

August 17, 2018 10:00 p.m.

#### MEMBER COMMENTS:

# PROPOSED NEW SHORT TERM RENTAL RULES AND ENFORCEMENT PROCEDURES PROPOSED NEW AND AMENDED PRIVATE PROPERTY RULES August 17, 2018

Below are comments sent in for the 45-day member notification and comment period for the proposed new Short-Term Rental Rules and Enforcement Procedures, and new and amended Private Property Rules. Comments were received August 17, 2018. A total of 17 comments were received. Names, addresses and email addresses were redacted with exception to petition, see below.

I would like to begin by stating that my wife and I love Tahoe Donner and all the amazing facilities it offers. Unfortunately, we do not have the luxury of being able to live in TD full-time, but we try to spend as much time on the hill as we can. Because of this, and because we did not purchase our home to be a remote investment property, we rely on short term rental (STR) of our property to keep our dream alive.

With this perspective, I would like to register my strong objection to the new short-term rental (STR) rules as currently proposed for the Aug 18, 2018, board hearing. My primary objects are:

- 1. These new rules appear to discriminate against the class of TD owners who engage in short-term rentals. For example, by singling out STR owners only, the implication is that long-term renters (LTR) or on-hill residents do not need to adhere to parking limits or respond to complaints in a timely manner should they or their guests exhibit nuisance behavior. Why do LTR owners not need to obtain acknowledgment from renters of compliance with TD rules, or conform to occupancy limits? Why should only STR owners be fined for violation of TD rules? If the argument is that these rules are less applicable to other classes of owners then it should not be an issue to apply them to all owners and renters uniformly. Ideally, we would start from an inclusive stance that all owners must comply with TD rules and that we are all responsible for ensuring that any renters and guests also comply with the same rules.
- 2. The reason for these new rules is not explained or justified, making it impossible to assess how reasonable they are. For example, what is driving these proposed changes and how are each of the individual rules going to fix these issues? Why should there be an





additional annual fee levied against STR owners and what will this money be used for? Given that these rules imply a significant financial burden on STR owners (e.g., in order to maintain a 30-minute response 24/7 support system) those affected should be informed of the underlying problem, it's scale and prevalence, and should have a say in the specific solutions that are adopted.

Thank you for your time considering my feedback. I am very supportive of keeping TD a safe and happy community, however, these new rules seem to be overreaching and inequitable in their current form and I urge the board to not adopt them.

I am writing in strong support of Board approval of the new and amended Covenants Private Property Rules and the Covenant Short-Term Rental and Enforcement Procedures to be discussed at the Aug 18 Board Meeting. These are common sense protections for all Tahoe Donner members.

# MY COMMENTS FOR-- 45-DAY NOTICE: PROPOSED NEW COVENANTS SHORT-TERM RENTAL RULES AND FINE SCHEDULE

The "new" rules are un-needed and repeat what is already laid out in the CCRs -- which makes sense since short term rentals have been around since Tahoe Donner was formed.

We all expect owners and lessees to adhere to Tahoe Donner HOA rules and there is an existing framework to handle when this does not happen. While there maybe a handful of homes causing periodic nuisances -- the remedy is already outlined in the CCRs.

It seems like the current crack down is lead by a small minority of full time residents who moved into Tahoe Donner knowing many houses were leased on a short term basis and would now would like to change this so they can enjoy the amenities and streets for themselves (with the infrastructure subsidized by their neighbors who don't live there full time).

-- Requiring owners to stay up all night and be on call 24/7 is not needed. Truckee police should be called when laws are being violated. Tahoe Donner HOA remedies have a documented process to follow. The way this has been proposed is ripe for abuse by over zealous bad faith complainants.



