

PHASE 3 AMENITY ACCESS POLICY UPDATE GUEST ACCESS CONSIDERATIONS

December 6, 2023



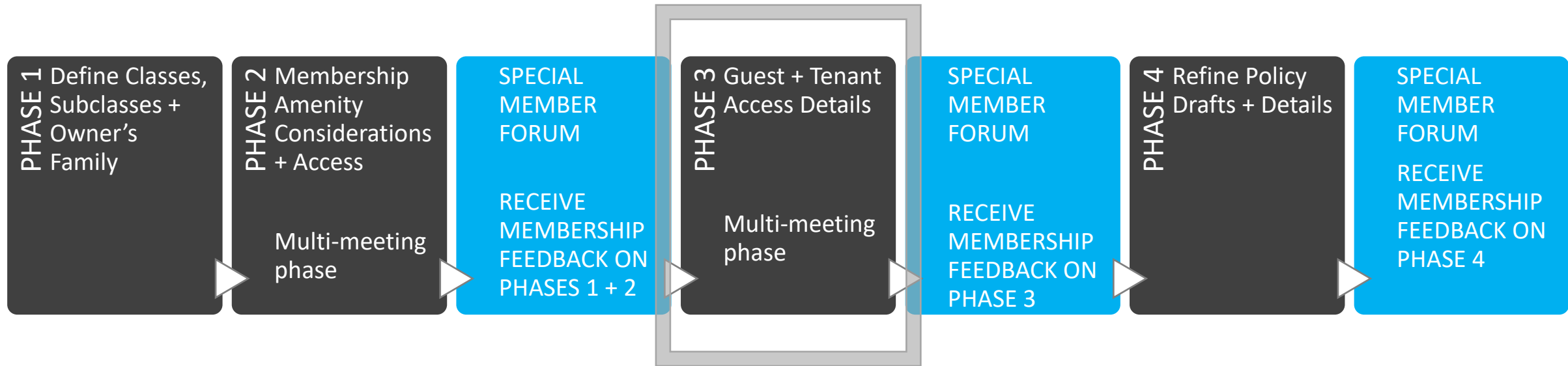
AGENDA + PROCESS

1. Review guidance to date
2. Guest Considerations
 - a. Accompanied guests
 - b. Unaccompanied guests
3. Member comments
4. Staff response
5. Board direction

TODAY'S FOCUS – MULTI-PHASE APPROACH

Today's discussion will focus on Phase 3 of the process

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 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 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 – April 2023
 - b. Reviewed data requests from the Board and surveys, including the 2022 Amenity Access Survey – no additional data requested at this 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 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



GUIDANCE TO DATE – CONTINUED

- c. Definitions for GUEST, ACCOMPANIED GUEST, UNACCOMPANIED GUEST, TENANT, LONG-TERM TENANT, SHORT-TERM TENANT, SEASONAL TENANT, and INVITEE were developed.
- 3. Member photo ID cards should be tied to individuals (who are eligible for cards under the policy) and not transferable.
- 4. 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)
- 5. 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
- 6. Provide options for member feedback relative to the number of cards that may include private amenity access with the payment of the assessment.

GUEST ACCESS CONSIDERATIONS – PHASE 3

GUEST: Any individual who has a non-tenant relationship with an owner, seeking access to the amenities with an owner's permission

GUEST ACCESS BACKGROUND

CURRENT STATE

- Each property is issued 2 guest cards at no charge. These cards allow the owner to permit access to their guests without being present. These cards are currently included in the assessment
- **Accompanied Guests**
 - Arrives at a private amenity with a member
 - Required to pay the Daily Access Fee for an accompanied guest to enter
 - There is no limit to the number of guests a member can bring with them to the private amenities
- **Unaccompanied Guests**
 - Must have a valid guest card to enter a private amenity
 - Access fee is higher than that of an accompanied guest
 - Max number of unaccompanied guests admitted per card is 4
- Currently there are no guest access blackout periods; however, unaccompanied guests pay a higher daily access rate as 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. 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
Member Daily Access	\$ 44,012	9%	\$ 47,396	9%	\$ 70,185	15%	\$ 66,021	13%	\$ 59,928	12%
Accompanied Guest Access	\$ 156,688	33%	\$ 190,107	36%	\$ 145,755	32%	\$ 188,911	37%	\$ 197,382	38%
Unaccompanied Guest Access	\$ 271,296	57%	\$ 291,079	55%	\$ 239,603	53%	\$ 254,992	50%	\$ 258,411	50%
Total	\$ 471,996		\$ 528,582		\$ 455,543		\$ 509,924		\$ 515,721	

