99 in 2016, with a median price of \$2,675,000, a mere -0.93 percent reduction.

Fairbanks Ranch has remained consistent in sales, 28 in 2015 to 31 in 2016, but the median price plummeted by -24.2 percent to \$2,460,000. Many homes in Fairbanks, most of which were built in 1980s and 90s are in need of major renovation. Many of today's buyers are 'baby boomers', and are reluctant to undertake extensive work. They are willing, however, to pay more for a home that is 'move in' ready.

Santaluz had 79 sales in 2016, 75 in 2015, with little change in median price -3.23 percent to \$1,500,000.

Crosby saw an increase in sales from 35 to 45 in 2016,

and a nominal increase in median price from \$1,360,000 in 2015 to \$1,360,500 in 2016. This median price reflects the fact that only 4 homes sold in 2016 over \$2,000,000. Undoubtedly, the market

in Crosby has been impacted by the Golf Club bankruptcy. Now that the cloud of bankruptcy has been lifted, we can look forward to more buyers willing to invest in our community, and home prices moving upwards.

*The median sales price is the point at which half of homes sold for more, and half sold for less.

Outlook for 2017:

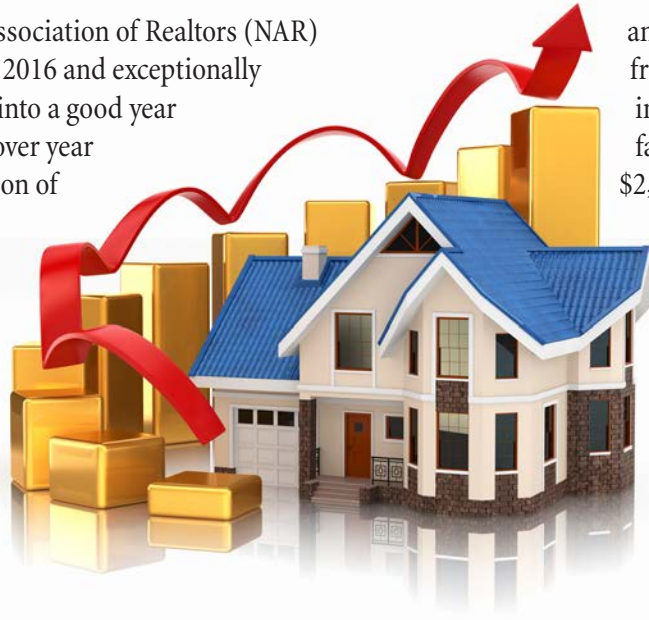
Corelogic predicted that San Diego home values will continue to outpace the rest of the state, rising an average of 10.1 percent by November 2017 as compared with November 2016. However, tight lending supply, scarce housing inventory, and low affordability, are the top realtor concerns for the coming year.

Mortgage rates have surged recently to the highest level since mid-2014, with the 30-year fixed interest rate at 4.20 percent in December, up from 3.77 percent in November, and 3.96 percent in December 2015 as reported by Freddie Mac.

Demand for rentals will continue upwards because of strong job growth, rising interest rates, and high home prices. According to Home Union, “San Diego is among the nation's highest growth markets for single family rentals.”

San Diego Burnham-Moores Center for Real Estate Index of Leading Economic Indicators for San Diego County predicted continuing but slower local economic growth in 2017, and that the county's unemployment rate is likely to increase to 4.6 percent from the current 4.3 percent.

All of this, may be affected by the policies the new Administration will be able to institute.



DESIGN REVIEW COMMITTEE

KEEPING OUR COMMUNITY

Beautiful



The Design Review Committee (DRC) appreciates the dedication of Crosby homeowners in doing their part to preserve community ambience. As the community continues to mature, sustaining community themes requires a special effort. In order for the values of our homes to grow, the appearance of the individual homes and lots must meet The Crosby standards.

