

# PHASE 3 AMENITY ACCESS POLICY UPDATE TENANT ACCESS CONSIDERATIONS

October 27, 2023

# AGENDA + PROCESS

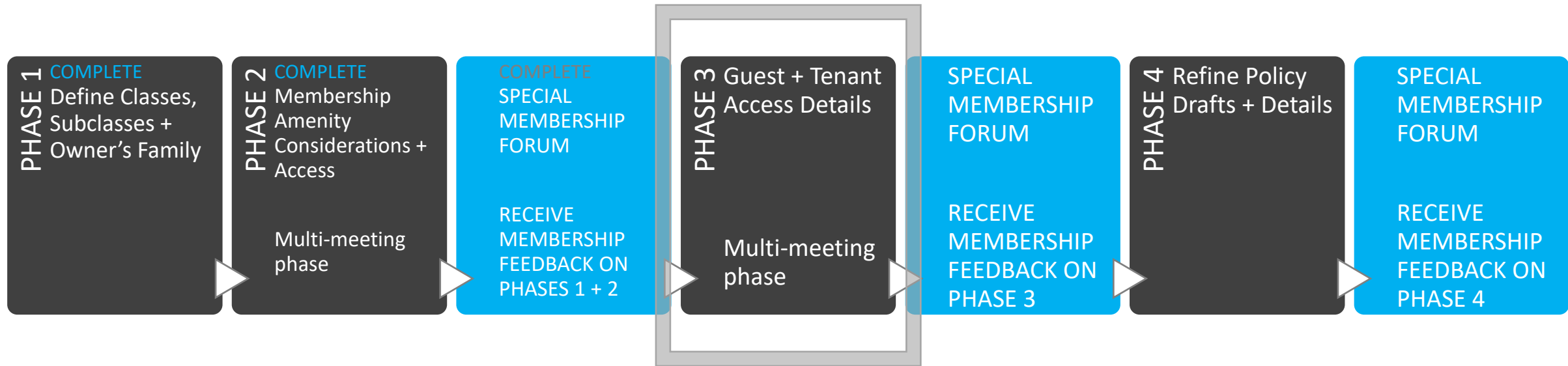
1. Review guidance to date
2. Tenant access considerations
  - a. Long-term tenants
  - b. Short-term tenants
  - c. Seasonal tenants
3. Member comments
4. Staff response
5. Board guidance
6. Next steps – Guest access workshop



# TODAY'S FOCUS – MULTI-PHASE APPROACH

Today's discussion will focus on phase 3 of the process, but only on tenant access considerations. Guest access considerations will be the topic of the next Amenity Access Policy update workshop in November

Issues from other phases will be put into a parking lot until the appropriate phase



# REVIEW – GUIDANCE TO DATE

# REVIEW – AMENITY ACCESS POLICY UPDATE OUTCOMES

- Outcomes were developed in the winter of 2022 with the Amenity Access Update working group through reviews of the C&Rs, Bylaws, Covenants Rules and Resolutions
- Outcomes were presented to the Board on February 25, 2022, March 25, 2022 and November 18, 2022
- Outcomes were defined and approved by consensus during the April 2023 amenity access policy update workshop session

- Promote a sense of community among members

- Protect the amenities, environment and membership

- Foster member enjoyment and use

- Simplify the policy for ease of understanding and administration

- Support a long-term sustainable and equitable pricing system

- Clarify user categories



# GUIDANCE TO DATE

1. The Board determined it had a broad authority to develop a new amenity access policy in February 2023
2. Guidance points agreed upon at the April 2023 workshop:
  - a. Defined the desired outcomes of the policy update
  - b. Reviewed data requests from the Board and surveys, including the 2022 Amenity Access Survey – no additional data requested at that time
  - c. Agreed that user categories and subcategories need to be created and or defined
  - d. Agreed to use tiered access pricing, other peak period limitations and any other tool that makes sense to address member concerns
  - e. Agreed that private amenity access revenue should target around 7.5%-8% of operating revenues (consider cost recovery in the future)



# GUIDANCE TO DATE – CONTINUED

3. Definitions of user categories and sub-categories were refined at the June 2023 workshop
  - a. OWNER: Any person in which title to a residential parcel within the subdivision is vested at 15% or greater as shown by a recorded grant deed on file with the Office of the Nevada County Recorder, and the owner's family, making them eligible to obtain a member photo ID card
  - b. OWNER'S FAMILY: Any individual who has a relationship to an owner that is one of the following: spouse/domestic partner, mother, father, mother's spouse/domestic partner, father's spouse/domestic partner, children, child's spouse/domestic partner, domestic partner's child, grandchildren, grandchild's spouse/domestic partner, sister, brother, sister's spouse/domestic partner, brother's spouse/domestic partner
  - c. Definitions for GUEST, ACCOMPANIED GUEST, UNACCOMPANIED GUEST, TENANT, LONG-TERM TENANT, SHORT-TERM TENANT, and SEASONAL TENANT were also developed and will be revisited throughout phase 3 of the process.





