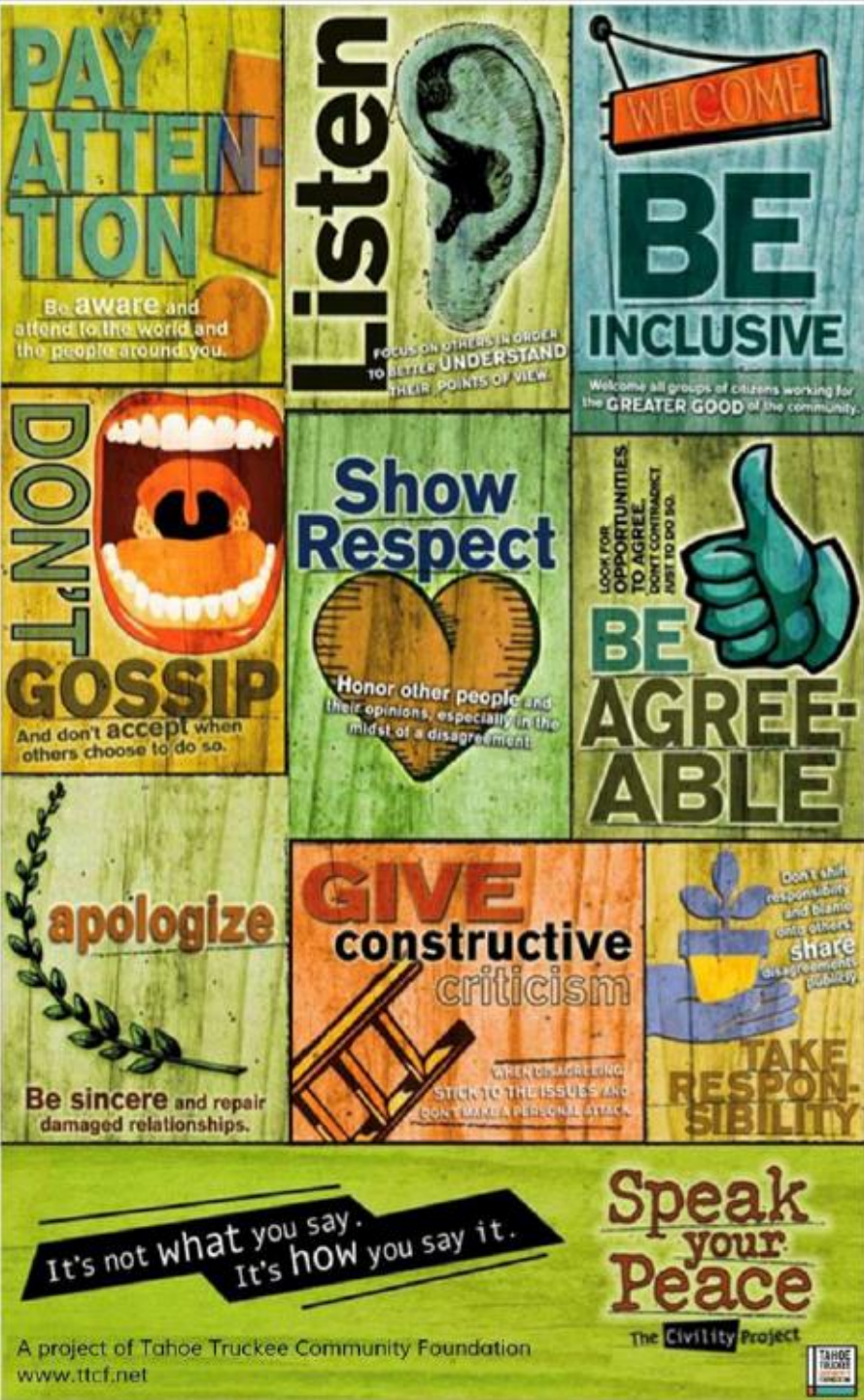


MEMBER FORUM AMENITY ACCESS RULE CHANGE PROPOSAL

SEPTEMBER 23, 2024

AGENDA + PROCESS

1. Review
 - a. August 5 Member Forum
 - b. Initiative Multi-Phased Approach
 - c. Rule Adoption Process
 - d. How to Give Feedback
2. 45-Day Comment Period Summary
 - a. Comments
 - b. Questions
3. Member Questions and Comments



REVIEW

REVIEW – AUGUST 5 MEMBER FORUM

Visit www.tahoedonner.com/amenity-access-policy or search “**Tahoe Donner amenity access update**” to see all the resources available relative to the process to date.

