

DECISION PAPER

June 14, 2018

Issue:

There is an identified need to amend and create new Covenants Private Property rules.

45-day member notification of the Board of Directors' consideration for action on rules is required under C&R Article III, Section 7.

Background:

Tahoe Donner homeowners value the peace, quiet, outdoor lifestyle and amenities that Tahoe Donner offers. Enjoying all these benefits with family and friends, and engaging in healthy activities are primary reasons that many purchase their homes, whether as a primary residence or a second home get-away and retreat.

In recent years, many members have expressed a growing sense that their Tahoe Donner quality of life is becoming affected by increasing "nuisance" activities. They report these activities and behaviors interfere with the quiet and peaceful enjoyment of their homes.

Many members approached the Board of Directors and staff over the last year expressing their concerns, and complaints to staff regarding nuisance activities increased significantly. Additionally, staff report an increase in nuisance related complaints from the membership.

Staff, the Covenants Committee and the Short-Term Task Force have all reviewed and discussed the nature of the complaints as applicable to existing Tahoe Donner rules and have zeroed in on behavioral nuisance problems as the root of general member feeling of reduced neighborhood enjoyment. The sub-categories within nuisance or noxious identified were items like are excess noise and light pollution, particularly after 10:00 pm, parking, trash left out or placed in neighbors' containers, camping on residential lots, speeding and amenity over-crowding.

Some of this type of behavior comes from lack of education for the owner and family, guest, and renter. Management has increased education outreach along with increased enforcement staffing to include 7-days a week and after-hours shifts on Friday through Sundays and holidays.

There is the fact that many of the identified nuisance related complaints were not supported by regulations was confusing to members and hindrance for enforcement when complained





upon. Many people assumed "courtesy" recommendations like light pollution and quiet hours were rules, when in fact they are unenforceable good neighbor suggestions.

The Task Force and staff determined that clearer "noxious activity" rules, particularly regarding noise, lights and commercial activity, are needed to ensure that everyone is aware of the specific prohibited activity, and to make enforcement easier for that reason.

The Task Force provided their work to date on their charges to the Board of Directors at the April 24, 2018 board meeting which included making recommendations to adopt more specific and definite rules regarding nuisance activity, particularly noise, lights and commercial activity, which would apply to all residents, homeowners and renters alike.

The Board of Directors was generally supportive of the direction being recommended and as such tasked staff to work with the Task Force leader, Covenants Committee chairman and legal counsel to come back to the board at the May 26, 2018 Board of Directors meeting, with a more formalized draft of recommended rules for the Board to consider going out for 45-day member notification. This in accordance with TDA Covenants and Restrictions Article III, Section 7,

- (a) The Board may, from time to time and subject to the provisions of this Declaration, propose, enact and amend rules and regulations of general application to the Owners of Separate Interests within the Properties ("Association Rules")...
- (b) "Association Rules may be adopted or amended from time to time by the Board...no Association Rule shall be adopted until the proposed rule or amendment thereof has been published to the Members at least 45 days prior to the date when the Board is scheduled to act of the proposal."

A draft was brought before the Board of Directors at the May 26, 2018. Additional edits to the draft were identified at the time of the meeting, which the Board directed staff to lead further incorporation of the Covenants Committee's recommendations and additional refinement.

Attached for review and discussion please find Draft 45 Day Member Notifications for Covenants New and Amended Private Property Rules.

The proposed rules will go out to the 45-day member notification in the July Tahoe Donner News followed with the Board of Directors consideration and action at the August Board of Directors meeting.



Options:

Option 1: Take no action;

Option 2: Take board guidance on current draft rules and bring back to the board for 45-day member notification at the July 2018 board meeting;

Option 3: Consider approving for 45-day member notification as presented;

Option 4: Consider approving for 45-day member notification with modifications

Recommendations:

The Short-term Task Force, the Covenants Committee and management are requesting the Board of Directors consider Option 3: Consider approving for 45-day member notification as presented

Prepared By: Annie Rosenfeld, Director of Risk Management and	Real Property
General Manager Approval to put on Agenda:	Date:



TAHOE DONNER ASSOCIATION

Architectural Standards Office 11509 Northwoods Blvd Truckee, CA 96161 (530) 587-9407 Fax (530) 587-9427 e-mail aso@tahoedonner.com



2018 Draft Fee Schedule

The administrative fee, the site and final inspection fees are due upon plan submittal.

