

INFORMATION



September 18, 2017

**Board of Directors
Discussion
Architectural Standards Committee
&
Architectural Standards Office
Permits/Fees on Small Projects/Customer Satisfaction**

Background:

The Architectural Standards Committee (ASC) is comprised of a Chairman who is nominated by the committee and is approved by the Board of Directors (BOD). Interested Tahoe Donner Home Owner Association (HOA) Members in good standing can apply to the committee for approval to sit on the committee either as an alternate or seated member. Applicants are vetted by the ASC and forwarded for approval by the BOD.

The authority of the ASC is derived from the recorded Covenants and Restrictions ("C&Rs"), which govern and protect Tahoe Donner. It is the ASC's responsibility to enforce the C&Rs and Architectural Standards (AS) Rules.

Pursuant to the grant of authority contained in the C&Rs, the ASC, by majority vote, and with approval of the Board of Directors and in accordance with Article III, Section 7b, may adopt, amend and repeal AS Rules which interpret or implement the relevant provisions of the C&Rs.

The Architectural Standards Office (ASO) handles plan submittals, collects fees, issues permits and conducts site inspections. The ASO staff also conduct compliance inspections on a regular basis, as well as complaint inspections and property title transfer inspections, prior to the close of escrow on the sale of a property in Tahoe Donner (TD).

There has been wide perception by the TD's HOA Membership that the ASO is punitive, dismissive and overbearing with requirements and fees for property improvement projects. It is the BOD intent to change the perception and ASO rules making HOA Membership interactions "helpful, respectful, informative to anyone interacting with the ASO". In addition, the BOD would like to eliminate/reduce the permit/fee requirements for all "Small Projects/Improvements" that do not change the existing structures footprint, nor encroaches on approved setbacks. "Large projects", such as new buildings and large additions, will continue to require permits/approval by the ASC/ASO. This would include projects needing a variance. New Construction fees will be increased to offset the loss of revenue from "Small Project" fees.

During busy months this would reduce the workload of the ASC/ASO, which in turn will give staff the opportunity to be more responsive to the HOA Membership, with the goal of delivering excellent customer service.



INFORMATION



The elimination of small project fees/permits will incentivize the HOA Membership to improve their respective properties, unencumbered by the current fee/permit schedule. All improvements to any lot or structure shall meet minimum standards of design and material quality consistent with those specified in the C&Rs and AS Rules and in keeping with the level of quality established in Tahoe Donner.

The Architectural Standards Office (ASO) ensures that structures and properties in Tahoe Donner are in harmony with their natural surroundings and benefit the quality of life and property values of association property owners.

Task Force:

The BOD will form an ASC Task Force comprised of TD HOA Membership that has had interaction with the ASC/ASO and/or Members that can make a positive impact moving forward. The information/suggestions derived from the Task Force will be presented to the BOD with representation from the ASC/ASO. This will stimulate more discussion on the subject to improve processes and customer service.

Potential Scenarios:

The elimination of Permits/Fees on minor projects will reduce the revenue collected by the ASO. These impacts will be presented in analytical format, with plausible scenarios to minimize the financial impact to the HOA Membership.

Scenario 1: Eliminate all Minor project fees + specific Major project fees (sheds, decks, ancillary structures, solar, fences) and keep inspection fees for Minor projects and specific Major projects;

Scenario 2: Eliminate all Minor project fees and inspection fees + specific Major project fees (sheds, decks, ancillary structures, solar fences) and inspection fees;

Scenario 3: Eliminate all Minor project fees and specific Major project fees (sheds, decks, ancillary structures, solar, fences, variances)

The following is the current Fee Schedule and ASO Fee Analysis:



ASO FEES ANALYSIS

ASO Revenue	2017		2016	2015
	Actual YTD	Annual Budget	Actual	Actual
ASO fees	\$ 38,960	\$ 57,500	\$ 67,185	\$ 63,110
Inspection fees	\$ 13,050	\$ 30,000	\$ 33,700	\$ 29,905
Fines (AS and C)	\$ 3,583	\$ 6,000	\$ 8,365	\$ 22,350
Interest	\$ 42	\$ 120	\$ 146	\$ 137
Other Revenue	\$ 2,018	\$ 5,880	\$ 9,842	\$ 8,449
Transfer Fees	\$ 41,600	\$ 68,500	\$ -	\$ -
	\$ 99,253	\$ 168,000	\$ 119,238	\$ 123,951

ASO REVENUE: ASO FEES	2017 YTD	2016	2015
Major Project Fees			
New Const,Garage, Additions	\$ 21,250	\$ 39,950	\$ 43,725
Decks, Sheds, Variances, etc	\$ 1,846	\$ 5,595	\$ 3,335
Fences and Solar	\$ 280	\$ 840	\$ 1,135
Minor Projects			
Change to existing misc.	\$ 15,584	\$ 20,800	\$ 16,915
	\$ 38,960	\$ 67,185	\$ 65,110

ASO REVENUE: INSPECTION FEES	2017 YTD	2016	2015
Major Project inspection Fees			
New Const,Garage, Additions	\$ 4,400	\$ 8,500	\$ 8,215
Decks, Sheds, Variances, etc	\$ 2,150	\$ 3,400	\$ 3,335
Fences and Solar	\$ -	\$ 830	\$ 1,135
Minor Project Inspection Fees			
Change to existing misc.	\$ 6,000	\$ 17,075	\$ 14,915
Other Project Inspection Fees			
Maintenance, No Permits, etc.	\$ 525	\$ 3,895	\$ 2,305
	\$ 13,075	\$ 33,700	\$ 29,905

NOTES:

2017 projects within Minor Projects are up due to storm damage with owners resulting in enhance projects. Like for like for storm related damage is \$0 permit.

Major Projects 3 Fee sub categories

- \$850: New Houses, Garages, Multiples, Commercial Buildings, Additions (500SQFT+ and Under 500SQFT)
- \$385: Decks, Sheds, Auxiliary Structures, Variances, and Miscellaneous
- 140: Fences and Solar Panels

Minor Projects: is any project without Neighbor notification

These are change to existing projects with admin fee \$100-125: driveway parking pads, new siding, small deck extensions, window changes, hot tubs, patio pavers, landscaping, etc. There were a total of 175 minor projects in 2016

INFORMATION



NOTES CONT:

Inspection Fees:

Inspection fees are related to the projects including minimum of \$65 site inspection and a \$90 final inspection per project totaling \$155 minimum in project inspection fees. Additional inspection fees are collected if inspections fail either the site inspection or final inspection. There are some Minor projects which do not require \$65 site inspection.

Recent Fee Changes

September 2016 Board of Directors approved the eliminate a set of minor project fees including:

- Front door /Garage door paint/stain changes
- Roof/gutter changes
- Exterior lights updates
- Door changes: garage, front/back/side (without reframing)
- Window changes (without reframing)
- Animal Resistant Garbage Can Enclosures – with the exception of custom built
- Hot tubs placed on/under existing structures
- A/C placed on/under existing structures

Approximate annual impact forecast August 18, 2016 was \$6,000 less revenue on an annual basis.

Links:

Tahoe Donner CC&R's

http://www.tahoedonner.com/wp-content/uploads/2017/08/CCRs_Governing-Docs_Original.pdf

Tahoe Donner CC&R's (Draft)

<http://www.tahoedonner.com/wp-content/uploads/2017/08/CCRs-Member-Draft-1-24-2017.pdf>

ASC Rules:

<http://www.tahoedonner.com/wp-content/uploads/2016/07/ASC-Rules-2016-06-24.pdf>

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Board Meeting Date: September 23, 2017