AUGUST 5 FORUM

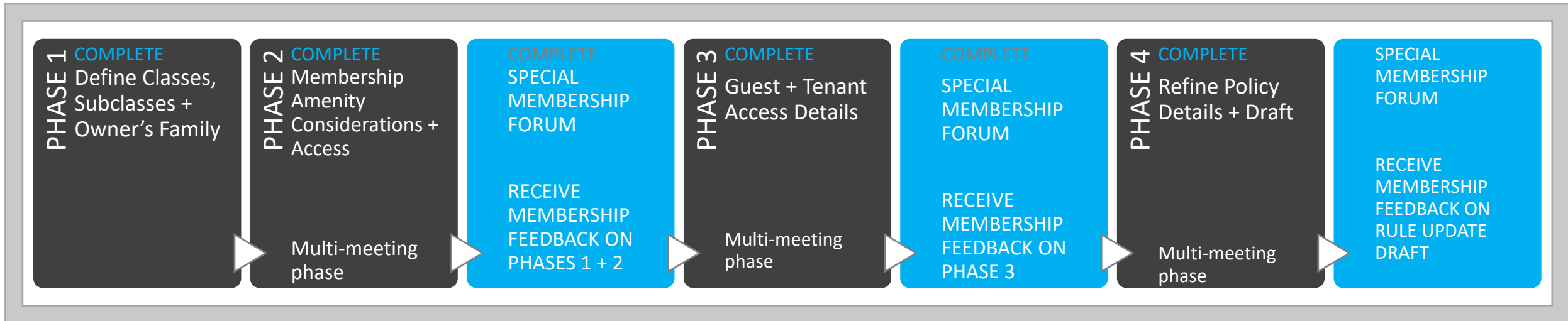
Staff reviewed:

- Project history
- Member outreach
- Member input
- Rule update desired outcomes
- Draft rule draft updates
- Operating plan
- Draft implementation plan



REVIEW - MULTI-PHASE APPROACH

The multi-phased approach to the rule development is complete as we are now in the 45-day notice period





Pursuant to Tahoe Donner Covenants and Restrictions Article III, Section 7, modifications to rules and proposed new rules must go out for a 45-day member notification and comment period prior to Board of Directors consideration and approval.

Changes to the Tahoe Donner Association Amenity Access Rule will be considered for action by the Board of Directors. The Board is expected to take action to adopt the proposed

[LEARN MORE + PROVIDE FEEDBACK AT TAHOEDONNER.COM/AMENITY-ACCESS-POLICY](#)

[CONTINUE READING FOR DETAILS ▶](#)

BACKGROUND

After studying the results of the 2019 member survey, staff began developing a proposal to update Tahoe Donner's existing Amenity Access Rule. The existing Amenity Access Rule was originally adopted more than 30 years ago, with incremental updates made to the rule through 2013.

In January 2021, the Board adopted the Tahoe Donner Five-Year Strategic Plan, which included an initiative to prioritize and continue the work that staff began to update the Amenity Access Rule.

During the winter of 2021/22, staff assembled and led a member working group to assist with project goal development, member outreach, member focus groups, and to help develop the summer 2022 amenity access member survey. Informed by the survey results, staff and the board spent the last two years developing the Amenity Access Rule change proposal presented here.

The proposed Amenity Access Rule development process encompassed more than a dozen open-session board workshops. It also included a robust member outreach and engagement plan to obtain continuous member feedback throughout the rule development process.

For background on the existing Amenity Access Rule, and for more information about the details and development of the proposed Amenity Access Rule, please visit [tahoedonner.com/amenity-access-policy](#).

Amenity Access Rule, as presented here or with some modification, at a special meeting of the Board, to be scheduled on October 10, 2024.

The Board invites you to join in the rule-making process by participating in upcoming board meetings where the proposed rule is on the agenda (see Key Dates) and/or by submitting a written member comment on the proposed rule during the 45-day notification and comment period.

MORE INFORMATION

For more information, including preliminary financial implications, please visit [tahoedonner.com/amenity-access-policy](#).