- -- Having fines specific to STRs (instead of applying to all homes) isn't acceptable. If non STRs would like to increase the fines, this is okay -- but they increased fines should apply to all homes consistently. I have kept the fine schedule as proposed below, but it is possible the owners asking for this would reduce the fines if they also applied to them (feel free to adjust).
- -- STRs should not pay additional registration fees. All complaints should all be handled via the same processes. The office should have a list of all homeowner contact information. I haven't seen evidence that shows the complaint rate on STRs is higher than non-STRs. Short term leasees themselves are already supplementing the amenities for full time residents (even more so after the 2018 amenity fee increase). What's next, should STR's pay twice as much in HOA fees?
- -- The "land line" suggested requirement is nonsensical. The owner would not be in the house if a STR complaint was being made and land lines are not more dependable that land lines, especially in Tahoe Donner.

Because the majority of this is covered within the existing rules, I would simplify this to an informational post -- which I did a first draft of below.

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Tahoe Donner is occupied with a combination of 2nd home owners, full time home owners, short term lease visitors and long term lease renters. Please note:

- When leasing a property (both short and long term) owners must provide a list of applicable Tahoe Donner rules and have any lessee acknowledge the rules as part of the lease terms. [Article 2, Section 3A of the CCRs]
- All owners and leasees must obey the existing rules and regulations, including provisions which prohibit "nuisance" behavior. Owner are responsible for the fines and other potential consequences of their leasee's behavior. [Article 2, Section 3B of the CCRs]
- To report a complaint, please see the <u>Covenants Complaints and Enforcement</u> (http://www.tahoedonner.com/covenants-complaints-and-enforcement/).
- In the event of a potential violation of the rules, the owner will receive a Notice of Hearing as provided in the Rules Enforcement Procedures. [Article 2, Section 3C of the CCRs]
- In the event a violation is found, TDA Board has the ability to assign fines and other disciplinary action. As of 8/2018 the Board plans to enforce nuisance fines as below,



although it retains the right to adjust fines up or down as it deemed appropriate. [Article 2, Section 3C of the CCRs].

a. First violation -- a fine of five hundred dollars (\$500)

b. Subsequent violations - occurring within a one-year period from the first hearing - a fine which increase by \$500 per occurrence (e.g. 3rd violation would be \$1500).

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I have lived in Tahoe Donner part-time from the year 2000 through 2007, and full-time since then. I have never done, and I don't plan to do, any short-term rentals, but as a full-time resident who is affected by what goes on around me, I submit the following comments.

The proposal to require a 30-minute response person, and to respond to any complaint within 30 minutes, is not reasonable. I work part time in Reno as an attorney, and part time at Northstar as a snowboard instructor. When I am at work at either job, I could not respond to a complaint within 30 minutes. My only alternative would be to engage a professional on-site property manager. The cynic in me wonders if there's a professional property manager behind this rule who would benefit from it, but even if this is not so, it is not reasonable to impose such a requirement on a property owner.

While this requirement would not affect me directly in that I don't do short-term rentals, it would affect my fellow property owners, and I object strenuously to it. I do not want my Association imposing this kind of rule on my neighbors.

Moreover, even though the rule at present would only apply to short-term rentals, once we start down this road it's only a question of time until it is extended to all rentals and even to house guests.

Indeed, I have to wonder how a weekend house guest is to be distinguished from a short-term renter. What if my house guest gives me a bottle of wine or a gift certificate to a local restaurant, or invites me to stay at their house in return for their staying here with me (various ones of my house guests have done each of these things)? Does this consideration make them into short-term renters? This rule could easily put me in the position of either having to hire a property manager or never having house guests; neither alternative is acceptable.

I think the requirements in our existing CC&Rs are sufficient, and I oppose this rule. I urge the Board not to adopt it.



Thank you so much for your consideration of changes to the rules regarding short term rentals. Recently my next door neighbor has begun renting their house through an online service. It has greatly impacted my family's ability to enjoy our own house. The renters have been very loud and disruptive. Music blaring, late night parties, lots of cars, and zero consideration for surrounding properties. It is extremely upsetting to feel like you cannot comfortably be in your own home because of the short term renters next door. While for each of the groups of renters it is a single weekend of partying, for us it ends up being weekend after weekend of extreme noise.