The deposit must be paid prior to permit issuance and is refundable upon final approval.

Site

Final

Admin.

Major Projects	Fees	Insp.	Insp.	Deposit	Total
New Houses, Multiples, &		-	-	-	
Commercial Buildings, Additions (over 500sqft), Garages w/ Addition	\$1,020	\$90	\$90*	\$3,000**	\$4,200
Extension Fee (6-Month): "MAJOR" project 1st Ex	tension fee is \$500.	2nd Extension :	fee is \$1.000 (app	roval by ASC).	
	,			,	
Minor Projects (with Neighbor Notific	ation)				
Garages, Additions (under 500sqft),					
Decks, Sheds, Auxiliary Structures, Variances, & Miscellaneous	\$465	\$90	\$90	\$500	\$1,145
Fences, Solar Panels	\$170	\$90 if required	\$90	\$100	\$360-\$450
Minor Projects (without Neighbor Not	tification)				
Change to Existing***	\$120-\$150	\$90 if required	\$90	\$100	\$310-\$430

Extension Fee (6-Month): "MINOR" project 1st Extension fee is \$100, 2nd Extension fee is \$250-500 (approval by ASC).

Maintenance Projects

ARGCE, Paint/Stain, Roof, Gutters, AC/Generator & Hot Tub (on existing surface), Window & Door (without reframing), & Exterior Light Changes.

Applications are required to be submitted for review and approval prior to installation

Multiple Family Units

Condominium or Apartment:

- \$90 final inspection fee for each unit.
- ** \$3,000 deposit for the initial unit, add \$1,500 for each additional unit.

Commercial

Commercial Structure:

** Based on structure up to a maximum of 3,000 sqft. Deposit is \$4,000 for 3,001-4,999 sqft & \$5,000 for structures 5,000 sqft and larger.
Commercial sign review (per sign) \$145

Minor Projects

*** Projects include: Driveway parking pads, new siding, small deck extensions, window size changes, hot tubs (w/new pad), patio pavers, landscaping and paved walkways etc. An administrative fee of \$150 may be assessed for no-permit applications.

Miscellaneous

Additional Site Inspection Fee	\$90
Additional Final Inspection Fee	\$90
Miscellaneous Inspection Fee	
Plan Printing	
Variance Fee	

Effective 01/XX/2018

\$0





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2017 Fee Schedule

The administrative fee, the site and final inspection fees are due upon plan submittal. The deposit must be paid prior to permit issuance and is refundable upon final approval.

Major Projects	Admin. Fees	Site Insp.	Final Insp.	Deposit	Total
New Houses, Garages, Multiples,		•	•	•	
Commercial Buildings, &					
Additions (500sqft and larger)	\$850	\$65	\$90*	\$3,000**	\$4,005
Additions (under 500sqft)	\$850	\$65	\$90	\$750	\$1,755
Decks, Sheds, Auxiliary Structures,					
Variances, & Miscellaneous	\$385	\$65	\$90	\$500	\$1,040
Fences	\$140	\$65	\$90	\$100	\$395
Solar Panels	\$140	\$65 if required	\$90	\$100	\$330-\$395
Extension Fee (6-Month): These projects are co	onsidered "MAJ	OR" 1st Extens	sion fee is \$500	2nd Extension fee	is \$1,000 (approval by ASC)
Minor Projects (without Neighbor No	otification)				
Change to Existing***	\$100-\$125	\$65 if required	\$90	\$100	\$290-\$380

Extension Fee (6-Month): These projects are considered "MINOR" 1st Extension fee is \$100 2nd Extension fee is \$250-500 (approval by ASC)

Maintenance Projects

ARGCE, Paint/Stain, Roof, Gutters, AC, Hot Tub (on existing surface), Window & Door (without reframing), & Exterior Light Changes.