## GUIDANCE TO DATE – CONTINUED

4. Member photo ID cards should be tied to individuals (who are eligible for cards under the policy) and not transferable.
5. The limit of member photo ID cards that are issued should be capped per property (rather than per family who may have an ownership stake in that property)
6. There should be a limit on the number of member photo ID cards that are issued per property, and for analysis purposes, that limit is currently at 10 cards
7. Provide options for member feedback relative to the number of cards that may include private amenity access with the payment of the assessment.



# TENANT ACCESS CONSIDERATIONS – PHASE 3

# TENANT/GUEST ACCESS BACKGROUND

## CURRENT STATE

Currently there is only one user category, and we are not collecting access data specific to any tenant category

- **Long-term tenants** are a user category, but access is included as member access as these individuals have photo ID cards
- **Short-term tenants** are unaccompanied guest access; unaccompanied guest access information is relevant to the discussion

## Unaccompanied Guests:

- Each property is issued 2 guest cards at no charge (included in Annual Assessment)
- Cards allow the owner to permit their guests access to private amenities without being present
- Unaccompanied guests: Access private amenity with a valid guest card and pay a Daily Access Fee
- One guest cards allows for 4 people to pay for entrance

Currently, there are no guest access blackout periods. However, unaccompanied guests pay a higher daily access rate than accompanied guests.



# TENANT/GUEST ACCESS BACKGROUND – CON'T

## REVENUES

- Daily access revenues are collected at all private amenities when guests access them to help offset the operating cost of the amenity
- Since short-term tenants are part of the unaccompanied guest access revenue total, it is important to understand the revenue implications when considering any changes to access

	2018		2019		2021		2022		2023 - thru Sept	
DOES NOT INCLUDE REC FEE USE	Rev	% Daily Access Rev	Rev	% Daily Access Rev	Rev	% Daily Access Rev	Rev	% Daily Access Rev	Rev	% Daily Access Rev
<b>Member Daily Access</b>	\$ 44,012	9%	\$ 47,396	9%	\$ 70,185	15%	\$ 66,021	13%	\$ 59,928	12%
<b>Accompanied Guest Access</b>	\$ 156,688	33%	\$ 190,107	36%	\$ 145,755	32%	\$ 188,911	37%	\$ 197,382	38%
<b>Unaccompanied Guest Access</b>	\$ 271,296	57%	\$ 291,079	55%	\$ 239,603	53%	\$ 254,992	50%	\$ 258,411	50%
<b>Total</b>	<b>\$ 471,996</b>		<b>\$ 528,582</b>		<b>\$ 455,543</b>		<b>\$ 509,924</b>		<b>\$ 515,721</b>	

	'18-'22 Average Revenue	\$ Per Property
<b>Accompanied Guest Access</b>	\$ 170,365	\$ 26.32
<b>Unaccompanied Guest Access</b>	\$ 264,243	\$ 40.82

# TENANT/GUEST ACCESS BACKGROUND – CON'T

**UTILIZATION** – Historical utilization totals illustrate that non-member access to the private amenities is decreasing, but based on survey feedback, still remains as a top concern of the membership

	CONSOLIDATED PRIVATE AMENITIES UTILIZATION							
	2018		2019		2021		2022	
	QTY	%	QTY	%	QTY	%	QTY	%
Member w/Rec Fee Access	132,774	69%	139,322	71%	118,736	74%	138,177	76%
Member Daily Access	7,602	4%	6,138	3%	8,339	5%	7,286	4%
Accompanied Guest Access	20,299	11%	21,127	11%	15,752	10%	15,671	9%
Unaccompanied Guest Access	22,728	12%	19,402	10%	15,462	10%	15,606	9%
Employee Access	8,504	4%	10,252	5%	2,734	2%	6,220	3%
Total	191,907		196,241		161,023		182,960	

2022 Member Private Amenity Access Survey:

- 77% of members find “Stronger non-member pricing controls to prevent overcrowding” as an acceptable concept
- 71% of members find “Stronger non-member admission limits to prevent overcrowding” as an acceptable concept
- 63% of members find “Unaccompanied guest\* blackout dates and/or times” as an acceptable concept

\*Unaccompanied guests include short-term tenant access at this time

# TENANT ACCESS

**TENANT:** Any individual who occupies an owner's property in exchange for payment of rent, monetary or not



# LONG-TERM TENANT ACCESS

**LONG-TERM TENANT:** A subclass of the TENANT user category that includes any individual who occupies an owner's property in exchange or payment of rent, monetary or not, for a period of 9 months or longer