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

TENANT/GUEST ACCESS BACKGROUND – CON'T

UTILIZATION – Historical utilization totals illustrate that non-member access to private amenities is decreasing, but based on survey feedback, still remains 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***

ACCOMPANIED GUEST ACCESS

ACCOMPANIED GUEST: A subclass of the GUEST user category that includes any individual who has a non-tenant relationship with an owner, seeking access to the amenities with the owner

GOAL: Seek board guidance regarding several aspects of accompanied guest access with the Amenity Access Policy update outcomes in mind

This section will focus on the following topics related to accompanied guests:

- Quantity limits
 - Should members be subject to a limit to the number of accompanied guests they can bring into a private amenity in a day
- Peak period restrictions and fees
 - Should there be peak period restrictions or fees for accompanied guests
 1. Restrictions to access
 2. Increased pricing



ACCOMPANIED GUEST ACCESS – CURRENT STATE

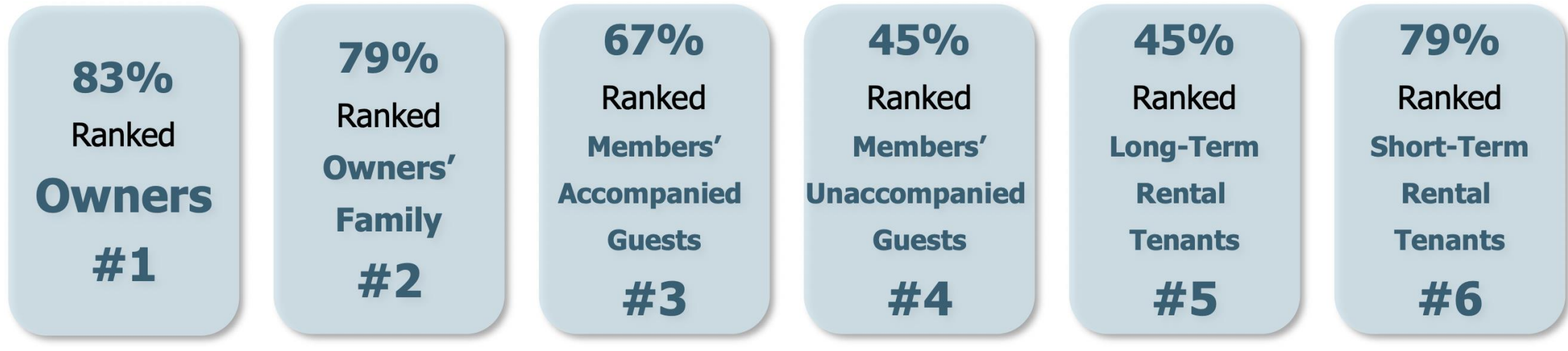
Accompanied guests arrive at a private amenity with a member and are required to pay the Daily Access Fee for the accompanied guest to gain access

- There is no limit to the number of guests a member can bring with them to the private amenities
- There are no restricted access periods or peak period daily access fees for accompanied guests

GUEST ACCESS SURVEY INFORMATION

Ranking of Priority for Amenity Access

N = 1817



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

OTHER SURVEY DATA

- Stronger non-member pricing controls to prevent overcrowding – 77% consider acceptable
- Stronger non-member admission limits to prevent overcrowding – 71% consider acceptable
- Accompanied guest blackout dates – 27% consider acceptable

ACCOMPANIED GUEST ACCESS – DAILY QUANTITY LIMITS

DISCUSSION

Currently, there is no limit to the number of guests that a member can bring with them to access the private amenities on a given day

- Should a policy update consider limiting the number of accompanied guests each member can bring?
 - If so, should that limit be per member or per property/visit?

Historically, the lack of a limit has not been an issue

- Large numbers of accompanied guests are almost always associated with a special event. For example, a member wants to host a party at a private amenity. Currently, the member would contact the amenity manager and seek permission/approval to schedule the event
 - This is usually done to determine an appropriate date for the event, coordinate access to the event, and identify the area where the event will take place
 - Technically, without a limit, members are not required to coordinate an event with staff

RECOMMENDATION

Staff recommends that an updated policy include a limit to the number of accompanied guests a member can bring into a private amenity. The limit should be established per property, per day, with any exception requiring the member to coordinate with the management of the private amenity. The recommended limit is 10 guests, as this quantity would (anecdotally) accommodate 99%+ of the accompanied guest access transactions.