I appreciate your efforts to address these types of problems in the TD community. I think that defining quiet times, requiring owner response, and instituting a fee are all reasonable solutions. I would appreciate being able to report violations without being directed to the Truckee police. I understand that the police offer an "official" record of the violation, but it doesn't seem appropriate to require police intervention for most STR violations.

Again, thank you for focusing on the issues of STRs within our community. I love living in Tahoe Donner and want to preserve what makes it such a special place.

I am in support of this plan! In July, I was woken up in the middle of the night by loud, drunk, short-term renters who arrived at my next-door neighbor's house after 10:30PM and stayed up partying on their deck until 3:30 AM. I appreciate the association taking on this difficult problem to keep Tahoe Donner a beautiful mountain community.

As part of this plan, please make it clear how homeowners are supposed to report complaints. Today it is not clear what process we should follow at 3:30AM.

Thank you for sharing the proposed changes to the STR and private property rules that are being discussed at the August 18 board meeting. For the most part, they seem reasonable and common sense. The one that I think is problematic is the 30 minute owner response window for all complaints. I would certainly make every effort to respond as quickly as possible, but it seems unreasonable and arbitrary to require a response within 30 minutes. There may be times that I am not in cell phone range or traveling in which I can't respond within 30 minutes, and it seems excessive that I would be fined \$500 for not being able to be reached that quickly. Thirty minutes is too short of a window in which to respond.

Please vote no on the proposed change, this proposed change does not go far enough. For all the work put in by STR committee it is disappointing the changes can be summed up by only 3 poorly written, and weak new rules, written by a investor lobby with a financial





conflict of interest. These new rules will only serve to encourage more investors to transform and degrade TD.

The most important element the BOD must address, is the existing covenant that a residential business must have no increase in traffic or parking. This rule is completely undefined ,unmonitored ,and unenforced. This is the core issue to address concerning the many STR problem properties.

The Board must decide at what level of STR usage constitutes a level of increased traffic or parking. This could be done by restricting the number of renters at any single time, restricting the number of rental days, or a combination of both with a annual user day allotment. Anything more then 12 renters at a single time is too impactful for the neighboring properties, and is asking for trouble in the form of noise, traffic or parking.

A bedroom should be defined as a sleeping room with walls, a door, a closet, and fire egress

For the Board members that think this is a starting point and we can add on later. Please get its right the first time. The board will not want to address this issue again.

The \$150 permit fee is far to low considering the amount of resources TD has already devoted to this issue, and the future cost for monitoring. For comparison the TD fee to build a house is \$4200

TD streets are owned by the Town. TD has no control over street parking. Renters will use evasive measures by just parking 2 doors away

The language of "residential use only" is far to broad, and impossible to monitor or enforce.

For those concerned about creating a separate category for STR. Yes absolutely there should be a separate catagory due to high frequency usage and turnover, large rental group size, and a party type atmosphere STR rental groups bring.

TD is being changed from a place where people live with a active family based community. Into a mass of out of town investors that own mini motel party houses.

1. Quiet hours should be from 9 pm to 8 am. Many people go to bed at 9; and 7 am is too early to have construction noise such as drills, etc 2We already have rules in place. No lights is unreasonable, esp if Member is elderly or lives



alone. A Burglar could already be too close to entrance by the time the sensor activates. 3 I've discontinued renting my home 19 years ago. However I feel you will make it much too difficult for those members that do want to rent.

- 4. Shame on you for proposing so many penalties and fines. Your wasting too much time on that. Why don't you do something nice for members such as making internet available???, charging less at the Lodge, etc
- 5. Members pay more and get less, but that did not have to be the case! I don't approve how you spend my money . Who do you think we are! This is not Beverly Hills! I would not have approved buying more land, spending too much on golf course, etc and etc.

I speak to other members and guess what. They do not approve of what the Board is doing, they are not happy with the Home Owners Ass. I do not stand alone.