**TOPICS:** This section will address the following topics, and ***assumes long-term tenant access will continue to be permitted***

- Long-term tenant definition confirmation
- Owner relinquishment of amenity access privileges to long-term tenants
- Long-term tenants - ADU / roommate
- Long-term tenant access - peak periods and fees

**GOAL:** Receive board guidance regarding aspects of long-term tenant access with the Amenity Access Policy Update outcomes in mind



## LONG-TERM TENANT ACCESS – CURRENT STATE

- Currently, upon presenting a lease agreement of 9 months or longer, long-term tenants are allowed to obtain member\* photo ID cards if the owner of the property relinquishes their rights to their member photo ID cards and transfers those cards to their tenant(s).
- The ability of an owner to assign access rights to to tenants residing in their home is permitted as part of the Association Bylaws – Article 6, Section 2
- There are approximately 150 properties where the owners have relinquished their access rights to their tenants

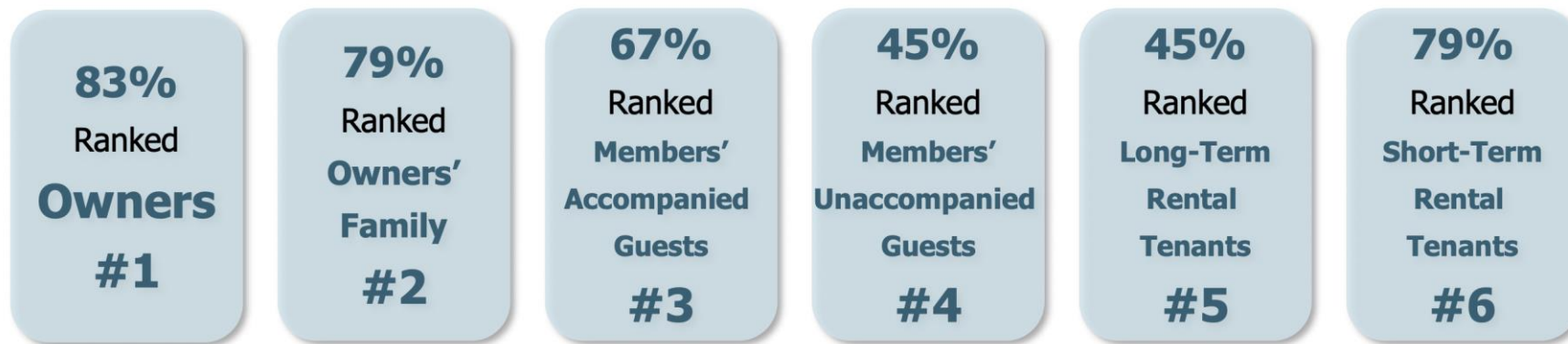
\* There is no visual difference between member photo ID cards and long-term tenant photo ID cards at this time

# LONG-TERM TENANT DEFINITION

**LONG-TERM TENANT:** A subclass of the TENANT user category that includes any individual who occupies an owner's property in exchange or payment of rent, monetary or not, for a period of 9 months or longer

