



## THE WATERFRONT DISTRICT

### Owner Occupancy Exemption Rules and Guidelines

Master Declaration of CC&R's, ARTICLE IV, Section 4.21

**Owner Occupancy.** The Owner of the Building Lot or Property Unit shall be required to occupy the Building Lot or Property Unit as Owner's primary residence, or a secondary residence, for all Building Lots or Property Units having residential as their primary use. That is, this provision shall not apply to retail or office Building Lots or Property Units or Common Area. No other person or persons shall occupy the Building Lot or Property Unit, neither as a tenant for as a gratuitous long-term guest, except for parents or adult children with or without the Owner in residence. The Board may allow reasonable and temporary exemptions, upon application to the Board and the Board's approval in writing, and subject to such conditions as the Board may deem appropriate. Such exemptions may include, but are not limited to, ownership by a trust or estate, or rental when the Owner is out of the area in connection with a move or business transfer. Provided, at no time shall the total number of non-Owner occupancy exceed ten percent (10%) of the Building Lots or Property Units in any Neighborhood Area or Local Association.

#### Action Steps

- 1) The Association shall maintain a list of Units that are leased. If the Association receives notice of intent to lease a Unit from an Owner, and such lease will not increase the number of leased Units above the allowed maximum limit, then the Association shall provide written notice of the approval of such lease to the requesting Owner.
- 2) Request Authorization for an Owner Occupancy Exemption: providing all details pertinent to the request.
- 3) Pay required Application request fee of two-hundred fifty dollars (\$250.00) refundable if request is denied or if the request is rescinded for any reason by the applicant.
- 4) Authorization: Once authorization has been given to lease out the unit in question, the owner must then provide the management company a copy of the lease terms and all contact information for the tenant, including the required Association forms for use of common areas, such as the pool and clubhouse. Prior to the commencement of the term of a lease the Owner shall notify the Board, in writing (email is acceptable)
- 5) Leasing Wait List. If the Association receives a notice of intent to lease a Unit from an Owner, and the number of Owner-occupied Units is or would be more than the maximum limit maximum limit, the Owner providing such notice of intent to lease shall be notified by the Association that the maximum limit is exceeded. The Association shall maintain a list of Owners

that sought permission to lease their Units but were unable to do so due to the maximum limit, which list shall be maintained according to the date of each Owner's request to lease.

- 5) Lease Agreements; Restrictions. Any lease agreement for a Unit shall be in writing, shall provide that the lease is and shall be subject in all respects to the provisions of the Condominium Documents, and shall provide that the failure by the tenant to comply with the terms of the Condominium Documents shall be a default under the lease. Prior to the commencement of the term of a lease the Owner shall notify the Board, in writing, of the name or names of the tenants and the time during which the lease term shall be in effect. If an Owner leases a Unit in violation of the restrictions set forth in this Section or otherwise fails to comply with this Section, such Owner shall be in default of this Declaration, and shall indemnify, defend, and hold harmless the Association and the other Owners from and against any and all claims, loss or damage arising from or related to such violation.
- 6) Re-Leasing; Change of Tenants. At least thirty (30) days prior to the expiration of an existing lease of a Unit, or within five (5) days of the termination of an existing lease, the Owner of such Unit shall notify the Association of such expiration or termination. Additionally, the Owner shall at that time provide written notice to the Association of its intent to either re-lease the Unit to another tenant or to be removed from the list of Units approved for leasing. If an Owner does not lease its Unit within ninety (90) days of such expiration or termination date, the Association's approval for such Owner to lease its Unit shall be revoked, and the Association shall notify the next Owner on the Leasing Wait List (if any). Owners who have had their approval revoked pursuant to this Section 6 may resubmit a new request to the Association for a new approval subject to Section 2.
- 7) Lease Opportunity Notice. If the number of leased Units falls below the maximum limit, the Association shall provide the first Owner on the Leasing Wait List (if any) with notice of the ability to lease such Owner's Unit (the "Lease Opportunity Notice"). If an Owner declines to lease its Unit or does not lease its Unit within ninety (90) days of receipt of a Lease Opportunity Notice, the Association's approval for such Owner to lease its Unit shall be revoked, and the Association shall notify the next Owner on the Leasing Wait List (if any). Owners who have had their approval revoked pursuant to this Section 7 may resubmit a new request to the Association for a new approval subject to Section 2.
- 8) Exceptions for Hardship, Familial Relationships. In cases of extreme hardship, including but not limited to disability, job loss, temporary job relocation, military service, divorce, etc., the Association may, in its sole discretion, make an exception to the rental restriction and temporarily authorize an Owner to lease its Unit. The Association may also, in its sole discretion, waive the rental restriction for tenants who are immediate family members such as a parent or child.
- 9) Documentation: Documents to be provided to the management company upon approval to lease shall include Lease terms, Contact information, Automobile information, Pet agreement

and Pool Rules signature page. These documents allow emergency notification in the event of an incident.