As another TD homeowner I wanted to mention that I am puzzled by the \$150 annual fee, which seems arbitrary and exorbitant. I conclude with \_\_\_\_\_that a nominal fee of \$10-15 seems much more reasonable.

We have owned our 2nd home on Hillside Drive since 2010 and have been successfully renting our home through Tahoe Luxury Properties for the past 6 years (with almost no problems with well over 100 sets of renters over that time period). Similar to many homeowners, we rely on rental income to offset the costs of ownership. If not for the ability to rent well, we would likely need to sell our Tahoe Donner home.

I have read other emails and letters from other Tahoe Luxury Propery homeowners and agree with a lot of their points. A lot of the provisions and fines as currently proposed seem quite draconian and may in fact have undesired effects (including safety issues). For example, our management company leaves the front lights on for the arrival of the renters. However, sometimes due to unforeseen circumstances, the renters don't arrive until well after 10 pm (due to weather or issues on I-80). Arriving without the assistance of front lighting can be hazardous or even dangerous since the renters are not familiar with the property and can be exposed to hazards, especially during weather. This really needs to be thought through well, and if fines still are part of the proposal, then they should be reasonable. \$500 fines for lights on after 10 pm are not reasonable.

Our management company will be our first contact for any noise complaints and I anticipate will be able to respond accordingly.



This entire plan needs to be thought through well, fairly, and not create other unintended consequences (such as lower home values since homes in tahoe Donner won't be able to rent well anymore with draconian measures in place)

Thank you for your time. I will not be able to be at the meeting but hope this email still will be read

Our family is in absolute agreement with the new rules regarding STR rentals. We have owned our home in TD since 2004 and also rent our cabin part time. We believe these rules are necessary in preserving the quaint environment of our community. Unfortunately, we have also had to deal with the downside of renters near us that were disrespectful when it came down to the common courtesy guidelines, etc. Homeowners must also understand that noise and light pollution don't belong in Tahoe Donner. These new rules will benefit everyone and allow us all to enjoy the outdoor lifestyle and mountain community of Tahoe Donner. After all, this is why we are here.

(Management Note: A Petition, as copied verbatim below, was sent in by 9 members total for all Member Comment documents. Members requested the petition and their submission of the petition be included with discloser of names in the public member comment document. Names of petitioners are listed below.)

Hello,

I am writing to express my concerns about the proposed new STR and Private Property Rules. I have been Association members since 2002 and have concerns about the proposed New Covenants. They appear to be *unnecessary, excessive, punitive, overreaching, and discriminatory*.

Below are my concerns:

- the Amendment *lacks clear, explicit language that all new regulations are imposed on all owners*. Specifically, the prohibition of celebrating a wedding at a TD "STR" home is discriminatory and must, if found legal and reasonable in a court of law, *pertain to all TD homes*, i.e., no owner would be permitted to host a wedding in his TD home.
- *The envisioned \$150 annual fee is uncalled for, unnecessary, punitive, and discriminatory*. It is uncalled for, because owners who rent their homes are already paying, via both property taxes and Truckee rental taxes to help support the local police





force. Specifically, TD owners who exercise their right to rent their home on the short term rental market already pay approximately 12% of the rents and cleaning fees received to the Town of Truckee as TOT and TTBID tax. TDA should claim their fair share, if any, from these taxes, rather than levying new ones that are not payable by resident TD owners who do not rent their property.