The landscaping of some of the residences is not being maintained to this standard. Yards are in need of a facelift. For example, plants have died or have been removed, but not replaced. Shrubs have become woody and remain in the yards beyond their life expectancy. Trees need trimming or have become unhealthy and need to be replaced.

Now that water restrictions have been lifted, it is a great time to spruce up residential landscaping so that new plantings can get established before the heat of summer arrives.

In addition to landscape maintenance, here are some other areas that often require attention:

- **FENCE PAINTING** – wrought-iron fences throughout The Crosby are in need of paint.
- **DRAIN CLEANING** – pop-up emitters (bubblers) and other drains need to be cleaned.

- **BASKETBALL HOOPS** – portable basketball hoops must be removed when not being actively used and stored in a place where they are not visible from the street, common area, golf course or neighboring lots.
- **PLAY EQUIPMENT** – play structures must be in a screened rear yard location and must meet the height and construction requirements of the DRC Guidelines.
- **GARAGE DOORS, FRONT DOORS, GATES** – must be painted or stained.

Simply replacing existing plants and trees with the same species may be done without approval. Beyond simple replacement, other modifications to the exterior of homes or residential landscaping requires compliance with the DRC approval process.

The review application process has been streamlined. The application for new construction has been separated from that of modifications (for landscape and/or architectural changes). Please contact The Crosby HOA's DRC Coordinator, Katie Kalivas at kkalivas@keystonepacific.com to obtain an application or for more information.



CROSBY GATE ACCESS

Some residents have requested clarification as to who is permitted entry through each gate. The matrix below details the access rights.

	North Gate	Maint. Yard Gate	San Antonio Rose Ct.	Lakes North Gate	Lakes South Gate	Avaron Gate	Crosby South Gate	Top O' Crosby Gate	SD CWA Gate
GATE NUMBER	1	2	3	4	5	6	7	8	9
Crosby Residents and Guests	✓			✓	✓	✓	✓		
Lakes Residents and Guests	✓			✓	✓				
Avaron Residents and Guests						✓			
Crosby Club* Golf and Sports Members and Guests	✓			✓	✓	✓	✓		
Fire/Police/Emergency/Utility Vehicles	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Dining Members and their Guests may only enter during hours of Food and Beverage service and must exit through the Gate they enter

KEYSTONE PACIFIC PROPERTY MANAGEMENT

2017 HOLIDAY SCHEDULE

The Crosby Management Office will be closed on the following holidays:

Mon., Jan. 2	New Year's Day
Mon., Feb. 20	President's Day
Mon., May 29	Memorial Day
Tues., July 4	Independence Day
Mon., Sept. 4	Labor Day
Mon., Oct. 9	Columbus Day
Thurs., Nov. 23	Thanksgiving
Fri., Nov. 24	Day after Thanksgiving
Mon., Dec. 25	Christmas Day
Tues., Dec. 26	Day after Christmas



SAVE THE DATE!

CROSBY HOA
SPRING BARBECUE!

Sunday, June 4, 3 – 7 pm • Blue Skies Park
FUN • FOOD • GAMES • MUSIC • PRIZES



**ADMISSION AND
FOOD ARE FREE!**

RSVP TO KATIE AT (858) 381-5615



**NO CHARGE TO
HOMEOWNERS FOR
BURGERS, DRINKS &
MORE! EVERYTHING
IS COOKED THERE!**





Address Format is Critical to Receive Mail & Packages

The United States Postal service only delivers to PO Box addresses in the 92067 zip code. Any mail addressed to a street address is considered an insufficient address and will be returned. Please follow the below address format for all MAIL, PACKAGES and BOXES being sent through the Post Office:

YOUR NAME
PO BOX 5000 PMB XXX
RANCHO SANTA FE, CA 92067-5000

When ordering items online, always try to input your PO Box address first.
Otherwise, follow this format in this exact order:

Line 1 Your Name
Line 2 Street Number & Street Name, SD, 92127
Line 3 PO Box 5000 PMB XXX OR #5000-XXX
Line 4 Rancho Santa Fe, CA 92067-5000