KEY DATES

August 26, 2024:

The 45-day member notification and comment period begins.

September 27, 2024:

Board of Directors meeting; receives and hears member comments on the proposed rule.

October 10, 2024:

Special Board of Directors evening meeting to consider adopting the proposed rule with or without modifications.

Note: Additional member informational forums to be announced.

MEMBER COMMENTS

Please submit your written comments at [tahoedonner.com/amenity-access-policy](#), or US Mail: Tahoe Donner Association Attn: Patricia West, 11509 Northwoods Blvd., Truckee, CA, 96161.

To ensure the board of directors has time to review all member comments, written comments must be submitted by 12:00 p.m. October 9, 2024.

RULE CHANGE PURPOSE

The existing Amenity Access Rule was adopted more than three decades ago, when less than 50% of Tahoe Donner lots had homes built on them. Today, Tahoe Donner is nearly completely built-out.

Because of this growth and other changes over the last 30 years, the private amenities are facing pressures and demands that were not anticipated when the existing rule was written. A new, up to date rule is needed to:

- Prevent overcrowding.
- Ensure member priority.
- Provide flexibility for non-traditional households.
- Lower member recreational costs.
- Protect against amenity access fraud and abuse.
- Provide stable funding for private amenity common expenses.

The purpose of the proposed Amenity Access Rule change is therefore to entirely replace the outdated rule with a new Amenity Access Rule that's designed to meet Tahoe Donner's current and future needs, while also aligning the Amenity Access Rule more closely with Tahoe Donner's Covenants and Restrictions. 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.

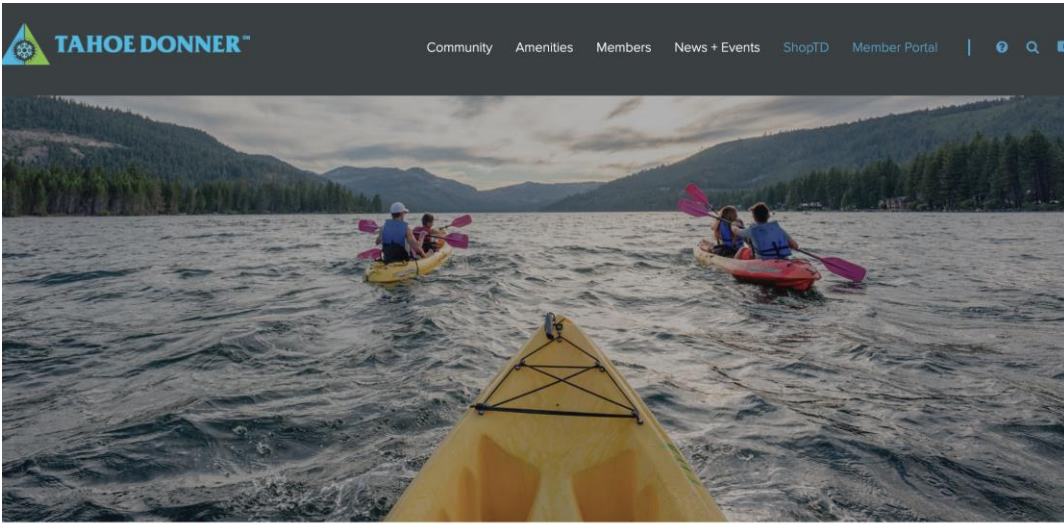
REVIEW – RULE UPDATE AND ADOPTION PROCESS

The updated rule draft is out for the 45-Day Notice period. If the Board adopts the rule, it is staff's intention to implement the rule beginning January 1, 2025.

RULE UPDATE PROCESS INFORMATION

In order to update an Association rule:

- The proposed rule change is drafted
- The Board approves publication of 45-day notice of proposed rule change
- 45-day notice of the proposed rule change is sent to members either through Tahoe Donner News or a special mailer
- The Board must hear member comments (written and in person) at a scheduled board meeting during the 45-day notice period – Friday, Sept. 27 board meeting
- The Board may consider adoption of the rule at a scheduled board meeting following the 45-day notice period and after consideration of member comments



HOW TO GIVE FEEDBACK DURING THE 45-DAY COMMENT PERIOD

ONLINE

Please submit your written comments at tahoedonner.com/amenity-access-policy

US MAIL

Tahoe Donner Association Attn: Patricia West
11509 Northwoods Blvd., Truckee, CA. 96161

To ensure the board of directors has time to review all member comments, written comments must be submitted by 12PM October 9, 2024.

