March 2, 1970

To: The members of the Second Home Owners Association

This document contains information which affects the value of your investment and the quality of future life in Reston. It is important. Please read it and return the enclosed questionnaire.

Thank you.

A MESSAGE FROM GULF RESTON, INC. TO ALL RESIDENT MEMBERS OF THE SECOND HOME OWNERS ASSOCIATION

POSITION ON CONSOLIDATION OF THE HOME OWNERS ASSOCIATIONS

Recently Gulf Reston, as a member of both Home Owners Associations, initiated a move to consolidate them into one new Reston-wide Home Owners Association. Although this was done in the belief that consolidation is best for Reston's future, we have been led to believe that the subject of consolidation has generated sincere opposition by some residents in the Hunters Woods community.

We, therefore, propose to do the fairest thing we can do and still fulfill our responsibility to develop Reston as a single and well coordinated New Town. We intend in the following material

(1) to put before you the reasons why we feel that consolidation is in the best interests of present and future citizens;

and

(2) to outline what these reasons will require us to do in the event that consolidation does not occur.

Thereafter we will ask the full resident membership of SHOA to choose for themselves, before Gulf Reston takes any further steps. We will honor the residents' choice.
BACKGROUND

Some brief history may help you to place your decision in context. The concept of the covenant-based Home Owners Association was adopted by Reston's original developers as a means whereby Restonians could participate in and eventually control the care and improvement of open space and the choice and design of those facilities and programs which they wanted and would be willing to support. The structure of the Associations was created so that during the initial ten to fifteen years of growth, Restonians could gain experience in doing this complicated and important work, while at the same time permitting the original developer to retain the control needed to implement the Master Plan and to protect its investment.

In the early years two Home Owners Associations were established because it was feared that the Lake Anne concept might fail. If it had failed, and there had been only one Association, the Hunters Woods residents might have had to pay for the care of all common lands, pools, courts, etc., including those in the Lake Anne area. Reston is the only New Town in existence in which a multi-association structure was established. Fortunately, Lake Anne has not failed, and that reason for the existence of the two Associations no longer exists.

After they were established, both Associations operated for several years with minimal citizen participation because there were relatively few residents, and relatively little work for them to do.

Not long ago it became apparent to the new developer, Gulf Reston, Inc., that the needs of the expanding population required a considerable increase in HOA activity. It was decided that citizens should participate in this expanded activity, even though the original developer's plans did not envision such an early opportunity. Accordingly, during the last year an Executive Director was hired from among the citizens and six resident members were elected to the HOA Boards of Directors by the vote of resident members only; the developer did not exercise its votes until after the resident Board members were elected.

The results to date have amply justified these actions. The citizen officials, and the many resident committee members who have helped them, have successfully assumed and borne the HOA responsibilities for land management, fiscal and other administration, recreation programming, and long range planning for future amenities and programs.

It should interest you to know that your resident HOA Board members, officers and committee members have begun and carried on this work almost entirely on their own. We have had to provide them with little other than information and occasional assistance. Even more interesting is the fact that in this respect Reston is truly unique. No other New Town organization has admitted residents to full participation at the HOA Board level, let alone to Association presidency. Other New Towns have expressed great interest in Reston's leadership in this area.
Despite the progress that has been made, however, it is apparent that the multi-association structure can adequately serve only a small population. Within the next few years Reston will double and triple in size. New industries locating in Reston, and relocation of Governmental agencies will expand the population and industrial complex. This growth must be absorbed by the Home Owners Association in a responsible and predictable manner. Without this assurance, the planned growth could not materialize in an orderly manner.

REASONS FOR CONSOLIDATION

We believe that continued growth and responsible citizen participation will be inhibited by the continued existence of more than one Home Owners Association within Reston. The reasons, briefly stated, are these:

1. Reston was conceived, implemented and given legal status by Fairfax County as one entity. The residents can best foster its growth as one entity by giving primary attention to the interests of the community as a whole. The existence of two Home Owners Associations has already begun to foster a pernicious tendency toward the parochialism that paralyzes so many areas around major cities. This is not to say, however, that certain autonomy cannot or should not exist at the village level. The plan of consolidation permits such arrangements, and the report of the citizen task force which is currently at work may well point the way to how such arrangements can be made below the HOA Board level.

2. The multi-association structure is wasteful of scarce resources such as money, time, and, particularly, volunteer labor. The maintenance of dual books, files, and the continual preparation for double meetings are wasteful of the time and labor of staff employees. A single organization can operate with more efficiency and economy.