## 2022 AMENITY ACCESS SURVEY INFORMATION

Ranking of Priority for Amenity Access  
N = 1817

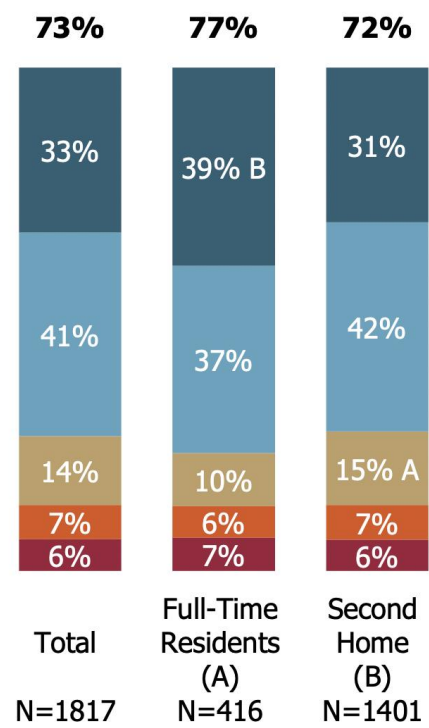


**11%** indicated there should be  
**no priority difference**

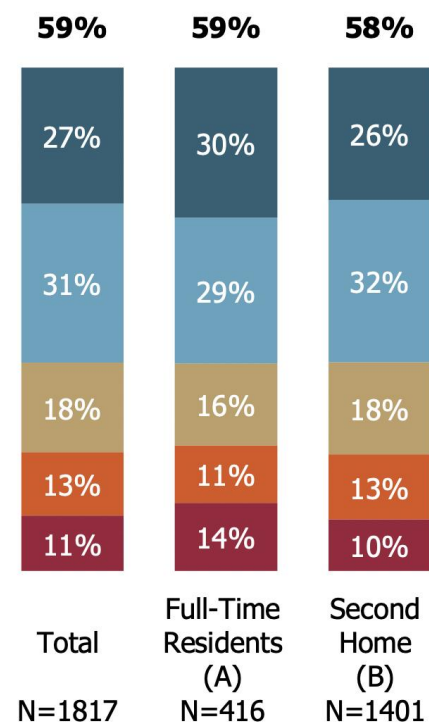
- 45% of the survey respondents ranked long-term rental tenants as the 2nd lowest user category priority for amenity access
- 73% of survey respondents strongly or somewhat agree that long-term tenants should have access to the private amenities (survey results on the next slide)

There is strong agreement that long-term rental tenants should have access to private amenities, and over half believe that amenity access for long-term renters should be at the discretion of the property owner.

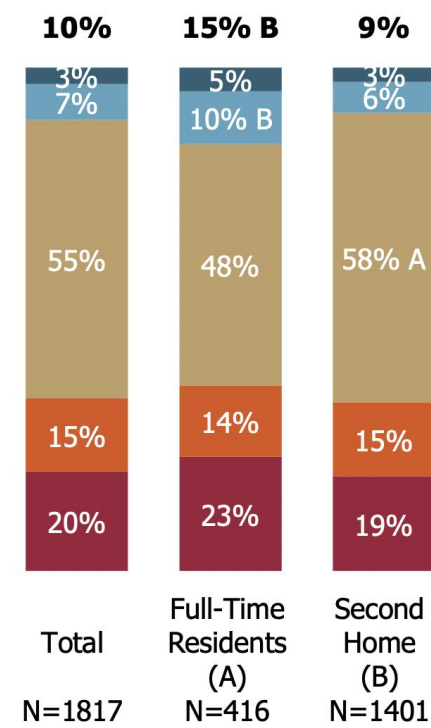
*Long-term rental tenants should have access to Tahoe Donner's private amenities.*



*Amenity access privileges for long-term rental tenants should be at the discretion of the property owner.*



*Long-term rental tenants do not have enough access to private amenities.*



**Strongly/Somewhat Agree**

- Strongly agree
- Somewhat agree
- Neither agree nor disagree/don't know
- Somewhat disagree
- Strongly disagree



Agree1: Thinking about the private amenities (Trout Creek Recreation Center Fitness and Pools, Northwoods Clubhouse Pool, Beach Club Marina, and Tennis Center), how much do you agree or disagree with the following?  
Agree2: How much do you agree or disagree to the following statements?





# LONG-TERM TENANT ACCESS – OWNER RELINQUISHED ACCESS RIGHTS

## DISCUSSION

Considering the association bylaws and the desire of the membership to continue to allow long-term tenant access to the private amenities, a policy update will need to address how that continues to be available

- Should a policy update continue with the owner relinquish process to allow a long-term tenant and their family access to the private amenities?
  - If yes, should the long-term tenant have the same access privileges and benefits as an owner?
    1. Same familial relationship requirements
    2. Same card quantity limits
    3. Same daily access or annual pass rates
    4. Same reservation and purchase windows
    5. Member pricing, when available
- Should the validation requirements of long-term tenancy for the owner amenity access relinquish process be increased to prevent fraud?



# LONG-TERM TENANT ACCESS – OWNER RELINQUISH – CON'T

## STAFF RECOMMENDATION

- Continue to allow an owner to relinquish their amenity access rights to their long-term tenants
  - Member benefits would also be extended to those long-term tenants in order to keep the management of the user type as simple as possible
  - Develop a long-term tenant photo ID card will also be visually unique so staff is able to efficiently distinguish between the long-term tenant user category and the membership
- Relinquishing access rights adds consequence to the owner and likely reduces fraudulent long-term tenant claims, therefore staff does not recommend any additional validation requirement than a lease agreement to initiate this process

Other management opportunities can be implemented in lieu of developing a unique pricing and access structure specific to this user group if issues arise in the future. These will be discussed later in the workshop.

# LONG-TERM TENANT ACCESS – ADU / ROOM MATES

## DISCUSSION

Should a policy update consider allowing access for a long-term tenant where the owner does not relinquish their access rights? This would allow an owner to grant access to a long-term tenant who may live with them in their home or ADU.

