

PHASE 3 WORKSHOP AMENITY ACCESS POLICY UPDATE | GUEST AND TENANT ACCESS CONSIDERATIONS

JANUARY 19, 2024



AGENDA + PROCESS

1. Review guidance to date
2. Review tenant access considerations
 - a. Present seasonal tenant considerations
3. Review guest access considerations
4. Member comments
5. Staff response
6. Next steps – Special Membership Forum format



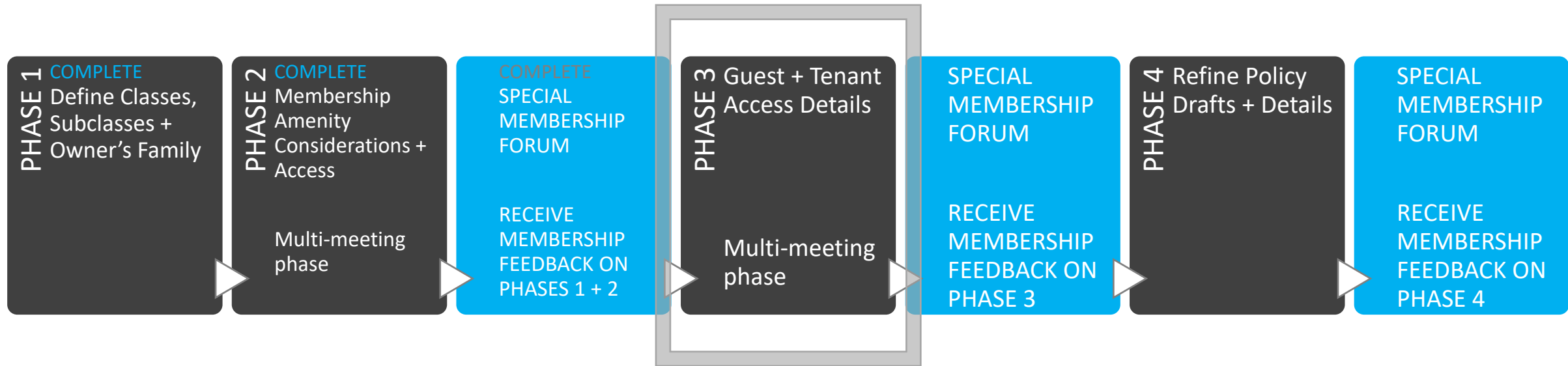
MEETING OUTCOMES

1. Board guidance on Special Membership Forum recommended approach for each topic
2. Board guidance on seasonal tenant access recommendation
3. Board guidance on Special Membership Forum plan

TODAY'S FOCUS – MULTI-PHASE APPROACH

Today's discussion will continue to focus on phase 3 of the process, memorializing the previous workshops, providing additional information the Board requested and clarifying Board expectations for the Member Forum related to this phase.

Issues not related to will be put into a parking lot until the appropriate phase



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

TENANT ACCESS CONSIDERATIONS – PHASE 3

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

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 the 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 card 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.



OCTOBER 26 WORKSHOP REVIEW – TENANT ACCESS CONSIDERATIONS

Three categories of tenants were discussed

1. Long-term tenants
2. Short-term tenant
3. Seasonal tenants

LONG-TERM TENANT ACCESS CONSIDERATIONS

Consensus among Board members

- Create a unique Long-Term Tenant photo ID card – track quantity and utilization
- Continuing the current Owner relinquish process where owners can transfer their access rights to long-term tenants by relinquishing those rights for a period of 9 months or longer
- For ADUs with lease agreements of at least 9 months, access photo ID card could be obtained with adequate validation of long-term tenancy and count towards the photo ID card limit per property
- All instances of long-term tenant access above will be subject to the same member benefits and requirements once a photo ID card is obtained

No consensus among Board members on whether a roommate residing in an owner's home should be able to obtain a photo ID card:

- Opportunity for fraud – how to validate
- Address through an exception process

MEMBER FORUM RECOMMENDED APPROACH:

- Seek member input on the points of consensus
- Specifically, address whether a roommate residing in an owner's home should be eligible for a photo ID card given the difficulty of validating the long-term tenant relationship in more detail in soliciting member input