3. Committee activity will accomplish far more where the work is done on a townwide basis. If several committees work in the same areas of responsibility, such as recreation, property management, budgets, etc., there will be a duplication of effort and an overlapping of responsibility. A great amount of time would have to be devoted to coordination between committees. This loss of time would be most damaging in the next few years, for budgetary constraints will require considerable volunteer work, and volunteers are always pressed for time. Once again, however, the major committees could have sub-committees concerned with smaller village areas.

4. In determining what additional community facilities will be needed for all of Reston, decisions must be based upon continuing examination of the needs of Reston in its entirety, as far as both needs and ability and willingness to pay are concerned. Furthermore, the ability to finance such facilities will be greatly enhanced if there is only one Association. The ability to speak with a common unified voice is important. Negotiations with the County Government, Internal Revenue Service, and banks cannot be effective when conducted by a fractionated organization.
5. It will be far simpler for one Association to assume responsibility for desirable community service functions. For example, the fact that there were two Home Owners Associations raised both legal and tax obstacles which prevented thorough economic analysis of the possible operation of the stable and Colvin Refuse Company.

It must be pointed out that Virginia non-stock corporations cannot participate in joint ventures, and providing services outside of their physical boundaries would jeopardize the tax-exempt status of the Associations. Until these barriers are removed, neither Association can provide community-wide services. Also in areas where it is desirable for the developer to assist the community, the existence of one Home Owners Association makes this legally and financially more feasible.

6. Politically one organization will be able to deal more effectively with the County, State and Federal Governments to make certain that Reston receives maximum benefits from taxes paid, and shares to the greatest extent possible in all available grants, facilities, and community assistance programs.

CONDUCT OF POLL

We believe that Gulf Reston's vote to consolidate the Home Owners Associations would be decisive, but we do not want to force consolidation if a majority of SHOA resident members truly do not want it, or prefer to retain their present community character of individual private homes.

We intend, therefore, to use the enclosed preference sheet to poll the home owner members of Second Home Owners Association. We have elected to conduct this poll by mail so that this information will reach every SHOA member. In addition, we want to provide you with ample time to make a reasoned and well thought out decision.

You can indicate whether or not you approve consolidation of the Home Owners Associations by marking the preference sheet and returning it to us.

If the returns indicate that more than half of the eligible voters (resident members) are opposed to consolidation, we will not cast our votes to implement consolidation at the April meeting of the members. Those preference sheets that are not returned will be counted as favoring consolidation. It is, therefore, important that you indicate your preference.

You should understand, however, that should you decide against consolidation, all property which is not presently subject to the Deed of Dedication of the Second Home Owners Association, that is to say, all property which does not presently belong to SHOA or to Hunters Woods residents free and clear, with the exception of certain areas definitely planned to be conveyed, will be subjected to the Deed of Dedication of the First Home Owners Association which will, in effect, become the Reston Home Owners Association. This applies to all property to be developed in the future, regardless of its location.
Members of the Second Home Owners Association

You should also understand that if the Second Home Owners Association decides to remain apart, it will not become appreciably larger. In addition, in order to protect the tax exempt status of the Associations, SHOA will have to arrange or contract for the continuance of services (property maintenance and management, administrative support, pool and tennis court maintenance and operation) from the assessment and other revenues that it can obtain.

Hunters Woods was intended from the beginning to be an integral part of Reston. We genuinely desire that it remain so, but we also want to honor the wishes of the present residents. We feel that it is only fair, however, to tell you of our intentions before we ask you to make your choice. We have formed these intentions because we feel that, whatever your choice, we cannot responsibly expose thousands of future Restonians, as well as new industry, to the continuation of the divisive and potentially harmful trend which has arisen from the existence of two Home Owners Associations.

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All preference sheets received before March 23, 1970, will be counted in this poll. Please be sure to mail yours in time to reach us before that date. Sheets must be completely filled out in order to be verified against the membership list.
Please fill in the form below and mail to:

Second Home Owners Association
Office of the Executive Director
11404 Washington Plaza
Reston, Virginia 22070

All forms must be received prior to March 23, 1970.

NAME ________________________________
(Please type or print plainly)

ADDRESS ______________________________

☐ FOR CONSOLIDATION
☐ AGAINST CONSOLIDATION

_________________________ (Signature)