- There is *no need to establish and fund a new policing activity* at TD. That is what the police of the Town of Truckee is intended and funded for.
- The envisioned type of private police force, if found legal in a court of law, would *tend to overreach* by issuing citations for minor infractions, even for no other reason but to establish a *raison d'être*. Furthermore, depending on the structure of the process for citations, the private police force could easily be misused by the small minority of permanent residents against non-resident owners who exercise their right to rent their property, by placing frivolous, non-urgent calls to the new private police force via the complaint line, and then enjoying seeing the fines pile up if these owners cannot respond as required, such as within the ill-advised 30-minute time frame.
- The proposed requirement for owners who rent their properties to be available by phone within *30 minutes is unreasonable*. Owners may be indisposed, in a meeting, in an airplane, driving a vehicle, temporarily out of cell service, dealing with a personal emergency, or otherwise temporarily unavailable to respond to potentially frivolous issues it is simply unreasonable to expect them to be near their phone 24/7/365 to receive a call; it is discriminatory against non-resident owners. Again, this is what we have the Truckee police for.
- If found reasonable and legal, there would then have to be a *reasonable and workable complaint response procedure* to deal with complaints. This procedure would have to provide for proper legal recourse sought by those fined for alleged transgressions. Again, this would expose the TDA to costly legal suits which all of us would have to pay for from our dues.
- The proposed schedule of fines is arbitrary and, on that count in and by itself, exposes the TDA to costly litigation.

Rather than imposing this new discriminatory Amendment, the aforementioned already existing discrimination of non-resident vs. resident TD owners should be eliminated.

The following assets of the Proposed New Covenants are reasonable:



- outside lighting rules
- parking restrictions
- a set of sensible, reasonable fines for non-compliance

Annabel Heinemann

I am **opposed** to the proposed changes to the covenants related to private property rules and short term rentals.

My first concern is the <u>lack of hard data</u> on which to base conclusions. We seem to have many assumptions based on anecdotes. How pervasive are these issues? Do many homes have problem owners or tenants? Or are the problems concentrated in certain homes? What is the frequency and trend? What are the problems exactly? The Board should focus on quantifying the issues as a next step – before proposing solutions.

I would advocate for <u>better coordination and collaboration with the Truckee Police</u>

<u>Department</u>. They are trained and experienced in responding to noise complaints and other similar issues. Why isn't our community leveraging the police to resolve these issues in the moment if it's such a big problem?

#### **I oppose building our own enforcement agency.** Here's why:

- It is <u>completely unreasonable</u> to demand that owners be available within 30-60 minutes or face fines. I am stunned that this is even under consideration. What an onerous requirement. If it's urgent, why not call the police? Please ask yourselves, Board Members, if you would be available by phone within that short time frame 365 days/year 24/7.
- Such a system would be subject to abuse. How fun to tattle on your neighbor and watch the fines pile up when they can't get to the phone in time! The Association will need its own police to process these complaints and investigate them (24/7, right?) and then judges to adjudicate appeals.
- Expense. I do not think the association should be spending money building this needless bureaucracy, which will surely result in years of litigation.



Owners of properties offered as short-term rentals should not be subject to different costs, rules, and restrictions. Shouldn't all owners live by the same rules and standards? I am opposed to annual registration fees for STRs and limits on number of people in each bedroom. It's overreach.

Before creating and adopting more rules, we need to truly understand the complaints. We need data. Then, we need to work on communicating the existing rules to all owners and renters. Lastly, we need to enforce the rules we already have in place. I would hope that once identified, **working directly with these problem owners or tenants** would eliminate the need to pass these types of broad, invasive, and punitive rules that infringe on our property rights and risk long term economic damage to our property values and surrounding community.

Lastly, I am wondering how the task force members were chosen. Are they representative of the demographic of our Tahoe Donner owners, both in their residency and views? Who developed the actual proposal to the board? Was this proposal approved by the task force? Did they vote? This process needs to be transparent.

I believe the proposed str rules are too extreme.

It unrealistic to require such short time frames to respond by phone or in person.

I would like to see the statistics that actually show how often this renter problem occurs weekly and how many different properties/ units actually are involved.

If the proof of a large consistent problem does not exist or is just in the eye of the beholder few individuals.

I believe a few people are driving these new rules and is not reflective of 6400 plus owners.

Note:I believe this rule needs to be voted on by all tda members/owners before enacted. By the way, we do not rent our condo.

I do not endorse or accept excessive rules like these proposed changes.

It appears to be another way to charge non full time off hill owners more fees.