OCTOBER 26 WORKSHOP REVIEW

SHORT-TERM TENANT ACCESS CONSIDERATIONS

No consensus among Board members

- Short-term tenants should be subject to
 - No access
 - Restricted access
 - Unrestricted access – current
- Assuming access continues
 - Create a unique Short-Term Tenant ID card – no photo, transferable
 - Track quantity and utilization of short-term tenant access
 - Limit the number of individuals who can access using the Short-Term Tenant card
 - Staff recommendation of 4
 - Adaptive management potential for this user category to utilize a variety of “tools” – peak period restrictions, peak period pricing, tiered pricing structure, etc

MEMBER FORUM RECOMMENDED APPROACH:

- Seek member input specifically related to: No access, restricted access and unrestricted access.
 - Restricted access will be presented in a general conceptual manner with a variety of examples
- Seek member input on the remaining short-term tenant topics below “assuming access continues”

OCTOBER 26 WORKSHOP REVIEW

SEASONAL TENANT ACCESS CONSIDERATIONS

Staff's recommendation in the October 26 workshop was to treat this user category the same as short-term tenants

There was no consensus among the Board members other than the request that staff provide options for this user category in a future workshop

OPTIONS DISCUSSION

The challenge is related to seasonal tenant validation

- Lease agreement is subject to fraud
 - Name and address on license or utility bill – likely not to be possible given the 9-month maximum stay for this category
 - Owner relinquish process is really the only way
1. If we use the owner relinquish process
 - Photo ID card
 - New category - Seasonal tenant photo ID card – assigned to an individual and expiring when the lease expires
 - Who is eligible for photo ID card?
 - Are all individuals on the seasonal tenant lease eligible?
 - Are family members eligible?
 2. If no owner relinquishment
 - Develop a new user type card – seasonal tenant ID card
 - Transferable – no photo
 - Subject to a unique set of operating rules or similar to another user category group (most likely short-term tenants)
 - Incentive to use the seasonal ID card versus the short-term tenant ID card



SEASONAL TENANT CONSIDERATIONS

Additional Consideration

C&R Article 2, Section 3 (a)

“With the exception of vacation and seasonal rentals, any rental or lease of a Residence or Condominium may only be to a single family for Single Family Residential use. The restrictions on multiple family occupancy imposed by this paragraph are intended to protect, enhance and maintain the single family residential atmosphere which exists within the Properties and to avoid an overburdening of Common Areas and Common Facilities.”

Context: The only user category that is eligible under our current Amenity Access Policy to receive owner-relinquished access rights is “Long Term Renters.” This was likely included in the policy because of the C&R article and section above

This provision, combined with the existing Amenity Access policy, acknowledges the exclusion of short-term and seasonal tenants from the opportunity to gain owner-relinquished access to amenities and that a transfer of amenity access rights through the photo ID pass system is intended for long-term tenants only

SEASONAL TENANT CONSIDERATIONS

RECOMMENDATION

Staff recommendation remains the same - treat this user group the same as short-term tenants. This is based on,

- Desire to simplify our policy, and
- Provisions in the C&R's and current Amenity Access Policy indicate the desire to “maintain a single-family residential atmosphere” and not overburden the common areas and facilities with “vacation and seasonal rentals”
 - The intent appears to be clear not to provide the owner relinquish option for any other category than long-term tenants

MEMBER FORUM RECOMMENDED APPROACH:

- Seek member input specifically related to the recommendation that seasonal tenants fall into the short-term tenant category or other Board guidance



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 than accompanied guests.