ACCOMPANIED GUEST ACCESS – PEAK PERIODS + FEES

DISCUSSION

Currently, accompanied guests are not subject to blackout periods or peak period pricing. Accompanied guests pay a higher Daily Access Fee than members and a lower Daily Access Fee than unaccompanied guests

- Should the updated policy consider including peak period pricing for accompanied guests at the private amenities?
- Should the updated policy consider blackout periods for accompanied guests at specific private amenities?

RECOMMENDATION

Staff recommends adopting adaptive management language in an updated policy to include the opportunity to develop peak period pricing and/or blackout dates for accompanied guests with board approval

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 accompanied guests to prioritize member utilization of the private amenities.”

UNACCOMPANIED GUEST ACCESS

UNACCOMPANIED GUEST: A subclass of the GUEST user category that includes any individual who has a non-tenant relationship with an owner, seeking access to the amenities without the owner

This section will address the following topics and ***assumes unaccompanied guest access will continue to be an option for the membership***

- Personal guest validation
- Quantity limits
- Peak periods and fees

GOAL: Seek board guidance regarding several aspects of unaccompanied guest access with the Amenity Access Policy update outcomes in mind



UNACCOMPANIED GUEST ACCESS – CURRENT STATE

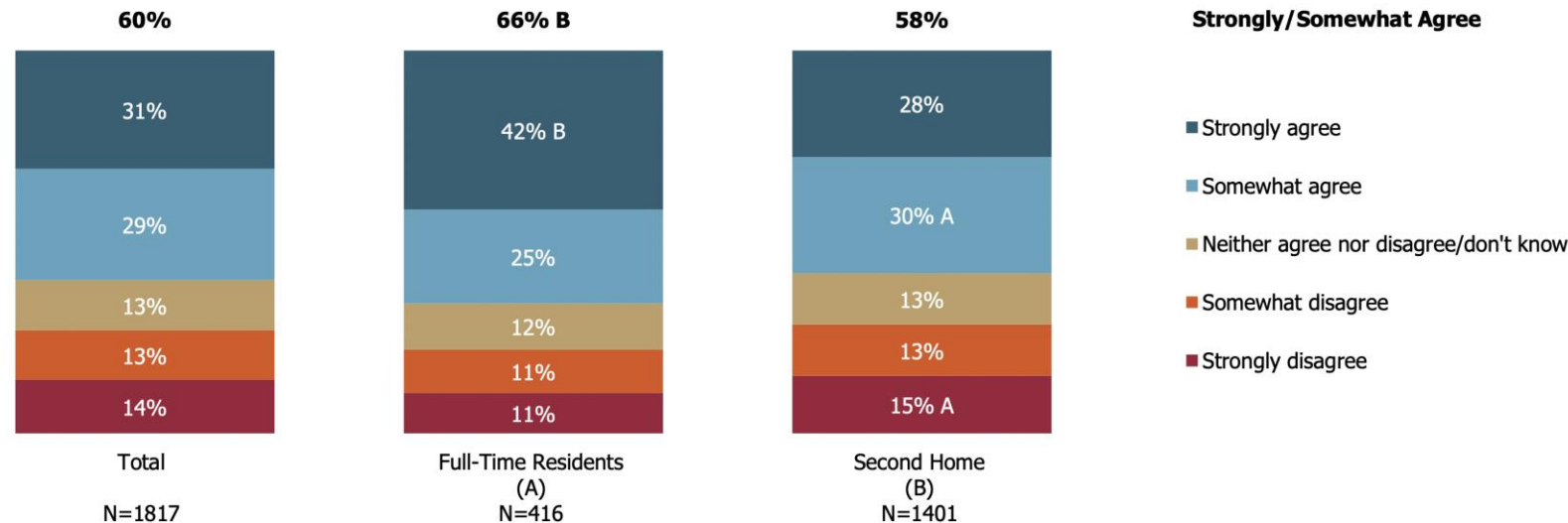
- Unaccompanied guests arrive at a private amenity with a valid guest card
- This card allows them access for a Daily Access Fee that is higher than an accompanied guest
- The number of unaccompanied guests that are allowed to access with one guest card is 4
- Each property is issued 2 guest cards

UNACCOMPANIED GUEST ACCESS SURVEY INFORMATION

More than half of all members surveyed believe unaccompanied guests should be charged higher access rates than guests accompanied by a member, which is consistent with the current access policy.