We have a home in Tahoe Donner at \_\_\_\_\_. We bought it in 2009, and have had it as a short term rental for approximately 4 years. We would like to weigh in on the proposed new covenants / rules / fines for STR's. Please see comments in red below. It would be helpful to understand the events that led up to the drafting of these regulations. Some of



them are rather draconian. Do these rules apply to long term renters and resident owners as well? If not, why not? Or are they merely intended to punish second home owners and/or discourage STRs?

### **New Covenants and Amended Private Property Rules**

- Enforcement of property quiet hours from 10PM-7AM
  - No issue with this.
- All exterior property lights must be turned off from 10PM-7AM unless needed for safety
  - "needed for safety" is fairly open to interpretation. Can you please expand upon what this includes? I think it is reasonable to expect that if the lights are off, an unsafe condition might exist if someone (a renter, perhaps, unfamiliar with the house) drives to the rental after 10 PM and doesn't see the house due to dim or no lighting.
  - Will this apply to the condo properties at the ski hill? These lights do not meet the downward/shielded requirement and they are left on all night.
- Restriction of renting property for commercial or other non-residential use like weddings and corporate events
  - o No issue with this.

See complete details listed in the 45-day notice.

## New Covenants Short-Term Rental Rules and Fine Schedule

- Required STR rental registration of \$150 annual fee per propertyti
  - This is objectionable, and in our opinion, another way to slap fees on the homeowners. Short term rentals enable homeowners like us to afford to keep our house in TD, which we love. They also bring revenues to the TD amenities by keeping the occupancy rate higher.
  - Will this apply to long term rentals, if not, why not? What is the purpose of this fee? What new resources does it fund?
- Thirty-minute owner response window for all complaints
  - This is completely unreasonable. We cannot realistically expect property managers or owners to respond in 30 minutes, especially for the first offense. This regulation means that fines will be levied for the violations. It is yet another tactic that TDA is using raise revenues. It should instead be structured a tiered penalty, with a minimum of a 1 or 2 hour response time





for the first offense. The ramification of this rule is that to comply, property managers will charge homeowners more money for 24x7 coverage. This will hit homeowners' bottom line and may cause people to sell their homes because they can't afford to keep them. What impact will that have on the TD housing market? It may lead to a surplus in inventory and slow house appreciation values.

- Max occupancy policy and parking restrictions
  - This is reasonable; how does it compare to the occupancy requirements if the house is not a STR?
- Requirement for each home to have emergency evacuation routes posted and a copy of Tahoe Donner rules and regulations available
  - o The details refer to « C&R Article II, Section 3(a) », but we cannot readily find them on the website. Please provide a link. Posting emergency evacuation routes make sense. But to have renters review and acknowledge the rules and regulations is questionable. Our copy of this document is almost an inch thick. A 1-page summary of the key items relevant to an STR should be sufficient.
- Violation enforcement and fines starting at \$500
  - Again, this fine amount is COMPLETELY unreasonable. Yes, it sends the message that TDA is serious about this, but that amount for an infraction is unwarranted. Is the amount the same if a homeowner is disruptive and neighbors complain? People come to the area to enjoy themselves. People that have fun can be loud at times. The last thing we want is for Tahoe Donner to get the reputation of being a sleepy retirement community, because then it will not attract young families to enjoy what it has to offer. Please reconsider this amount.
  - Again applies to LTR and residents? If not, why not? Is the goal to enforce community standards or to single out and punish second home owners?

We are very concerned about these proposed rules and do not like what they bode for the future of Tahoe Donner. Thank you for your attention.

As an owner and member of Tahoe Donner I would like to express my disagreement with the proposed changes around STR in the neighborhood. I believe this would do damage to our property values as we turn our neighborhood, made up mostly of second homes, in to a



place that doesn't look welcoming to interested buyers. The fees the HOA also want to charge sound unreasonable and more like a tax. Their may be a few bad actors out there in the neighborhood but people violating local laws should be dealt with by the police. These rules are HOA overreach and should not be implemented.

I hope the board will this about the fact that they are trying to incorrectly regulate something that is vital to the growth of our area, tourism.