DECEMBER 6 WORKSHOP REVIEW

GUEST ACCESS CONSIDERATIONS

Two categories of guests were discussed

1. Accompanied guests
2. Unaccompanied guests

ACCOMPANIED GUEST ACCESS CONSIDERATIONS

Consensus among Board members

- Members should be subject to a limit to the number of accompanied guests they can bring into a private amenity in a day
 - The discussion was between 8 or 10 as the limit

No consensus among Board members

- Adaptive management relative to the tools available to control accompanied guest use to protect the member experience -
 - Consider the priority question in the survey

MEMBER FORUM RECOMMENDED APPROACH:

- Seek member input specifically related to the accompanied guest considerations above



DECEMBER 6 WORKSHOP REVIEW

UNACCOMPANIED GUEST ACCESS CONSIDERATIONS

No consensus among Board members

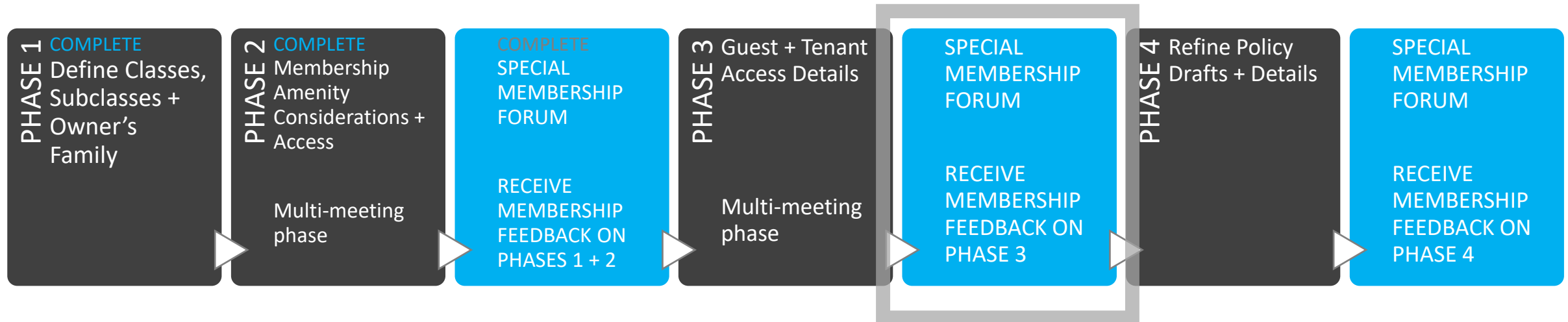
- Should there be a limit to unaccompanied guest access per visit/card
- Registration system for members to sign their unaccompanied personal guests up for private amenity access
 - Eliminates the need for a guest card
 - May require software development
- Require the unaccompanied personal guest fee to be charged back to the owner to validate the personal guest relationship
- Adaptive management relative to the tools available to control accompanied guest use to protect the member experience
 - Consider the priority question in the survey

MEMBER FORUM RECOMMENDED APPROACH:

- Seek member input specifically related to the unaccompanied guest recommendations above with a particular focus on:
 - The elimination of the guest card
 - The requirement of a member to:
 - Pay for the personal guest access
 - Register their personal guest in advance of their visit

NEXT STEPS

The next step will be to host a second Special Membership Forum to solicit member feedback on the direction from the Phase 3 workshops





SPECIAL BOARD MEETING FOR MEMBER FORUM

Plan for Special Membership Forum

- Menti Meeting for an interactive opportunity
- One hour in length
- More focus on input solicitation versus educating the participants aside from where necessary
- Date TBD: Thursday or Friday, 2/15 or 2/16

THANK YOU



APPENDIX - 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)

APPENDIX - GUIDANCE TO DATE

1. Definitions of user categories and sub-categories were refined at the June 2023 workshop
 - a. Definitions for OWNER, OWNER'S FAMILY, 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.
2. Member photo ID cards should be tied to individuals (who are eligible for cards under the policy) and not transferable.
3. 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)
4. 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
5. Provide options for member feedback relative to the number of cards that may include private amenity access with the payment of the assessment.



