Coakley Bay Association

Rules and Procedures for Rental Units and Property Managers

1. **Purpose and Authority**. These rules are adopted pursuant to the Coakley Bay Association's governing documents and the U.S. Virgin Islands Condominium Act (28 V.I.C. §918), which grant the Board of Directors authority to regulate the use and occupancy of units and to protect the health, safety, and welfare of residents. These rules apply to all unit owners who lease or rent their units and to all individuals or entities serving as property managers.

2. **Annual Registration Requirements.**

2.1. **Owner Rental Registration**. All unit owners ("Owner") who rent or lease their units shall register annually with the Association by January 31st. The following shall be submitted:

- Completed **Owner Rental Registry Form** found on the Coakley Bay website.
- Applicable administrative fee:
  - any Owners intending to rent or lease their units on a long-term basis (more than 91 days) shall pay an administrative fee of three hundred dollars ($300.00) **per unit**, per year.
  - any Owners intending to rent or lease on a short-term basis (less than 91 days) shall pay an administrative fee of five hundred dollars ($500.00) **per unit**, per year.
- Proof of active HO-6 insurance policy with at least $300,000 liability coverage which names the Association as additional insured on the policy.
- Copy of valid DLCA business license:
  - General Residential Rental License - for long-term rentals OR
  - Short-Term Rental A or B license - for short-term rentals.
- Copy of current fire safety certificate.

2.2. **Property Manager Registration**. Only approved property managers ("Property Manager") may manage rental units at Coakley Bay. All property managers shall:

- Submit a completed **Property Manager Application Form** found on the Coakley Bay website and acknowledge receipt of Rules and Regulations.
- Submit a current business license.
- Pay a $200 non-refundable annual application fee.
- Sign acknowledgment and agreement to abide by all Coakley Bay rules and procedures.

3. Rental Procedures

3.1. **Term Minimums**. **Short-term rentals are defined as less than 91 days. There shall be a minimum of five (5) nights. Rentals of less than five (5) nights shall be prohibited. The Board reserves the right to review and amend the Term Minimums at any time as deemed necessary to protect the interests of the Association and its members**.

3.2. **Occupancy Limitations**. Maximum occupancy: **4 people** for 2-bedroom units; 6 people for 3- bedroom units (including units converted from three to two bedrooms) **for all rental units**.

3.3. **Occupancy Form**.

- An **Occupancy Questionnaire Form** found on the Coakley Bay website shall be submitted by email for each rental at least 48-hours prior to the last business day before commencement of the rental term.
- A copy of the Lease Agreement shall be included with the Occupancy Form for any long- term rentals.

3.4. **Guest Communication**. Property Managers shall:

- Provide renters with written copies of **Rules for Renters** found on the Coakley Bay website, which shall explicitly state that units are for residential use only and all commercial activities are prohibited.
- Obtain signed acknowledgments from each renter.
- Post a copy of the Rules for Renters in each unit.

3.5. **Pets and Service Animals**. Renters shall not be permitted to have pets on the property. Requests for service animals shall comply with the ADA and shall be pre-approved using the **Service Animal Application** found on the Coakley Bay website.

4. Property Standards and Disclosures.

4.1. **Waste & Environmental Practices**. Owners and Property Managers shall instruct all Renters and cleaning personnel:

- Do not use bleach or ammonia products in units (except in designated laundry areas).
- Do not use garbage disposals.
- Only toilet paper and human waste may be flushed.

4.2. **Trash Disposal**.

- All trash shall be bagged and placed in designated bins with lids.
- Oversized or bulk items shall be taken to Cotton Valley Garbage Station.
- Renters shall be instructed to remove all trash upon departure.

4.3. **Mail and Deliveries**. Property Managers shall inform renters of mail procedures. Coakley Bay staff are not responsible for accessing or distributing mail.

4.4. **Unit Access and Communication**.

- Property Managers shall coordinate contractor/vendor access.
- The office holds emergency access keys only.
- Renters shall contact Property Managers, not Coakley Bay staff, for unit-related issues.

5. **Enforcement Protocol**.

