

Minutes, Directors' Meeting, April 2017

Eagle Rock HOA

Peter Flynn (President) called a Directors Meeting for 5 PM April 17, 2017, at 750 Rhapsody Rd., Sedona. Members were notified of the meeting and their ability to attend if interested.

The following Board Members were in attendance:

John Cantello
Peter Flynn
Paolo Scardina
Steve West
Carsten Holm (by speaker phone)

The following Members attended:

Rob Bonner
Daryl Coon
Laura Coon

1. Short Term Rentals in Eagle Rock

The Board noted that a prospective purchaser of a lot in Eagle Rock had enquired whether multiple successive short term rentals were permitted, for example through Airbnb.

In discussion the Board referred to Section 7 A. of the CCRs:

7. General Restrictions Applicable to All Parcels

A. Land Use. As provided below, no building other than one single family dwelling residence for single family residential use and a private garage providing space for not less than two cars, and a guest house and other outbuildings as approved by the Architectural Review Committee, and as are in compliance with applicable zoning and City of Sedona codes, shall be erected, maintained, placed or permitted on any Parcel. All Improvements, except for the driveway from the adjacent street, unless otherwise approved by the Architectural Review Committee, shall be located within the Building Envelope. No improvements may be commenced without the appropriate building permits having been first obtained. A guest house (or other structure or improvements) may not be completed prior to the completion of the single family residential structure. Any guest house, which may include a kitchen, shall be for the use of bona fide guests or domestic help, as the case may be, or the occupants of the main residence, or members or such occupants' family, and shall not be rented or leased separate from the main residence.

No manufacturing or commercial enterprise, or enterprises of any kind for profit, shall be maintained upon, or in connection with any Parcel, nor shall any Parcel be used for other than single family residential purposes.

The Board discussed Arizona statute SB 1350 which prohibits cities from adopting a blanket restriction against short term rentals, and noted that homeowner associations governed by CCRs under Arizona's

Planned Communities Act (33-18) were not included in SB 1350. Planned communities are in essence agreements between owners, and the City of Sedona counsel believes that such agreements are not included in SB 1350 and can validly prohibit short term rentals. Hence the issue for the Board is the wording and intent of the CCRs for Eagle Rock.

The Board noted that the CCRs explicitly prohibit separate rental of a casita or a subunit of a residence; only the main property can be rented as a single family residence. The Board unanimously concluded that the wording of the CCRs prohibits repetitive short term rentals for non-residential purposes, for example rental to visitors to Sedona as a short term vacation residence, in that it is not focused on single family residential and becomes a commercial use. The unanimous judgment of the Board was that residential rental / leasing of a property to a single family is clearly a permitted use within the meaning of the CCRs

Directors noted both the obligation of the Board to enforce the CCRs, and the ability of Members to modify the CCRs through a Special Meeting of Members, as provided in the Bylaws of the HOA and the CCRs.

Hence it was moved and approved unanimously that the Board of Eagle Rock HOA notes that short term non-residential rentals, for example to visitors to Sedona as a vacation residence, are not permitted under the current CCRs of the HOA, and directs the President to advise Members of this position.

2. Driveway Access to Lot 5

Rob Bonner, owner of Lot 5, asked the Board to consider the best access by driveway to Lot 5. Given the boundary of the building envelope, access from Windsong Rd. would give a large garage close to the road. Access from Rhapsody Rd. would require crossing a drainage (as had occurred with Lot4), but would make a less obtrusive garage and a better streetscape from both Windsong and Rhapsody Rd. The Board discussed this at length, including a review of drainage issues, and noted that the ARC as well as the Board would need to support an application for approval by the City of Sedona for access from Rhapsody Rd. The sense of the discussion was that Eagle Rock would have a better appearance with access from Rhapsody Rd., but that the ARC should visit the site with the owner to review tree preservation and the crossing of the arroyo that runs along the east side of Rhapsody Rd.

It was moved and unanimously approved that the Board supports in concept access to Lot 5 from Rhapsody Rd. in the belief that this will make a more attractive development of the Lot within Eagle Rock, but that the ARC was requested to conduct a site visit to discuss specific routing issues, including drainage and tree preservation, prior to giving its final opinion.

Should the ARC support access from Rhapsody Rd. following the site visit, a joint letter would be sent to the City of Sedona Director of Community Development from the Board and ARC Chairs.

There being no further business, the meeting was adjourned.

Prepared by Peter Flynn
April 17, 2017