APPENDIX – ADDITIONAL TENANT/GUEST INFORMATION

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
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

APPENDIX – ADDITIONAL TENANT/GUEST INFORMATION

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

APPENDIX – ADDITIONAL TENANT/GUEST INFORMATION

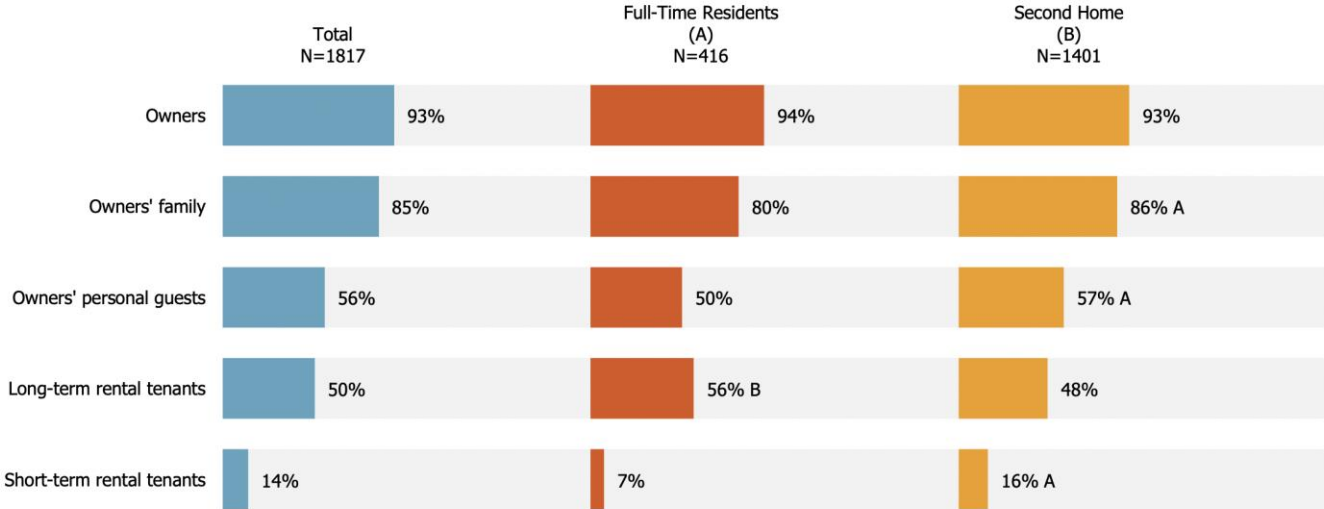
Ranking of Priority for Amenity Access

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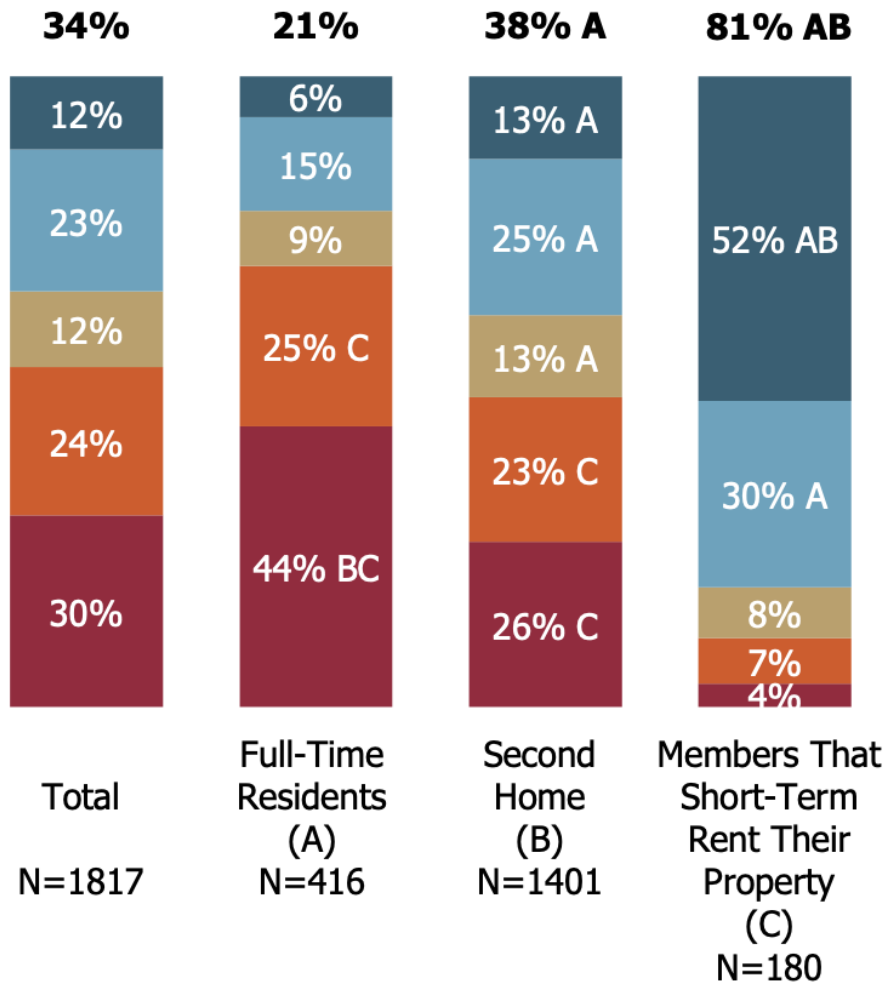
11% indicated there should be **no priority difference**