Applications are required to be submitted for review and approval prior to installation. If completion photos are not submitted prior to permit expiration, an extension (with fee) will be required.

\$0

Multiple Family Units:

Condominium or Apartment:

- \$90 final inspection fee for each unit.
- ** \$3,000 deposit for the initial unit, add \$1,500 for each additional unit.

Commercial:

Commercial Structure:

** Based on structure up to a maximum of 3,000 sqft. Deposit is \$4,000 for 3,001-4,999 sqft & \$5,000 for structures 5,000 sqft and larger.
Commercial sign review (per sign)
\$120

Minor Projects:

*** Projects include: Driveway parking pads, new siding, small deck extensions, window size changes, hot tubs (w/new pad), patio pavers, landscaping and paved walkways etc. An administrative fee of \$125 may be assessed for no-permit applications.

Miscellaneous:

Additional Site Inspection Fee	\$65
Additional Final Inspection Fee	\$90
Miscellaneous Inspection Fee	\$65
Plan Printing	\$3/plan
Variance Fee	\$2/lottor

Effective 01/01/2017





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2018 Draft Fee Schedule and Worksheet for Multiple Unit

A	Administration fee	\$1020
(One site inspection	\$90
	One unit final inspect	
F	For unit 2 - add \$90	
F	For unit 3 - add \$90	
F	For unit 4 - add \$90	
F	For unit 5 - add \$90	
F	For unit 6 - add \$90	
F	For unit 7 - add \$90	
F	For unit 8 - add \$90	
	Tota1	
Depos	sit	
	For unit 1	
F	For unit 2 - add \$1,500	
F	For unit 3 - add \$1,500	
F	For unit 4 - add \$1,500	
F	For unit 5 - add \$1,500	
F	For unit 6 - add \$1,500	
F	For unit 7 - add \$1,500	
	For unit 8 - add \$1,500	
	Total	
	Administration fee	\$1020
	Inspection fee total	
	Deposit total	
	Project total	

Extension Fee (6-Month): Multi Unit Projects are considered "MAJOR"

1st Extension fee is \$500 for 6 months

2nd Extension fee is \$1,000 (approval by ASC)

Rev 01/XX/2018





Prepared By: Sheryl Walker		
General Manager Approval to put on Agenda:	Date:	

DRAFT

45 DAY NOTICE

COVENANTS NEW AND AMENDED PRIVATE PROPERTY RULES

New and amended Covenants rules will be considered for action by the Board of Directors. The Board of Directors is expected to take action to adopt these rules, as they are presented here or with some modification, at its August meeting, currently scheduled for Saturday, August XX, 2018. The board welcomes any input you may wish to offer regarding this process.

Proposed Covenants Private Property New Rules Recommendations:

Noise: The hours between 10:00 p.m. and 7:00 a.m., seven days a week are considered quiet hours, during which noise shall be minimized in order that it not be an unreasonable annoyance or nuisance to neighbors. Noise includes but is not limited to outdoor music, late-night partying, amplified or motorized sounds. A noise violation does not also have to be a violation of a noise ordinance in the Town of Truckee or Nevada County.

Light Pollution: All exterior lights must be turned off between the hours of 10:00 p.m. and 7:00 a.m., seven days a week that are no longer needed for safety or other outdoor use. Any exterior lights that are used or may come on between the hours of 10:00 p.m. and 7:00 a.m. shall be required to shine downward and not project beyond the boundaries of the Owner's Lot, and shall not interfere with the reasonable enjoyment of another's Lot. All exterior lights must comply with Architectural Standards adopted by TDA, including the requirements that exterior lights be covered and project downward, and applicable requirements for timers and motion detectors for exterior lights. Exterior light fixture standards shall be enforced by the Architectural Standards Committee.