Agreement/Disagreement with the Following Statement:

Higher access rates should be charged for unaccompanied guests (with a guest card) over guests who are accompanied by a member



Other survey data

- Stronger non-member pricing controls to prevent overcrowding – 77% consider acceptable
- Stronger non-member admission limits to prevent overcrowding – 71% consider acceptable
- Unaccompanied guest blackout dates – 63% consider acceptable

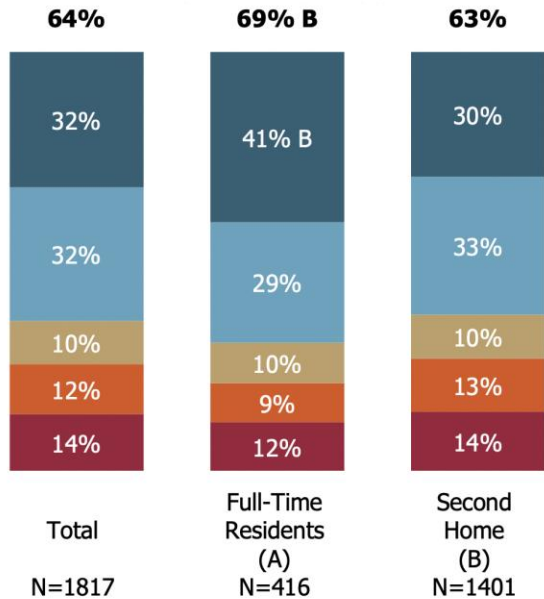


Agree1: Thinking about the private amenities (Trout Creek Recreation Center Fitness and Pools, Northwoods Clubhouse Pool, Beach Club Marina, and Tennis Center), how much do you agree or disagree with the following?

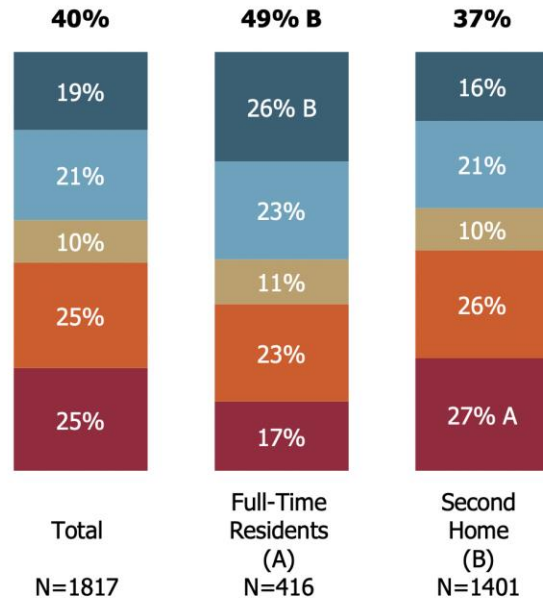
UNACCOMPANIED GUEST ACCESS SURVEY INFORMATION – CON'T

Members agree more with the current policy of charging unaccompanied guests more for amenity access than with requiring guests to be accompanied by a member to access private amenities. Second home owners are more likely to disagree with requiring guests to be accompanied.

Unaccompanied personal guests of members should pay more for amenity access than personal guests accompanied by members (current policy).



Personal guests of members should only be permitted into private amenities if they are accompanied by a Tahoe Donner member.



Strongly/Somewhat Agree

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

UNACCOMPANIED GUEST ACCESS – PERSONAL GUEST VALIDATION

DISCUSSION

The challenge to overcome in the policy update is validating that an unaccompanied guest is actually a personal guest of the owner and not a tenant. There are a few ways to accomplish this, but they place an additional burden on the owner and are not 100% reliable

1. Require the member to add their personal guest's profile to their ShopTD account (online store, Aspenware)
 - Benefits
 - The member would need to know who (name and age) the guest(s) is/are
 - "Guest" would need to know the name of the member
 - Guest card could be eliminated
 - Challenges
 - ShopTD limit to the number of profiles that can be on a property is 21 – this would include the members on the profile as well.
 - a. Impact to Member Services to remove guests to allow for more
 - b. Could be resolved through a software development project
 - Is the 21-profile limit on the ShopTD account a good number?