Amenity Access Policy

Proposed Amenity Access Rule Change 45-Day Notice Member Comment

Name *

Tahoe Donner Association Address *

Unit/Lot Number

Comment *

Submit

45-DAY NOTICE / MEMBER COMMENT PERIOD



SUMMARY - COMMENTS TO DATE

As of Tuesday, September 17:

- 44 total comments have been submitted
 - 20 are opposed to the rule change
 - 10 are in favor of the rule change
 - 14 comments did not communicate a position, but were asking clarifying questions
- Of the 20 comments that were opposed to the rule change - themes:
 - 14 oppose higher assessments and/or believe that amenity users should pay for amenity operating common expenses
 - 4 express concern about having less than four people in their family
 - 3 mention they have more than four people their family
 - 2 mention they would like nieces and nephews included in the definition of family
 - 2 would like the rule to stay the same
- Of the 10 comments in favor of the rule change – themes:
 - 3 simply stated they supported the policy
 - 1 mentioned that new rule was more efficient, clear and equitable
 - 1 mentioned the ability to better prioritize members over other users

MEMBER QUESTIONS FROM THE COMMENTS SUBMITTED TO DATE

1. I have an ADU, will I be able to add these tenants to my property so they are eligible to obtain a photo ID card?
 - a. Yes, there is an exception process to provide residential tenant photo ID cards for your residential tenants without relinquishing your member photo ID cards.
2. What are the management tools for regulating usage?
 - a. As defined through the workshops, the management tools available to address overcrowding include higher daily access rates for specific user categories, peak period daily access rates for specific user categories, access restrictions and or blackouts for specific user categories, reservation requirements or any other mechanism deemed appropriate by management and identified in the annual operating plan.
3. If I own multiple lots that are undeveloped, do I have to pay the assessment on all the properties?
 - a. Yes, as is required in the C&R's, Article IV, section 2 (B)





MEMBER QUESTIONS - CONTINUED

4. How will this assessment revenue be allocated?
 - a. The assessment increase will be allocated to cover the operating operating common expenses of the private amenities.

5. How does this change benefit a household with less than 4?
 - a. For all members, the rule change will simplify member amenity access, deliver a higher quality amenity experience, control crowding, prioritize member access and usage, and promote member value and enjoyment
 - i. For households currently buying a 2-person rec fee, recreational access costs will be lower under the new proposal.
 - ii. For households not currently purchasing the rec fee, the rule will remove barriers of entry to using and enjoying the private amenities.

MEMBER QUESTIONS - CONTINUED

6. What is the increase to the assessment as a result of this rule change, and why is it not included in the notice?
 - a. The annual assessment is determined annually through the budget process. Without knowing the operating common expenses of the private amenities in the future, the exact increase to the assessment is unknown and therefore not included in the notice document.
 - b. That said, at the August 5 workshop, staff presented a model that was based on the 2024 budgeted common operating expenses of the private amenities with a 4% annual cost increase. The total modeled increase to the annual assessment was \$225 spread over the duration of the implementation plan. There is no increase to the annual assessment because of this rule change until access is included in 2026.

7. Why not allow 8 STR cards instead of 6 since there are 8 STR guests allowed at the amenities now?
 - a. The total of 6 STR cards per property was an effort to maintain access for STR tenants while prioritizing member and personal guest usage.

