



STAFF REPORT – PROPOSED AMENITY ACCESS RULE CHANGE 45-Day NOTICE

RECOMMENDATION:

By Motion:

The Board of Directors authorizes the publication of the proposed Amenity Access Rule change for a 45-Day Notice with all supporting materials necessary to inform the members about the purpose and effect of the rule change.

BACKGROUND:

Pursuant to Tahoe Donner Covenants and Restrictions Article III Section 7 “the board may, from time to time, propose, enact, amend rules and regulations of general application to the Owners of Separate Interests within the Properties.” Article III Section 7 (b) states, “...no association rule shall be adopted until the proposed rule or amendment thereof has been published to the members at least 45 days before the date when the board is scheduled to act on the proposal...” This notice is referred to as a (“45-Day Notice”) in the Tahoe Donner rule-making process.

The proposed overhaul of the thirty-year-old Amenity Access Rule results from an extensive, multi-year, multi-phased process that evaluated the current rule and engaged the membership through surveys, member working group meetings, three special member forums, and board discussions at thirteen workshops.

This Staff Report summarizes the final development phase of the proposed Amenity Access Rule initiative and recommends the Board of Directors consider approving the publication of the proposed Amenity Access Rule change for a 45-Day Notice with all supporting materials necessary to inform the members about the purpose and effect of the rule change.

ANALYSIS:

The existing Amenity Access Rule was adopted more than three decades ago. Today’s Tahoe Donner is a much different place, and the existing rule is largely out of date. The purpose of the proposed Amenity Access Rule change is to entirely replace the outdated rule with a new Amenity Access Rule designed to meet Tahoe Donner’s current and future needs. Additionally, the rule change is intended to achieve the following outcome goals:

- Promote member value
- 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 funding and pricing system
- Clarify user categories



The final development of the proposed Amenity Access rule and Phased Implementation Plan (See Exhibits A and B) was completed between May and the beginning of August this year. At the May 31, 2024 Amenity Access Board Workshop, staff presented an initial draft of the proposed Amenity Access Rule change and the suggested Phased Implementation Plan. The board provided guidance and feedback on the working draft and requested follow-up relating to financial modeling and the financial implications of the working draft rule.

Two subsequent Amenity Access Board Workshops were held on June 19 and July 26 where updated working drafts of the rule and implementation plan along with financial modeling illustrating the financial implications of the working draft rule were reviewed and discussed. The board provided additional feedback and requests and supported staff to refine the draft rule and associated implementation plan to present at a member forum before the board of directors considers a decision to authorize publishing a 45-Day Notice of proposed rule change.

The final draft (95% complete) of the proposed Amenity Access Rule change was presented to the board and members at the August 5, 2024, Special Board Meeting and member forum. Following the presentation, staff and the board held a Q&A period with participating members. The proposed Amenity Access Rule and Phased Implementation Plan (Exhibits A and B) were further refined and incorporated some member feedback provided at the August 5 member forum.

To summarize, the staff is recommending the following next steps,

1. Board Action at the August 14, 2024 Special Board Meeting: The board takes action to authorize the publication of the proposed Amenity Access Rule change for a 45-Day Notice with all supporting materials necessary to inform the members about the purpose and effect of the rule change.
2. The publication of the 45-Day Notice will be a special general delivery mailer to the members to expedite the notice period start date.
3. Future board agenda item: The Board will hear member comments on the proposed rule change at the September 27, 2024 board meeting.
4. Future action item: The Board will consider action to adopt the rule change at a special board meeting held on October 10, 2024, scheduled in the evening.

OUTREACH:

Extensive membership outreach occurred on the Amenity Access Rule initiative over the last two and a half years including member surveys, working group meetings, member forums, dedicated emails, Tahoe Donner News updates, and board of directors meetings and workshops.

The staff completed due diligence with legal counsel on the proposed rule change and phased implementation plan.



FISCAL IMPACT:

The approved 2024 Budget includes \$15,000 in funding for a 45-Day Notice special general mailing. The total estimated cost for the printing and mailing of the 45-Day Notice of Proposed Amenity Access Rule change is \$8,000-\$15,000 depending on the final page count and weight.

ALTERNATIVES:

The board has several alternatives:

1. The board may direct staff to modify the proposed Amenity Access Rule and bring the proposed rule change back to the board at a future board meeting.
2. The board may take action to approve the publication of the Proposed Amenity Access Rule Change for a 45-Day Notice in the next available Tahoe Donner News (August edition). This is not recommended by staff.
3. The board may postpone any portion of the initiative and provide staff with feedback or direction.

ATTACHMENTS:

- EXHIBIT A Proposed Amenity Access Rule Change
- EXHIBIT B Proposed Amenity Access Phased Implementation Plan
- EXHIBIT C Current vs Proposed Rule Comparison Table
- EXHIBIT D Draft 45-Day Notice of Proposed Rule Change - Introduction Section

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Board Meeting Date: August 14, 2024