UNACCOMPANIED GUEST ACCESS – PERSONAL GUEST VALIDATION – CON'T

DISCUSSION

A second option that could work independently of or in conjunction with Option 1:

2. Require the member to pay for access for their personal guest
 - Adds consequence to the member relative to non-member access from their property. Encourages that the individual(s) are personal guests and not tenants
 - a. Prepaid through ShopTD – a combination of the previous validation requirement and prepayment
 - Members would add their personal guest(s)' profile to their ShopTD account, then purchase the appropriate access product and assign it to their guest(s)
 - Access product would be valid for a specific day
 - 21-profile limit
 - Guest cards could be eliminated
 - Technical challenges may impact customer experience
 - b. Card-on-file
 - Card-on-file attached to a guest card, so when it is used for access, the access fee is charged to that card
 - Guest cards will continue to be used
 - c. A third option may present itself as staff initiates research into a compatible software module next month
 - Not what the membership desires - *Only 28% of owners found it acceptable to charge guest fees back to the owner*

UNACCOMPANIED GUEST ACCESS – PERSONAL GUEST VALIDATION – CON'T

DISCUSSION CON'T

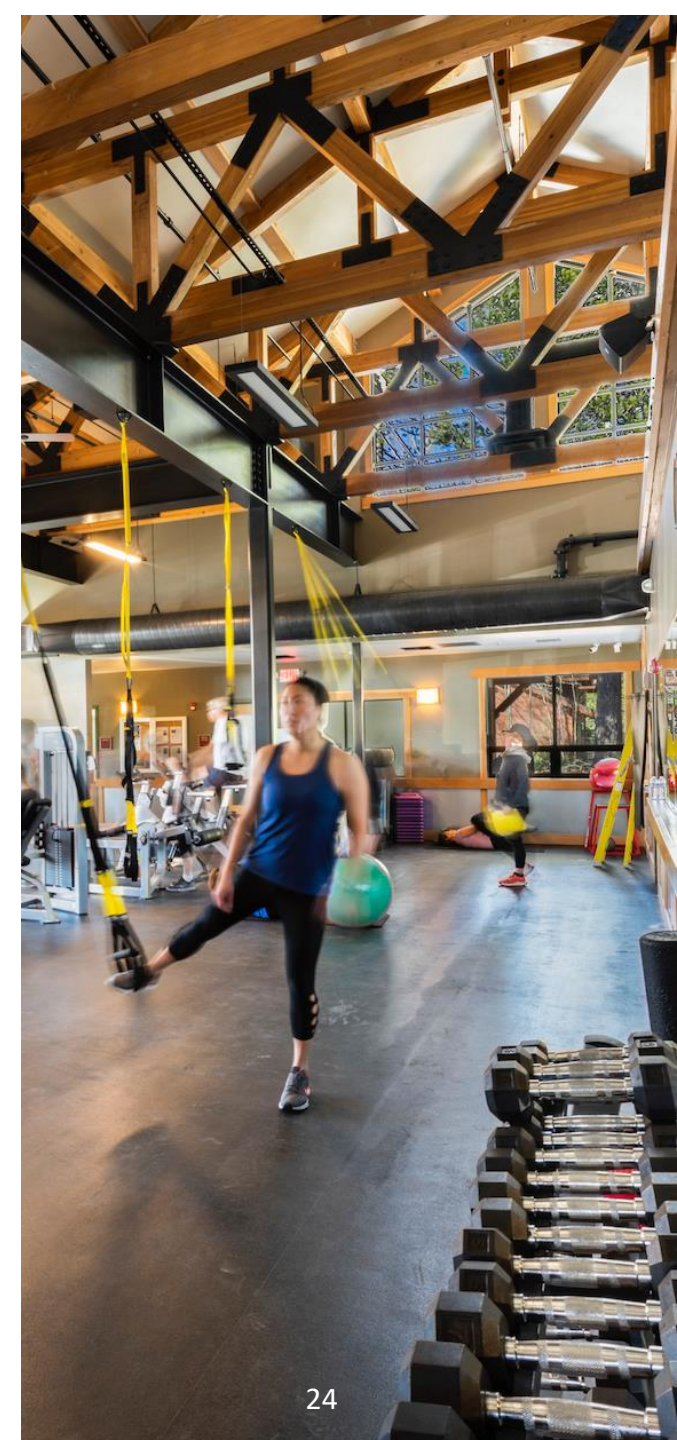
Guidance influences – desired outcomes of this process

- 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

RECOMMENDATION

Option 1 - Require the member to add their personal guest's profile to their ShopTD account