- Requested multiple times through the web feedback form and supports adding affordable housing to locals
- If yes, should the long-term tenant have the same access privileges and benefits as an owner?
  - Same familial relationship requirements
  - Same card quantity limits
  - Same daily access or annual pass rates
  - Same reservation and purchase windows
  - Member pricing, when available
- Should the validation requirements of long-term tenancy for ADU or roommate tenants be increased to prevent fraud?
  - Without having to relinquish access privileges, there is not consequence to owners for fraudulent long-term tenant claims

# LONG-TERM TENANT ACCESS – ADU / ROOM MATES – CON'T

## RECOMMENDATION

Staff recommends:

- Owners should be allowed to grant access to a long-term tenant who resides in the home with the owner, as long as there is a validation requirement beyond a lease agreement.
  - Such validation could be a driver's license with the home address or a utility bill with the tenant's name and the home address
    1. If documentation can be produced, then the long-term tenant and their family members would be eligible for long-term tenant photo ID cards
    2. If validation other than a lease agreement cannot be produced, then the individual would not qualify as a long-term tenant and would not be granted a long-term tenant photo ID card
- Staff recommend member benefits would also be extended to these long-term tenants to keep the user type's management as simple as possible.

Other management opportunities can be implemented in lieu of developing a unique pricing and access structure specific to this user group if issues arise in the future, which is part of the next topic to be discussed.

# LONG-TERM TENANT ACCESS – PEAK PERIODS AND FEES

## DISCUSSION

- Currently, long-term tenants are not subject to blackout periods or peak period pricing
- Long-term tenants have the same access privileges as members because the photo ID card is identical to a member photo ID card
- By issuing a unique card for long-term tenants, staff will have more flexibility in creating specific access requirements for this user group if desired/necessary
  - Should the updated policy consider a higher daily access fee or annual pass fee for a long-term tenant?
  - Should the updated policy consider including peak period pricing for long-term tenants at the private amenities?
  - Should the updated policy consider blackout periods for long-term tenants at private amenities?

# LONG-TERM TENANT ACCESS – PEAK PERIODS AND FEES – CON'T

## STAFF RECOMMENDATION

- Long-term tenants be subject to the same access rules and fees as members in order to keep the policy as simple as possible for staff to manage
- However, the policy update could include an **adaptive management** sentence relative to long-term tenants to address any issues in the future.
  - AS AN EXAMPLE, a policy update could include, ***“With Board approval, management may implement operating plans that include a tiered pricing structure, peak period pricing, access blackout dates and/or other mechanisms as necessary for long-term tenants in order to prioritize member utilization of the private amenities.”***



# SHORT-TERM TENANT ACCESS

**SHORT-TERM TENANT:** A subclass of the TENANT user category that includes any individual who occupies an owner's property in exchange for payment of rent, monetary or not, for a period of 30 days or less

**TOPICS:** This section will focus on the following topics related to short-term tenants

- Access – should access to private amenities be permitted
  - If no, move onto the next section
  - If yes:
    - Quantity limits – should short-term tenants have a limit to the number of people that can access per day
    - Peak periods and fees

**GOAL:** Receive board guidance regarding aspects of short-term tenant access with the Amenity Access Policy Update outcomes in mind.

# SHORT-TERM TENANT ACCESS – CURRENT STATE

Currently, short-term tenants fall under the unaccompanied guest user category and are charged the unaccompanied rate to access the private amenities as long as they are in possession of the guest card and fall under the guest card access limit of 4 people per card.

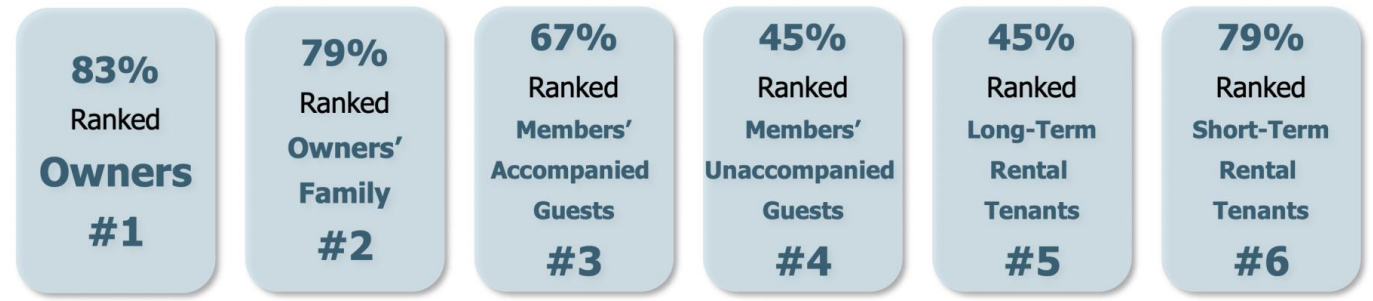


# AMENITY ACCESS SURVEY INFORMATION

The vast majority of members do not consider short-term tenants to have high priority for amenity access and do not consider short-term tenants to be part of the Tahoe Donner community

