



## DECISION PAPER

January 1, 2019

### **Issue:**

As required by the Covenants and Restrictions, changes to Architectural Standards Fee Schedule must go out for 45-day member notification prior to board consideration and approval.

### **Background:**

Pursuant to Tahoe Donner Covenants and Restrictions Article V Environmental and Architectural Regulation, modifications to the architectural standards fees and fines must go out for 45-day member notification prior to board of director consideration and approval.

At the August 15, 2018 Architectural Standards Committee meeting the committee reviewed the Architectural Standards Fee and Fine schedule. The committee reviews the schedule every August in order to provide any recommendations for change in advance of budget drafting and the new fiscal year. Additionally, the ASO/ASC Task Force had presented their recommendations for change/improvement to the board of directors this fall, with subsequent board direction to the committee and staff to consider recommendations for implementation.

### Fees

#### *Administrative Project Fees*

At the February 2018 board meeting the board of directors decided to not approve a \$170 (20%) increase, from \$850 to \$1,020, to the major project administration fee due to pending work by the ASO/ASC Task Force. Board direction at the time was to come back with a proposal after the task force had completed their review. The committee is again proposing an increase to the major projects administration fee of 20%, from \$850 to \$1020 should be made for the 2019 construction year. No increases have been made since 2017.

#### *Maintenance Project Fees*

Maintenance project applications and permits are free for members. A one-year permit is issued with the requirement for members or their agent to provide “before” pictures and then to close out the project, they need to provide “after” photo(s). The Architectural Standards office (ASO) has reported both to the Architectural Standards Committee and the ASO/ASC Task Force that members and their agents regularly neglect to final their maintenance project even with reminders. The ASO sends two notices that the permit is nearing its expiration, and





then a notice when the permit has expired. Both the committee and the task force agreed that this was an area to be addressed. The purpose of any action related to this project category is to notice the association of project completion.

Initially a recommendation by the committee, agreed upon by the taskforce, was to require a project deposit to motivate owners/agent to close the project out. However, after further review of this recommendation management identified that requiring deposit would increase administrative tasks therefore costs both in the Architectural Standards and Accounting, on the free maintenance project permit. Management is recommending, and the committee and task force agrees, a procedure can be put into place whereby if an owner does not notify the Association of project completion by the end of the 1-year permit, the Association would notice the owner for inspection and apply a project inspection fee of \$90, as is consistent with all other project inspection fees. This inspection would not be required but only used to verify the project completion if an owner does not indicate their project has finished after two reminder notices that the permit is nearing expiration and then has expired.

#### *Project Resubmittal Fees*

The committee also discussed resubmittal fees on projects that require neighbor notification. The current practice if an owner makes a material (significant) change to their project that has already been sent out to neighbor notification or increases scope of the project through a revision to then require neighbor notification a fee of \$140 was charged being the lowest administration fee for projects that require neighbor notification (fences, solar panels w/ tree removal). The committee agreed this fee should be formalized as a “full committee resubmittal” on the fee sheet since the occurrence of these situations have increased over recent years. Examples include a new single-story house is proposed and permit was issued, then the owner wants to completely change the house they want to build to a 2-story house and re-sited on the lot, or a minor deck project that increases in scope to include a backyard shed or dog fence within the same permit.

In summary, the committee and management propose the following recommendations to the board at the next appropriate board meeting:

1. An increase of the administration fee for major projects \$170 (20%) from \$850 to \$1,020; and
2. Create a maintenance project final inspection fee \$90 on expired permits; and
3. Posting a resubmittal fee of \$140 for projects that require a neighbor notification on the ASC Fee Schedule.

#### **Options:**





Option 1: Make no adjustments to existing Architectural Standards Fee Schedule for 2019.

Option 2: Consider approving for 45-day member notification for changes to the Architectural Standards Fee for 2019 as presented below.

### 1. Inspection Fees

	Current Fee Schedule	Proposed Fee Schedule	Comments
Minor & Major Project Site Inspection	\$90	\$90	No Change
Minor & Major Project Final Inspection	\$90	\$90	No Change
Maintenance Project Site Inspection	No inspection fee	No inspection fee	No Change
Maintenance Project Final Inspection	No inspection fee	\$90	Create inspection fee of \$90

### 2. Administrative Fees

	Current Fee Schedule	Proposed Fee Schedule	Comments
Major Project Administration Fee	\$850	\$1,020	\$170 (20%) increase
Minor Project w/Neighbor Notification Administration Fee	\$465	\$465	No Change
Minor Project w/o Neighbor Notification Administration Fee	\$100-125	\$100-125	No Change





Maintenance Projects	No Administrative Fee	No Administrative Fee	No Change
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### 3. Resubmittal Fee

	Current Fee Schedule	Proposed Fee Schedule	Comments
Full Committee Review w/new Neighbor Notification	Charging \$140 under lowest admin project fee	\$140	Create "Full Committee Review w/new Neighbor Notification category with \$140 fee

#### **Recommendations:**

The Architectural Standards Committee is requesting the Board of Directors consider approving for 45-day member notification Option 2.

If approved for member notification, Proposed Fee Schedule changes will go out to the 45-day member notification in the **February Tahoe Donner News** followed with the Board of Directors consideration and action at the **April 2019 Board of Directors** meeting. Draft 45-day Notice is attached to this decision paper.

Prepared By: Architectural Standards Committee and Annie Rosenfeld, Director of Risk Management and Real Property

General Manager Approval to put on Agenda: \_\_\_\_\_ Date: \_\_\_\_\_

