

Beacon Hill Home Owners Association Rules on Leases of Homes in Beacon Hill

(Revised 9-3-2020)

The HOA board works hard on your behalf to ensure that all members are in compliance with the Declaration of Covenants, Conditions and Restrictions (CCR), the written guidelines established by the city and Beacon Hill developers to protect property values and sustainability of the neighborhood. As Beacon Hill continues to evolve, it is critical that we enforce covenants regarding leases of homes in our neighborhood. Such leases could be long term in which an owner decides to enter into a 6 or 12 month lease or longer for the use of their home. Or leases could be short-term in which the owner leases their home or a portion of their home for 30 days or less (e.g., AirBNB, VRBO, Homeaway, etc.).

The purpose of this Rule, pursuant to section 11.05 of the CCR, is to communicate to all HOA homeowners the administrative requirements of both the HOA and city ordinances for leases and rentals.

For the purposes of the CCR and these rules, leasing includes (1) any short-term transient or vacation-type occupancy of all or part of a Living Unit; or (2) the regular, exclusive monthly, quarterly or annual occupancy of all or part of a Living Unit by any person or persons other than the Owner.

A. Beacon Hill's CCR Requirements on Leases

Part of Section 7.15 of the CCR (referenced below) deals with leasing of Beacon Hill properties. It states:

Except as provided herein, any Living Unit located on a Lot designated for residential use within the Property shall be occupied by the Owner of the Living Unit. Notwithstanding the above, however, leasing of single family or townhouse units will be allowed provided that the Owner first provides information concerning such proposed lessee to the Association, to the extent such information may be required by the Association. The Owner shall file with the Association a copy of the proposed lease agreement, prior to the commencement of the lessee's occupancy of the Living Unit. Any leasing of a Living Unit shall also be subject to the following restrictions: (i) the lease shall mandate compliance with this Declaration, the Development Plan, any rules and regulations promulgated by the Association, and all other documentation associated with the Property. (ii) the lease shall require that the lessee indemnify the Association and other Owners harmless from any costs arising out of or related to lessee's violation of the Declaration, the Development Plan, any rules and regulations promulgated by the Association, and all other documentation associated with the Property; and (iii) the names of all people who will occupy the Living Unit shall be given to the Association, not less than ten (10) business days prior to such lessee's moving into the Living Unit. All such lessees shall be subject to, the terms and conditions of this Declaration. The Declarant and/or the Association shall have the right to check references and conduct ordinary screening activities, including credit and criminal background inquiries, with regard to such lessees, at the cost of the Owner proposing the lease, and the Declarant and/or the Board, as applicable, shall have the right to reject any such lessees at its reasonable discretion, subject to any limitations imposed by law. Subject to the Association's approval of a lessee and the Owner's applicable lease, the Owner shall provide a fully executed copy of the lease to the Association for its records.

Section 7.15 was written with the intent of allowing leasing of homes as long as the HOA board (as representatives of all HOA residents) is provided information about persons who will be residing in the

home under the terms of a lease. The CCR also requires 10 days advance notice of the leasing period, allows for credit and criminal background checks as a screening, and allows for the Board to screen potential applicants, all at the expense of the homeowner. The intention of this requirement is to put the HOA on notice of homeowners leasing out their homes. This CCR section covers both long term (e.g., leases to a single lessee for an extended period of time) and short-term leases (e.g. AirBNB, VRBO, etc.).

B. Kansas City Ordinances Regarding Short-Term Rentals

The city website outlines the requirements for short-term rentals defined “as a period of less than 30 consecutive days.” The initial requirement is that the owner of the property must complete an application with the City prior to entering into any short-term rental. It is incumbent on the homeowner to do the research necessary and to fully understand the city requirements for rentals in Kansas City. Short-term rentals are addressed in the city’s website (<https://www.kcmo.gov/city-hall/departments/city-planning-development/short-term-rental-application-process>)

Because Beacon Hill is an Urban Redevelopment neighborhood, the current city ordinances only require an applicant to file an application with the city. The applicant is not required to inform or seek consent from adjacent neighbors.

C. Compliance with Leases in Beacon Hill

Owners who desire to lease their home shall abide by the rules outlined as follows:

1. All Owners must, before they enter into a lease or rental agreement, comply with the following:
 - a. All HOA assessments, fines, and fees must be current prior to a tenant occupying a Living Unit.
 - b. The Unit Owner must abide by and the Living Unit must conform to all of the Kansas City, Missouri laws and codes for rental property applicable to rental property of Beacon Hill.
 - c. The Owner must supply, to Barnds Homes Association Management Company (Barnds), a copy of the lease or rental agreement to be used for the lease.
 - 1) For long term leases, the Owner shall submit the lease ten days prior to a lessee taking occupancy and include the names of all individuals occupying the Living Unit and dates of occupancy.
 - 2) For short term leases or rental agreements (as defined by Kansas City ordinances), the Owner shall provide links to all rental platforms used to lease the Living Unit in order for Barnds to review general terms the Owner has set for lessees who lease their property. The Owner shall make available the names of individuals occupying the Living Unit and dates of occupancy ten days in advance of lease commencement. Occasional exceptions to the 10-day notice will be allowed due to the fluidity of short term leases. If a rental platform service allows for real-time access to reservation data, Owner can make that available to Barnds, but the Owner still has an obligation to notify Barnds of the dates of the lease.
 - 3) The names of individuals occupying any Living Unit and dates of occupancy shall remain private and Barnds will only share that information with adjacent neighbors, upon request.
 - d. Owners who desire to lease their Living Unit shall pay a mandatory \$200 fee to cover the costs of administering this policy. This fee will be good for one year and shall be paid on an annual basis as long as the Owner is leasing their Living Unit.

