

November 6, 2014

Dear home owners in *The Hills of Neskowin*

As a local Realtor who has sold and listed properties in *The Hills of Neskowin*, I was asked for my opinion regarding the ability for property owners in *The Hills of Neskowin* to allow nightly vacation rentals. I understand you are considering this issue as you revise your CCRs.

As you know, Lincoln City has been trying to sort out a happy medium for nightly vacation rentals. The process has provided for contentious discussions between those wanting to rent their homes on a nightly basis and those who are permanent residents who do not wish to have transient nightly renters near their homes. Lincoln City has proposed designated areas of town where rentals would be allowed, excluding them from other areas. The city requires a permit application process for those wanting to rent their homes with health and safety issues regulated. This process is supervised by a city employee designated to supervise and approve the rental applications and respond to complaints.

Some of the subdivisions in our area which do not allow nightly vacation rentals include *Salishan, Coronado Shores, Lincoln Shore Star Resort, Seagrove, Little Whale Cove, and Indian Shores.*

Many buyers of homes on the coast are looking for properties that they can use as a vacation rental to help with the expense of a 2<sup>nd</sup> home purchase. The most popular rentals are larger homes which accommodate large groups and those close to the beach. But, many buyers are retirees and those seeking a quality neighborhood without the disturbance and unknowns of vacation rentals in the vicinity.

There are many considerations for you as you make the decision to allow or not allow vacation rentals in *The Hills of Neskowin*. To understand what the original developers had in mind for your subdivision, I contacted Kathy Butterfield. She told me that she and her husband considered the issue of whether or not to allow vacation rentals in establishing the original CCR's. Both she and her husband Fred Butterfield felt that vacation rental use in *The Hills of Neskowin* would be a negative influence on the quality of life they desired to create in the upscale type of subdivision they were developing. Attached is the paragraph defining residential use in the original CCRs.

*5.2 Residential Use. Lots shall only be used for single-family residential purposes. No trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any Lot, nor shall any goods, equipment, vehicles, materials or supplies used in connection with any trade, service or business be kept or stored on any Lot which would affect the use and enjoyment of the Property for residential purposes. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the rental or sale of dwelling units, (b) the right of Declarant or any contractor or homebuilder to construct dwelling units on any Lot, to store construction materials and equipment on such Lots in the normal course of construction and to use any dwelling unit as a sales office or model home for purposes of sale of the Property, and (c) the right of the Owner of a Lot to use his dwelling unit as a home office by maintaining his professional personal library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls or conferring with business or professional associates,*

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*clients or customers, in his dwelling unit. Only normal residential activities shall be observable outside of the dwelling unit and such activities may not be in violation of applicable governmental ordinances.*

The issue of whether or not to allow vacation rentals in residential neighborhoods is not unique to our area. The issue has been grappled with nationwide and argued in the courts.

*Quite simply, vacation rentals and B&B lodges remove friends and neighbors from our neighborhoods and alters Kailua's social fabric. Harvard University conducted extensive research on the importance of social relationships between neighbors and fellow residents of a community. It's called **Social Capital** and according Harvard University, social connections between neighbors and fellow residents is critical to the overall health and well-being of individuals and their communities (See Harvard University Study Summary).*

*The importance of social capital was demonstrated in a ground-breaking legal case regarding visitor accommodations in residential neighborhoods, the California Court of Appeals upheld a zoning ordinance prohibiting short term tenancies (less than 30 days) in single-family zoning districts. The court stated:*

*It stands to reason that the "residential character" of a neighborhood is threatened when a significant number of homes are occupied not by permanent residents but by a stream of tenants staying a weekend, a week, or even 29 days. Whether or not transient rentals have the other "unmitigatable, adverse impacts" cited by the council, such rentals undoubtedly affect the essential character of a neighborhood and the stability of a community. Short-term tenants have little interest in public agencies or in the welfare of the citizenry. They do not participate in local government, coach little league, or join the hospital guild. They do not lead a scout troop, volunteer at the library, or keep an eye on an elderly neighbor. Literally they are here today and gone tomorrow—without engaging in the sort of activities that weld and strengthen a community.*

Sincerely,

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