

# Resolution to Clarify the Meaning of Commercial or Business Use or Activity

- **Originally Adopted by Consensus on September 3, 2021**
- **Amended by Consensus on January 20, 2022: Section 1(c) stricken**
- **Amended by Consensus on March 10, 2022: Remainder of Section 1 stricken**

## Authority And Purpose For The Resolution

WHEREAS,

the recorded deed covenants for the Upper Little Warm Spring Subdivision include the provision: “no commercial or business use of any of the lots or residential units shall be permitted, including, but not limited to, outfitting and guiding hunters and fishermen, nor shall any commercial or business activity be conducted within the legal subdivision” (hereinafter “commerce clause”); and

WHEREAS,

The Board of Directors has determined that there has been understandable confusion regarding the meaning of the commerce clause and its actual application with regard to covenant enforcement; and

WHEREAS,

The Board of Directors recognizes that the original intent of the commerce clause was intended to prevent land use which would result in clients or customers coming into the subdivision for the commercial gain of the Owner; and

WHEREAS,

The Board of Directors desires to make its standard(s) for enforcement of the covenants known;

## Now, Therefore, Let It Be Resolved:

~~1. The Board will consider the following activities to be ALLOWED, so long as these activities result in neither customers nor clients coming to the subdivision for the purpose of business transactions:-~~

~~(a) remote work, telecommuting, working from home-~~

~~(b) producing, building, or making goods for sale at a location outside of the subdivision or online, provided that the activity does not create a nuisance as defined in the covenants-~~

~~(c) long term rental of an entire lot, so long as:~~

- ~~i. there is a written lease with a lease term of more than thirty days, but no more than a year, with renewals for no more than one year per renewal~~
- ~~ii. lessee does not use the leased property in a way contrary to the peace and enjoyment of the neighborhood, nor in any way that violates the covenants~~
- ~~iii. a copy of the fully executed lease, along with the contact information for leaseholders, is provided to the ULWSA Secretary prior to lease execution~~
- ~~iv. lease renewals must be approved by the Board~~

~~(d) business activity, commerce, or transactions between Owners in the Association, regardless of location or type~~

2. The Board will consider the following activities to be PROHIBITED and a VIOLATION OF THE COVENANTS and will act to enforce the prohibition:

- (a) Operation of an in-person retail sales business within the subdivision where customers come into the subdivision, exempting traditional weekend yard sales and garage sales
- (b) Offering in-person professional services within the subdivision where clients come into the subdivision to obtain services.
- (c) Any form of guest lodging operation in return for compensation or other forms of short-term rental where the term is fewer than 31 days.
- (d) Any business or commercial activity which results in customers or clients coming into the subdivision for the purpose of conducting business transactions within the subdivision