5.1. **Violations**. The following shall constitute a violation of these rules:

- Failure to submit required forms or provide required documentation.
- Failure to follow occupancy, environmental, or disclosure rules.
- Failure to ensure renter compliance.

5.2. **Enforcement Process**.

First Notice: A written notice of the violation shall be issued by the General Manager. The notice shall be sent to the Property Manager (if applicable), and the Unit Owner of record. The notice will identify the specific violation and reference the applicable Governing Document or Rule being violated and request that the violation be corrected immediately. This notice serves as an opportunity to correct the matter without penalty.

Second Notice: If the violation is not corrected within 30 days of the First Notice , a second written notice shall be issued by the General Manager. The notice shall be sent to the Property Manager (if applicable), and the Unit Owner of record. The notice will identify the specific violation that has not yet been corrected. The letter will require the violation must be corrected within 21 days from the date of the Second Notice. Failure to comply may result in a $50 per day fine until the violation has been corrected, and the Property Manager's approval may be revoked.

Third Notice: If after 21 days from the Second Notice the violation has still not been corrected, a third written notice (Final) of the violation shall be issued by the General Manager. The notice shall be sent to the Property Manager (if applicable), and the Unit Owner of record. The letter will notify the owner a $50 PER DAY fine will be assessed to the unit beginning (10) days from the date of the Third Notice. In addition, the Property Manager's approval will be revoked and any future bookings will be voided.

5.3. **Repeated Violations**. For each violation in any calendar year, the Association may take the following Enforcement actions:

- First Violation: Written notice issued to Property Manager and/or Owner.

• Second Violation: Written notice issued and Notice of Suspension upon additional violation sent to Property Manager and/or Owner.
• Third Violation: Property Manager suspended from future bookings.

5.4. **Appeals and Removal**. Suspended Property Managers may appeal to the Board for reinstatement. During any appeal, Owners may self-manage rentals or use another approved Property Manager. Suspended Property Managers may re-apply to be included on the list of approved Property Managers the following year.

5.5. **Immediate Removal**. For serious violations of the rules (including but not limited to: safety violations, illegal activities, unauthorized commercial use, or repeated material breaches of these rules, the Board may suspend Property Managers without prior notice to the Property Manager or Owner.

5.6. **Owners of the Property, Managing their Units**. All enforcement protocols 5.1 through 5.4 apply to owners who are acting as property managers.

6. **Owner Liability and Indemnification**. By renting a unit, Owners accept full responsibility for the actions of their Property Managers, tenants, guests, invitees, and any other persons associated with the rental, and shall ensure compliance with these rules. By renting their unit Owners agree to defend, indemnify, and hold the Association, its officers, directors, employees, and agents harmless from and against any and all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions, and all costs and expenses incurred in connection therewith (including but not limited to reasonable attorney's fees, court costs, and litigation expenses) arising directly or indirectly, in whole or in part, out of or relating to the rental of the unit. Owner acknowledges that enforcement of these rules may include fines, suspension of privileges, or legal action as authorized by the governing documents, and that the Association's exercise of such enforcement rights shall not limit or waive Owner's obligations under this provision.

7. **Notice and Communication**.

7.1. **Routine Notices and Inquiries**. Property Managers and Owners shall direct all routine notices and communications to the Coakley Bay Office Manager via email at: officemanager@coakleybay.org.

7.2. **Emergency Contacts**. In the event of an emergency affecting the unit, common areas, or community safety (e.g., fire, structural damage, medical emergency), contact the Coakley Bay Office by phone at (340) 773-9600. If in-person contact is necessary, visit the office during normal business hours for immediate assistance.

7.3. **Documentation Requirement**. All notices—including requests for inspection access, maintenance coordination, and enforcement responses—should be submitted in writing (email preferred) to ensure proper documentation and timely handling.

7.4. **Change of Contact Information**. Owners and Approved Property Managers shall promptly inform the Association of any changes to their contact information, or other information on the Owner Registration Form so that all notices remain effective and timely.

8. **Acceptance and Agreement**. An Owner's submission of an Owner Rental Registry Form and/or a Property Manager's submission of a Property Manager Application Form shall constitute acknowledgment and acceptance of these rules, including the indemnification obligations set forth herein.