MEMBER QUESTIONS - CONTINUED

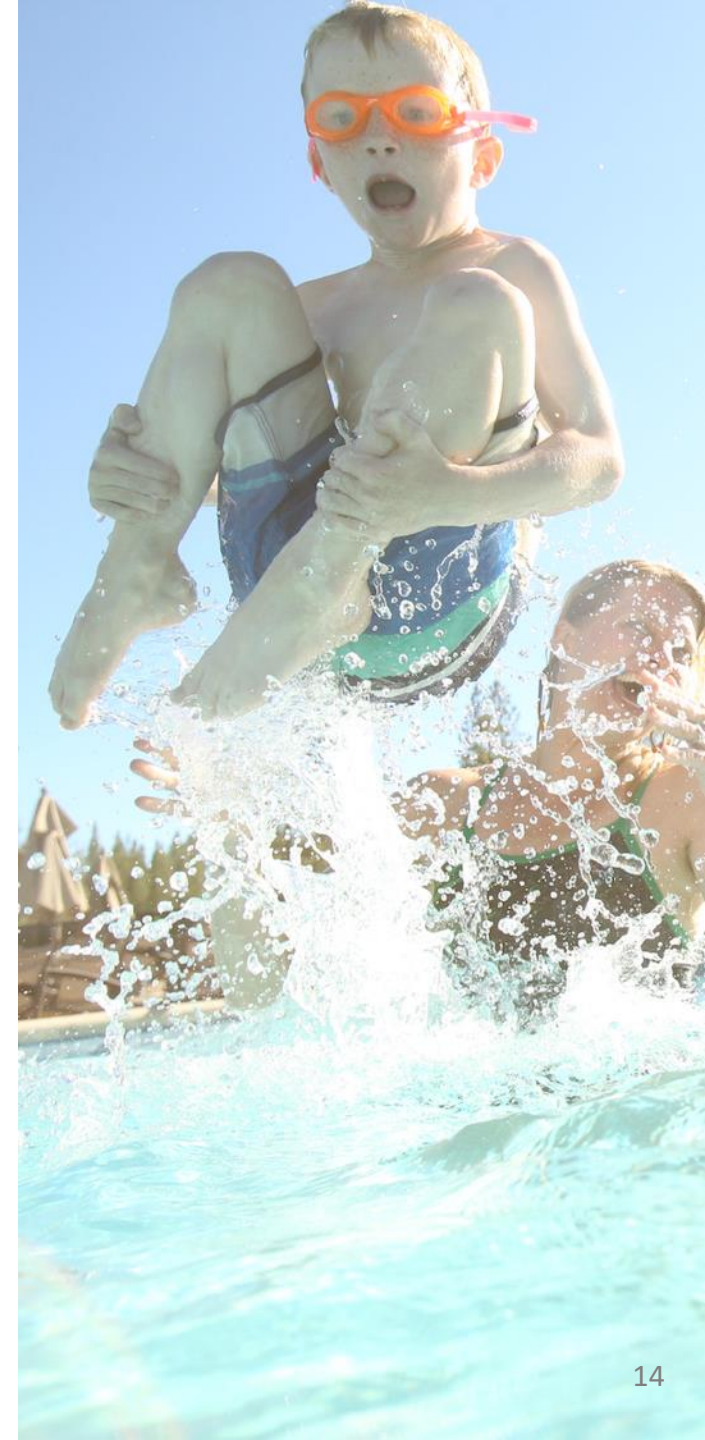
8. Why should Tahoe Donner be at all involved in validating whether or not a family relationship is legitimate?
 - a. This is directly related to the member survey feedback where abuse of the member photo ID card system rated as very important to the membership. In order to protect the association from fraudulent access to member benefits, the relationship validation requirement has been included in the rule.

9. How is a niece more difficult to validate than a grandchild or domestic partner?
 - a. Specific to validation challenges, the cousin relationship is the most difficult to validate and is assumed to be the primary source of fraudulent familial relationships. Relative to nieces and nephews, while the relationship may be validated, the definition of “owner’s family” was very broad and was narrowed to exclude these relationships. Even without cousins, nieces and nephews, Tahoe Donner’s “owner's family” definition is far broader than most common interest developments where the relationship is usually defined as linear relationships only (children and grandchildren) and often limited to dependent children under the age of 26.



MEMBER QUESTIONS - CONTINUED

10. Will there be a child rate for the “extra” card now that the age requirement is lowered to 3?
 - a. The cost, if any, of cards 5-10 for children ages 3-6 is yet to be determined and will be set through the annual budget process and transition plan.
11. How will we get our new membership cards if we only come to Tahoe Donner on the weekends?
 - a. The Member Services office is open 6-days a week all year round, expanding hours to 7-days a week during the winter from late November through mid-April and from Memorial Day to Labor Day. We can also coordinate a pick-up box option on days the office is closed if all documentation is submitted electronically.
12. Is there flexibility to the definition of owner if I have a special circumstance that is documented but not reflected on the deed?
 - a. The definition of an owner is part of the C&R’s and is tied directly to “Official Records of the office of the Nevada County Recorder.” An exception process is defined in the rule to consider other legal arrangements.