Proposed Covenants Private Property Rules Amendment Recommendations:

(Black text indicates existing rule; red text indicates proposed amendment)

Business Activity: No business or commercial activities of any kind, including renting or leasing, shall be conducted in any Residence, Condominium or outbuilding or any other portion of any residential or multiple family residential lot if those activities involve any of the following (C&RS Article VIII, Section 1,f):

- 1. Exterior advertising
- 2. Increased traffic or parking
- 3. More than an insignificant number of deliveries of goods or other commercial materials
- 4. Visible storage of goods or other commercial materials
- 5. Excessive noise

In addition to activities prohibited pursuant to the above criteria, the property may not be rented for any purpose other than residential use, including without limitation weddings, civil unions, receptions, corporate events, conferences and large commercial parties. This prohibition is set forth to ensure the use of properties is in keeping with the residential nature of the community.



DECISION PAPER

June 14, 2018

Issue:

There is an identified need to amend and create new Covenants Short-Term Rental rules and fine schedule.

45-day member notification of the Board of Directors' consideration for action on rules is required under C&R Article III, Section 7.

Background:

The Short-Term Rental Task Force, management, and legal counsel were tasked by the Board of Directors to prepare an initial draft of Short-Term Rental rules, enforcement procedures, and fine schedule after the Board of Directors received the Short-Term Rental Task Force presentation and recommendations at the April 24, 2018 Board of Directors meeting.

An initial draft of proposed Short-Term Rental rules, enforcement and fine schedule based on STR task force recommendations, staff input and legal counsel was drafted for initial Board of Directors review at the May 26, 2018 Board of Directors meeting.

The Board of Directors was generally supportive of the direction the initial draft rules were taking. The Board of Directors directed staff to coordinate further drafting of the rules by incorporating the Covenants Committee's comments and recommendations, and other clarification improvements as identified. Further direction included bringing the draft rules and fine schedule back to the Board of Directors at the June 22, 2018 Board meeting. At which time the draft would be considered for 45-day member notification. In accordance with TDA Covenants and Restrictions Article III, Section 7

Clarification edits to the rules and fine schedule were made early June at which point the draft was provided to the entire Covenants Committee for review, discussion and recommendations at their June 14, 2018 meeting. The Committee voted unanimously consensus to recommend the draft rules with a few minor edits.

Additionally, the Committee members suggested implementation of an annual registration fee for the short-term rental registration to address the additional administrative and monitoring costs associated with short-term rentals in Tahoe Donner. At the time the Committee suggested a minimum of \$100-150; however, they felt they didn't have enough information to formalize an amount. They requested staff to quantify the expense along with





a benchmark of what other homeowner associations are charging with the hope that the annual registration fee could be included in the 45-day member notification.

Attached for review and discussion please find Draft 45-day Member Notifications for Covenants New Short-Term Rental Rules and Fine Schedule.

The proposed rules will go out to the 45-day member notification in the July Tahoe Donner News followed with the Board of Directors consideration and action at the August Board of Directors meeting.

Options:

Option 1: Take no action;

Option 2: Take board guidance on current draft rules and bring back to the board for 45-day member notification at the July 2018 board meeting;

Option 3: Consider approving for 45-day member notification as presented;

Option 4: Consider approving for 45-day member notification with modifications including a proposed annual registration fee.

Recommendations:

The Short-term Task Force, the Covenants Committee and management are requesting the Board of Directors consider Option 4: Consider approving for 45-day member notification with modifications including a proposed annual registration fee.

Prepared By: Annie Rosenfeld, Director of Risk Managen	ment and Real Property
General Manager Approval to put on Agenda:	Date:

DRAFT

45 DAY NOTICE

NEW COVENANTS SHORT-TERM RENTAL RULES AND FINE SCHEDULE

New Covenants rules will be considered for action by the Board of Directors. The Board of Directors is expected to take action to adopt these rules, as they are presented here or with some modification, at its August meeting, currently scheduled for Saturday, August XX, 2018. The board welcomes any input you may wish to offer regarding this process.

<u>Proposed Covenants New Rules and Fine Schedule Recommendations Concerning Short-Term</u> Rentals:

These Rules will be known as and referred as under a new Covenants Rules section **Short-Term Rentals**.

Short-Term Rentals: Short-term rentals ("STRs") are residential properties offered for rent or lease for one or more terms of less than thirty-one (31) continuous nights.