- e. All leases must be between the Owner of the Living Unit and the lessee occupying the unit. No subleasing is allowed.
 - f. Occupancy of a Living Unit by a blood relative(s) of a Unit Owner with or without the Unit Owner being a resident, shall not constitute a lease as defined under this Rule, even if a written memorandum or agreement has been executed between the parties. A blood relative is defined as a grandparent, parent, child (natural or adopted), grandchild or sibling of a Unit Owner.
2. Any Living Unit being leased out in violation of this Rule or any Owner found to be in violation of any of the Rules and Regulations adopted by the Board of Directors may be subject to a flat or daily fine to be determined by the Board of Directors upon notice and an opportunity to be heard.
 3. In addition to the authority to levy fines against the Owner for violation of this Rule or any provision of the CCR, By-Laws or Lessee Rules & Regulations of the Beacon Hill Homeowner's Association, the Board shall have all rights and remedies, including but not limited to the right to maintain an action for possession against the Owner and/or their lessee, under Missouri law, an action for injunctive and other equitable relief, or an action at law for damages.
 4. Any action brought on behalf of the Association and/or the Board of Directors to enforce this Rule shall subject the Owner to the payment of all costs and attorney's fees at the time they are incurred by the Association.
 5. All unpaid charges as a result of the foregoing shall be deemed to be a lien against the Living Unit and collectible as any other unpaid regular or special assessment, including late fees and interest on the unpaid balance pursuant to Section 11.03 of the CCR.
 6. Each lease agreement must include the Lessee Rules & Regulations of the Beacon Hill Homeowner's Association.
 7. In addition, in the case of short-term leases (e.g., AirBNB, VRBO, Homeaway, etc.), Owners must:
 - a. File an application with Kansas City pursuant to city ordinances (<https://www.kcmo.gov/city-hall/departments/city-planning-development/short-term-rental-application-process>).
 - b. Submit proof of application and approval from the city to the HOA (via Barnds).

D. Property Management Company Obligations

With regard to leases in Beacon Hill, Barnds (or any other future management company retained by the HOA) shall:

1. Collect the \$200.00 administration fee on an annual basis and any fines which may be imposed by the HOA Board under section C.3. above.
2. Keep a log of all leases by property address including dates of leases and names of individuals occupying the Living Unit.
3. Upon request, provide names and dates of leases to adjacent homeowners.
4. Maintain a log of any complaints about lessees by property address and periodically share this information with the HOA Board.
5. Periodically inspect leasing or rental websites for new Beacon Hill short-term leasing or rentals in Beacon Hill and follow up to ensure proper registration with the city.

E. Remedies for Problems

Unfortunately, occasional issues occur with noise, trash, and other issues in the neighborhood. We encourage homeowners to notify Barnds if they have a complaint about a renter or if they think an unregistered new short-term lease is being offered near them. Call Lisa at 913.897.3164 or email: lisas@barndsbrothers.com. You may also call 911 for noise or 311 if yards are littered.



The Beacon Hill board is committed to our neighborhood and respectful of a homeowner's right to lease their homes on either a short-term or long-term basis. The board will communicate to all homeowners these requirements for leases on an ongoing basis.

Adopted this ____ day of _____, 2020 by the Board of Directors of Beacon Hill Homeowner's Association.

ADDENDUM

Lessee Rules & Regulations of the Beacon Hill Homeowner's Association

1. No parties or events allowed on the premises.
2. Quiet hours for the neighborhood begin at 10:00 pm (CST) and end at 7:00 am (CST).
3. No bachelor or bachelorette parties.
4. Only registered and listed guests are provided access to the property.
5. Do not disrespect neighbors.
6. No loud music or disturbances.
7. No drugs or weapons allowed on the property. There is to be no use of illegal substances on or near the premises (unless user has a documented medical prescription).
8. Please do not approach neighboring property owners to borrow any items or food.
9. Assure all trash is bagged and placed in the appropriate place.

Best Practices for Property Owners

1. Property owner is ultimately responsible for lessee or tenants' actions while on the property, and for ensuring lessee compliance with applicable laws and HOA rules.
2. All properties must be registered and in compliance with Kansas City rental ordinances.
3. Property Owners should notify Barnds Homes Association Management Company for those months in which short term leases will be pursued.
4. Property Owners shall have adequate resources to monitor their property. Video surveillance and noise detection devices, as permitted by law, are recommended to prevent, discourage and remedy any incidents.
5. Property Owners will maintain contact with all lessees and guests. All complaints should be directed to Owner and to Barnds Homes Association Management Company so that any issues can appropriately and urgently be addressed.
6. Government-issued ID required to book along with recommendation from other hosts.
7. Property Owners will manage traffic to the neighborhood and property, and exercise discernment in the duration of stays and advance notice of bookings.