Groups Considered to be Included in the Tahoe Donner Community



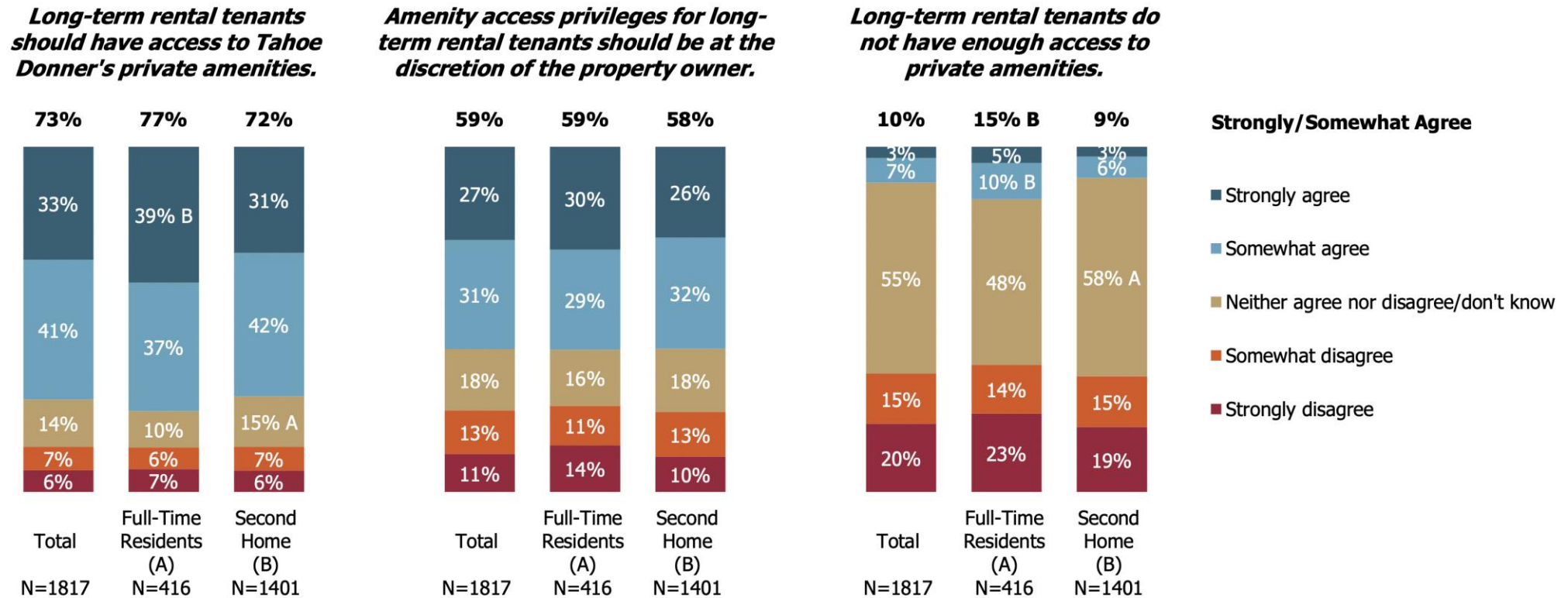
APPENDIX – ADDITIONAL TENANT/GUEST INFORMATION

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



APPENDIX – ADDITIONAL TENANT/GUEST INFORMATION

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.



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?

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.