### Resolution of the Board of Directors Owner Occupancy

Effective May 1, 2017

WHEREAS "Master Declaration" is the "Declaration of Covenants, Conditions and Restrictions for Waterfront District" pertaining to and affecting Waterfront District; "Association" is the Waterfront District Homeowners Association; "Bylaws" are the Bylaws of Waterfront District Homeowners Association; and "Board" is the Waterfront District Board of Directors.

WHEREAS, Article V, Section 5.4 of the Master Declaration directs that the affairs of the Master Association shall be conducted and managed by a Board.

WHEREAS Article V, Section 5.5 of the Master Declaration and Article VII of the Bylaws vests the Board with the powers and duties to perform any and all acts which may be necessary to, proper for or incidental to the property management and operation of the Common Areas and its other assets, to adopt, amend and repeal rules and regulations, including suspension of privileges and monetary fines for infractions of the rules and regulations.

WHEREAS, Article IV, Section 4.21 Owner Occupancy, of the Master Declaration states that the owner of the Building Lot or Property Unit shall be required to occupy the Building Lot or Property Unit as Owner's primary residence, or a secondary residence for all Building Lots or Property Units have residential as their primary use. The Board may allow reasonable and temporary exemptions, upon application to the Board and the Board's approval in writing and subject to such conditions as the Board may deem appropriate. Provided, at no time shall the total number of non-Owner occupancy exceed ten percent (10%) of the Building Lots or Property Units in any Neighborhood Area or Local Association.

WHEREAS, "Enforcement Resolution", effective July 1, 2016, defines the Association's updated procedure for enforcing rules, covenants, and restrictions in accordance with Idaho Law. (HOA Fine Statute I.C. §55-115).

WHEREAS, in order to maintain the pleasant living environment for which Waterfront District was created, the Board deems it necessary to adopt a uniform method of procedures outlining the manner with which the Association will deal with Owner Occupancy issues applicable to all members and their activities consistent with the covenants and policies of the Association. This method of procedures may be modified from time to time as the Board determines to be in the interest of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the following procedures be adopted:

When a violation of the above Master Declaration is reported to the management company or Board, the following process will be followed.

1. The member responsible for violating the Master Declaration will be identified and their address will be noted.

2. A violation ticket or notification will be submitted to the Association management company and copied to the Board.
3. The management company will contact the member and relate the violation to them and issue a warning of non-compliance and request that the violation cease, and the Building Lot or Property Unit become Owner Occupied. The member may contact a member of the board to discuss the "non-compliance" violation at any point during this process.
4. Additionally, the member account will be marked as "non-compliant" for a period of 60 days.
5. If the non-Owner occupancy is less than 10% of the Building Lots or Property Units in the Neighborhood Area or Local Association affiliated with said Building Lot or Property Unit, the member may apply for a temporary exemption and if approved, the "non-compliant" status will be removed.
6. If an approved temporary exemption is not in place and a second violation is reported to the management company or Board within a 12-month period, the management company will contact the member and relate the violation to them and request that the violation cease, and the Building Lot or Property Unit become Owner Occupied.
7. Additionally, the member account will be marked as "non-compliant" again for 60 days.
8. Furthermore, the Board will determine if the violations warrant utilizing the Enforcement Resolution which may include a fine and/or legal action, as an additional encouragement to cease the violations.
9. The fines assessed for a rental violation will be \$100/week, up to a maximum amount of \$2000.
10. If the violation isn't resolved pursuant to the Enforcement Resolution, the Board may seek an injunction to force compliance.

NOW, BE IT FURTHER RESOLVED THAT if furl her violations occur after the procedures described above, the Board may seek legal counsel to determine subsequent procedures to deal with the violations.

Adopted this 8<sup>th</sup> day of May, 2017.

I hereby certify that this procedure was adopted by the vote of the Board at a properly-called meeting of the Board of Waterfront District Homeowners Association, Inc.

  
Name: Craig Weaver  
President

  
Name: Becky Bunderson  
Secretary