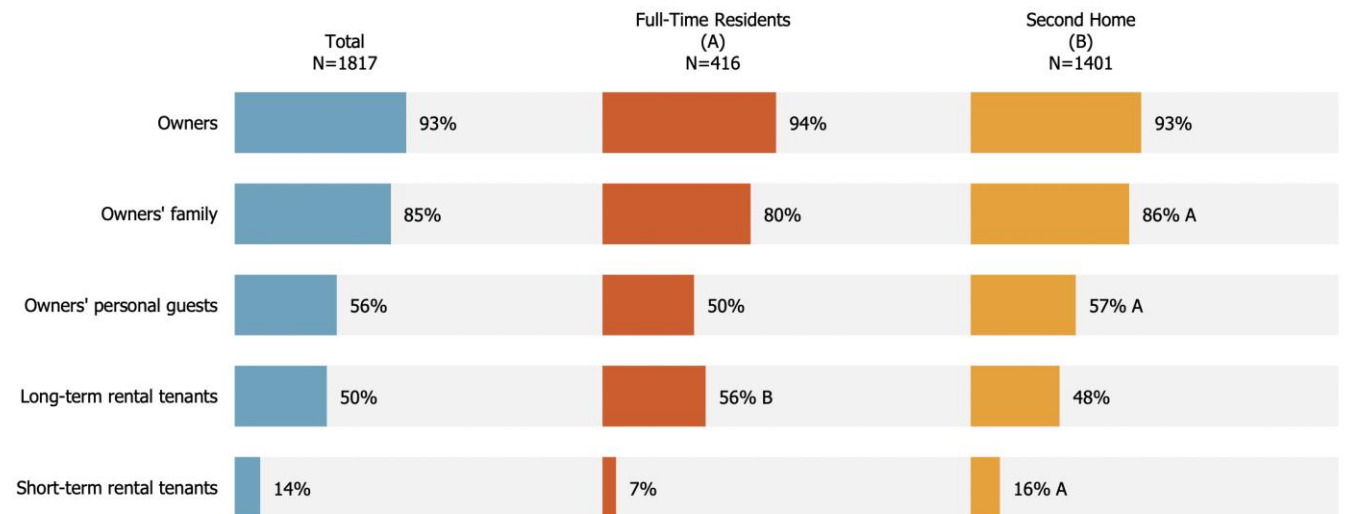
- 79% ranked short-term tenants as the lowest priority for amenity access
- 14% of survey respondents consider short-term tenants to be included in the Tahoe Donner community