Short-Term Rental Registration: All Owners of STRs within the Tahoe Donner Association must register with the TDA administrative office to operate a short-term rental property within the Tahoe Donner Community. Disclosure of total number of bedrooms (as historically disclosed in rental advertisement) is required. An Owner must register within 30 days of commencing short-term renting or within 30 days of the effective date of these STR Rules. To register, an Owner must provide evidence of a current compliance certificate issued under the Town of Truckee Transient Occupancy Tax program.

Real-Time Contact: As a condition of registration, the Owner must provide, among other details to be specified in the Registration, contact information for a live person, having authority to address the issue at the property, who is available to respond 24 hours a day/7days a week within 30 minutes of being notified of any complaint of a violation(s) of TDA rules ("Contact Person").

Complaint Response: Within 30 minutes of notice by TDA regarding a complaint at an STR, the Contact Person must respond back to TDA. Within 60 minutes of contact by TDA regarding a complaint, the Contact Person must respond at the property in person or by telephone to the property and shall attempt to cure the cause for the complaint.

Compliance and Notification: All Owners, renters, and vacation renters must comply with all provisions in the TDA Governing Documents and rules including provisions which prohibit "nuisance" behavior and set forth rules concerning vehicles, trailers, motorhomes, camping, parking and use of Common Area. (C&R Article VIII)

Owners must provide a list of applicable Tahoe Donner rules, made available by TDA and posted on www.tahoedonner.com, to renters at the time of their booking and advise them of the obligation to follow the rules. A copy of the rules should be available in the residence. It is

required the Owner obtain an acknowledgement from the renter that they have reviewed the rules and agree to comply with them. (C&R Article II, Section 3(a))

Occupancy: When functioning as an STR, no home may be (i) advertised to house or (ii) occupied by more than two (2) people per bedroom plus four (4) additional people total TDA may take disciplinary action on any owner who knowingly supplies false information.

Parking: The number of vehicles shall not exceed the number set forth in the Governing Documents which limits parking to garages and in the driveway of the property. There is no parking on unpaved areas of Lots;

Short-Term Rental Violation Enforcement and Fine Schedule

In the event TDA determines that a potential violation of these STR Rules or any other Association Rules as it relates to a STR, has occurred, the owner will receive a Notice of Hearing as provided in the Rules Enforcement Procedures. In such event if a violation is found, TDA may impose one or more of the following disciplines:

- a. For a first violation impose a fine of up to five hundred dollars (\$500) and take appropriate action to collect the fine(s);
- b. For each subsequent violation impose a fine which increase by five hundred dollars (\$500) per occurrence and take appropriate action to collect the fine(s), i.e. 2nd violation one thousand dollars (\$1,000), 3rd Violation one thousand five hundred dollars \$1,500, etc. all occurring within a one-year period from the first hearing;
- c. Fines may be assessed, per incident, on a daily, weekly, or monthly basis according to the nature and severity of the infraction and at the discretion of the Covenants Committee;
- d. Suspend the right of the Owner or STR renter to use common areas or common facilities (except for ingress and egress to the property);
- e. Impose a special individual assessment against the Owner for costs incurred by TDA (including sums paid to contractors, attorneys and/or others) to repair damage and/or cure a violation of these STR Rules and to collect any unpaid fines;
- g. The Board of Directors reserves the right and is empowered to limit an Owner's right to rent his/her property as an STR, including but not limited to, limiting the number of nights/days a property may be rented, leased or used by other than the Owner within a specified time period, including temporarily suspending the right to rent, lease or allow use by others than the Owner, based on the particular circumstances.

TDA will notify all TDA Owners that these Rules are in effect. The notice will include a recommendation that each Owner owning a rental property within the Tahoe Donner Association should include with terms of their STR rental agreement that any fines may be passed along to the renter. It will also recommend that each STR rental agreement should include a deposit to cover any possible fines that may arise. Additionally, the Association recommends a hardline telephone is installed at the property for safety purposes and to ensure compliance with above stated response rule.