- Proceed with the ShopTD profile limit of 21 profiles (this can be changed in the future if necessary)
- Members can reach out to Member Services if they have reached the profile limit to remove profiles (for a fee)
- Eliminates the need for guest cards
- Could include charging the entrance fee back to the member



UNACCOMPANIED GUEST ACCESS – QUANTITIES

OPTIONAL DISCUSSION DEPENDING ON GUIDANCE FROM THE PREVIOUS TOPIC

There are two quantity issues to discuss:

1. Should a policy update consider a change to the limit of unaccompanied guests that can gain access per guest card (current limit is 4)
2. Should a policy update consider a change to the number of guest cards issued per property (current limit is 2)

CONSIDERATIONS

- The limit of 4 guests per guest card is likely a result of the desire to accommodate a “normal” single-family
- The limit of two guest cards per property is likely a result of the desire to increase that limit, and/or allow guests to visit multiple amenities at the same time
- Changing the policy to allow for one guest card per property with a limit of 8 guests per card is effectively the same situation as currently exists, except users can only go to one amenity at a time
- After the policy revision, guest card holders should be personal guests of owners and not short-term tenants

UNACCOMPANIED GUEST ACCESS – QUANTITIES

RECOMMENDATION

If an option is selected that continues to use guest cards,** continue with the quantity limit of 4 unaccompanied guests per guest card, as this is a reasonable number if considering accommodating a family. Two guest cards issued per property allow individuals in the same family to go to different amenities at the same time and obtain access. Guest card holders should all be personal guests and no longer short-term tenants.

**Slide 24 recommends an option that no longer uses guest cards



UNACCOMPANIED GUEST ACCESS – PEAK PERIODS AND FEES

DISCUSSION

Currently, unaccompanied guests are not subject to blackout periods or peak period pricing. However, unaccompanied guests do pay a higher daily access rate than accompanied guests.

- Should the updated policy continue to charge a higher daily access fee for unaccompanied guests to access the private amenities?
- Should the updated policy consider including peak period pricing for unaccompanied guests at the private amenities?
- Should the updated policy consider blackout periods for unaccompanied guests at private amenities?

UNACCOMPANIED GUEST ACCESS – PEAK PERIODS AND FEES – CON'T

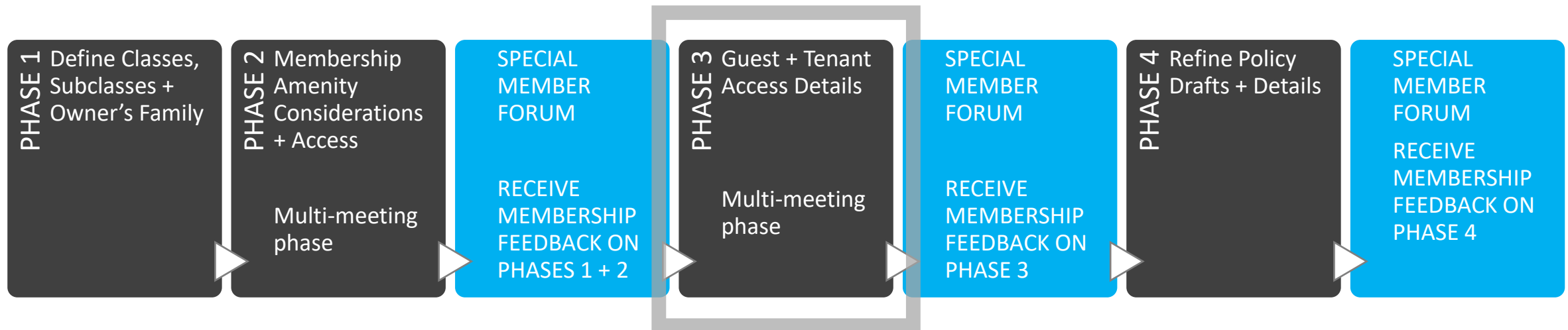
RECOMMENDATION

Staff recommends continuing to charge higher Daily Access Fees for unaccompanied guests as supported by the Amenity Access Survey data and adopting adaptive management language in an updated policy to include the opportunity to develop peak period pricing and/or blackout dates for unaccompanied guests.

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 unaccompanied guests to prioritize member utilization of the private amenities.”

NEXT STEPS

Following the completion of phase 3, the next step will be to host an evening Special Membership Forum to review the direction to date with the general membership to receive feedback on Phase 3, before moving on to Phase 4, where the details of a policy draft will be refined and discussed with the Board.



THANK YOU