Ranking of Priority for Amenity Access  
N = 1817



**11%** indicated there should be no priority difference

Groups Considered to be Included in the Tahoe Donner Community

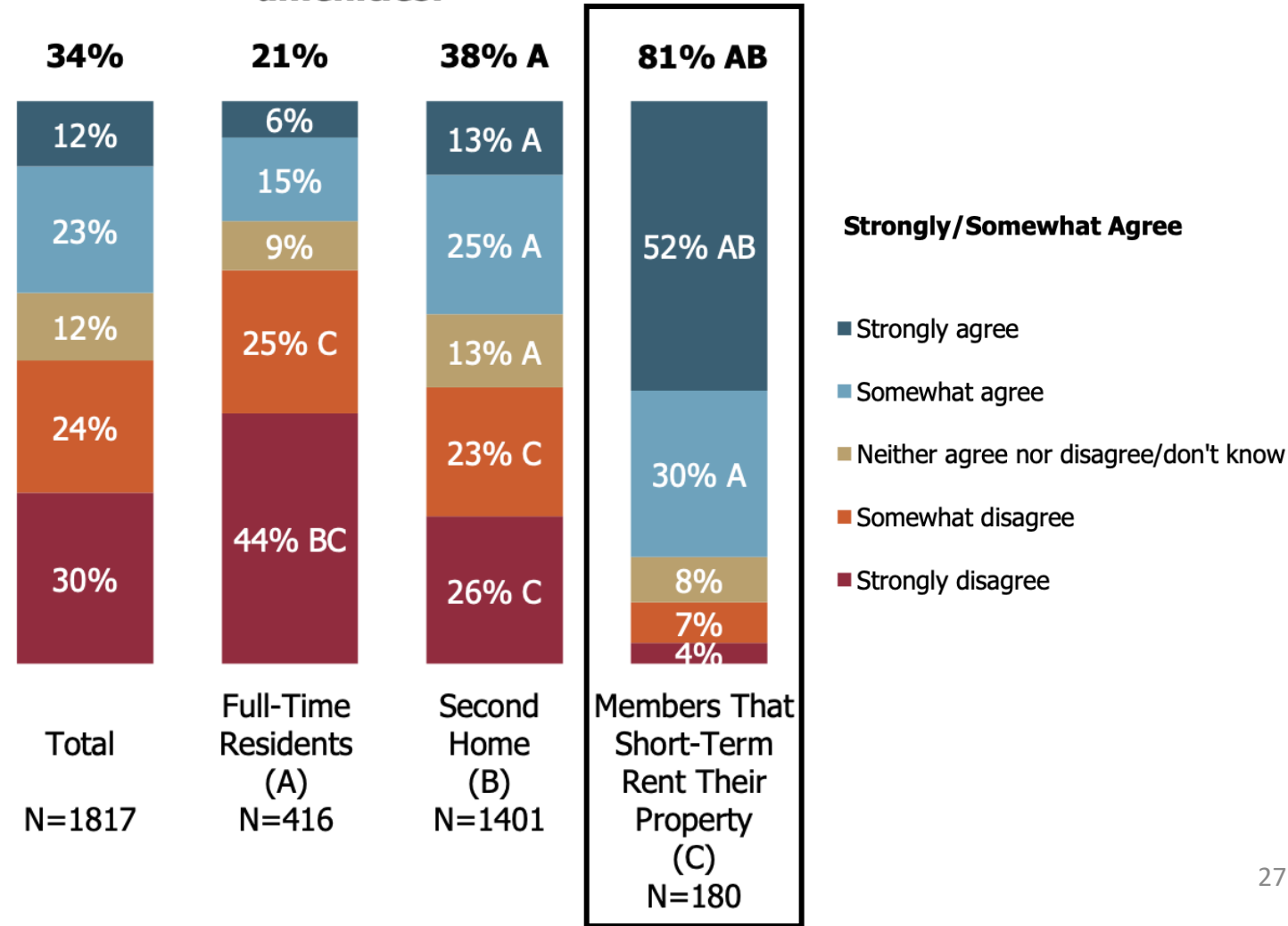


# AMENITY ACCESS SURVEY INFORMATION – CON'T

In addition to the previous slide regarding short-term tenants being part of the community, the majority of members do not feel that short-term tenants should have access to the private amenities

- 54% somewhat or strongly disagree with the statement, “Short-term rental tenants should have access to Tahoe Donner’s private amenities”

***Short-term rental tenants should have access to Tahoe Donner's private amenities.***







# SHORT-TERM TENANT ACCESS

## DISCUSSION

Should short-term tenants have access to the Association's private amenities?

Member survey data certainly supports eliminating short-term tenant access to private amenities, but there is a financial component that should be considered.

- While it is unclear how much daily access revenue comes *directly* from short-term rental tenants, the average unaccompanied daily access revenue is nearly \$265,000 annually
- While there is no quantitative data to know what percentage of unaccompanied guests are short-term tenants, the anecdotal estimate is 55%-65%, or \$146,000 - \$172,000 (\$22.50 - \$26.50 per property) in access revenue annually.

**Staff is seeking Board guidance on whether short-term tenant access to the private amenities should continue under an updated Amenity Access Policy**



# SHORT-TERM TENANT ACCESS – QUANTITY LIMITS

## DISCUSSION

If short-term tenant access to the private amenities is permitted, should a policy update consider a limit to the number of short-term tenants that can access from one property per day?

- At 55% - 65% of unaccompanied guest daily access, this means that approximately 8,500-10,000 private amenity visits are short-term tenants.
- These visits often occur during busy periods when children are out of school, amplifying the impact to crowding

## STAFF RECOMMENDATION

- If short-term tenant access is permitted in a policy update, then:
  - A short-term tenant card should be created and
  - A limit of 4 short-term tenants should be allowed access to the private amenities per day, per property, to address the member concern of overcrowding.





# SHORT-TERM TENANT ACCESS - PEAK PERIODS + FEES

## DISCUSSION

Currently, short-term tenants are not subject to blackout periods or peak period pricing at the private amenities and are considered unaccompanied guests, subject to unaccompanied guest Daily Access Fees. If access for short-term tenants should continue:

- Should an updated policy consider a higher Daily Access Fee to the private amenities (than unaccompanied guests) for short-term tenants?
- Should an updated policy consider including peak period pricing for short-term tenants at the private amenities?
- Should an updated policy consider blackout periods for short-term tenants at private amenities?

# SHORT-TERM TENANT ACCESS - DISCUSSION

## STAFF RECOMMENDATION

Again, if short-term tenant access to the private amenities is permitted under an Amenity Access Policy update, staff recommends:

- The highest Daily Access Fees of any user group
- Peak period blackout dates where short-term tenant access to the private amenities would not be permitted
  - Include an **adaptive management** statement in the policy relative to short-term tenants so modifications to any short-term tenant restrictions can be implemented efficiently with Board approval.
    1. AS AN EXAMPLE, a policy update could include, **“With Board approval, management may implement operating plans that include peak period pricing or access blackout dates for short-term tenants in order to prioritize member utilization of the private amenities.”**

# SEASONAL- TENANT ACCESS

**SEASONAL TENANT:** A subclass of the TENANT user category that includes any individual who occupies an owner's property in exchange for payment of rent, monetary or not, for a period of 31 days to less than 9 months

**GOAL:** Receive board guidance regarding aspects of seasonal tenant access with the Amenity Access Policy Update outcomes in mind



# SEASONAL TENANT ACCESS

## DISCUSSION

Seasonal tenant access could follow the same rules as:

- Short-term tenants
- Long-term tenants
- Or, the Board can direct staff to develop a unique set of rules for this user category

Currently, seasonal tenants are considered guests if they have access to their landlord's guest card

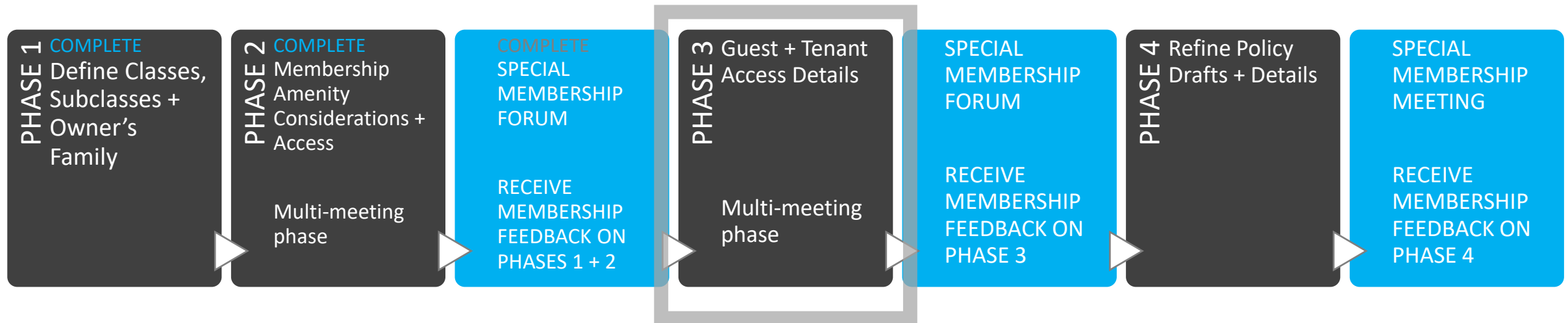
## STAFF RECOMMENDATION

- Seasonal tenant access should follow the same guidance the Board has provided for short-term tenants as this would be the simplest solution and address member concerns around member prioritization and private amenity overcrowding



# NEXT STEPS

The next step will be to host a second phase 3 workshop to review guest access considerations. That workshop will be followed by a second Special Membership Meeting to solicit member feedback on the direction from the phase 3 workshops.



# THANK YOU



# APPENDIX

## PARKING LOT:

- **Should there be a separate policy to define “member” that the Amenity Access policy references?** To be determined when the draft policy is completed
- **Amenity Access lots (undeveloped) – Do we want to consider them separately?** Will add complexity to the policy revision, may need legal opinion to know if its possible (governing documents)
- **The difference in user who is using a house vs not** – Not sure how to validate in the field
- **Foster child, au pair and exchange students** – To be addressed in a future workshop
- **Do we need to define “resident”?** Future workshop discussion
  - **What about month-to-month leases?**
  - **Is the seasonal term too limiting – medium term?**
- **Registration of guests** – Future workshop discussion
- **Liability of users/guests** – To be addressed with Risk
- **Do existing cards track usage and auto-turn off** – Existing cards do allow us to track individual usage. Access can be auto-shut off depending how the access product is set up
- **Further define member or subclasses (Rec Fee Member)** – May not be necessary to include this definition in the policy - TBD
- **Consider total uses per property when developing access policies** – data can be pulled from the system, but we cannot pool uses to make them available for everyone on the property
- **Use policy to identify family member to prioritize members over guests** - Yes
- **Data – multi-family-owned properties – how many and makeup – how many 1, 2, 3, 4, 5, 6 family-owned lots** – We do not have this information in a database. To find it, we would need to go through each deed manually.