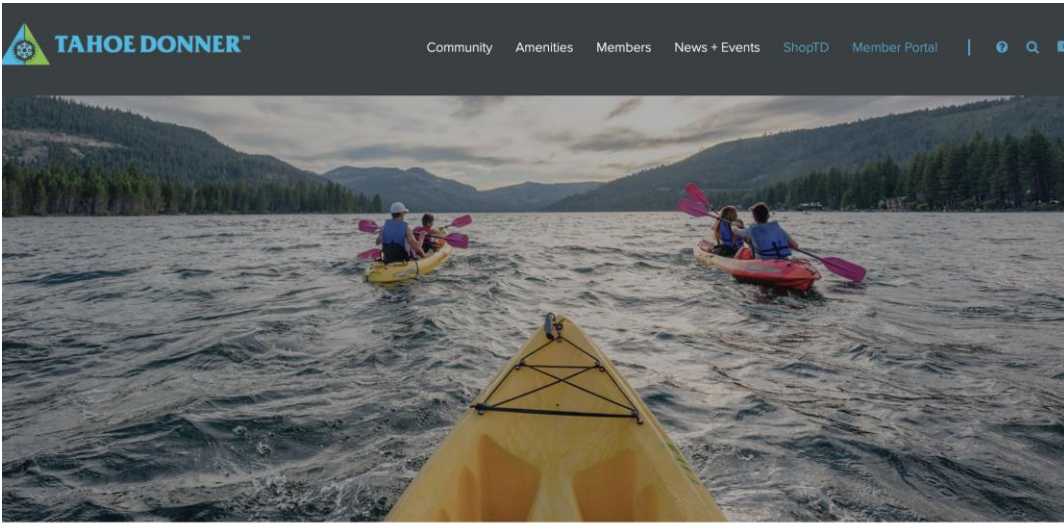


MEMBER QUESTIONS - CONTINUED



13. Can Tahoe Donner send out a summary in an easy-to-read format so people can understand the rule better?
 - a. A side-by-side comparison is included in the 45-Day Notice. Staff is working on the education campaign for what members will need to do and by when.

14. Is the new assessment subsidizing something else such as the Downhill Ski Lodge?
 - a. No, the assessment adjustment associated with this rule change is only to support the operating common expenses of the private amenities and does not begin until 2026.



HOW TO GIVE FEEDBACK DURING THE 45-DAY COMMENT PERIOD

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Amenity Access Policy

Proposed Amenity Access Rule Change 45-Day Notice Member Comment

Name *

Tahoe Donner Association Address *

Unit/Lot Number

Comment *

Submit

MEMBER QUESTIONS + ANSWERS

WITH THE BOARD AND STAFF

THANK YOU

APPENDIX

The following slides, which include a financial model, were presented at the August 5 Member Forum and illustrate the potential implications of the amenity access rule update on the Annual Assessment. *The slides have been updated to include the proposed 2025 Recreation and extra photo ID card fees.*

The Association's operating budget is set annually by the Board of Directors, so all future forecasts are shown are for modeling purposes only and are subject to change.

APPENDIX - MODEL ASSUMPTIONS

Includes all the updates to the draft rule with a three-year implementation plan

- Year 1 – to accommodate other Annual Assessment pressures
 - Member amenity access remains the same with 4 member photo ID cards included in the assessment, option to 2 and 4+ person Recreation Fee options, a member daily access fee if no Recreation Fee is purchased, 4 additional member photo ID cards available for purchase
 - Recreation Fee and additional card fee at a slight decrease to 2024 ***non-prorated rate***
 - Initiate tenant card changes as described in the rule draft
 - Initiate the personal guest registration process as described in the rule draft
- Year 2 - includes a minimum of 2 member photo ID cards included in the assessment, quantity to be determined during the budget process
- Year 3 - includes 4 member photo ID cards in the assessment
- Years 2 and 3 - both have the option to purchase up to six additional member photo ID cards annually
 - Additional member photo ID card volume purchases consistent with historical volume
- All Tenant cards are available for an annual fee to cover administrative costs - \$100 ***per property*** per year
 - Tenant cards for STRs are transferable and still require Daily Access Fee
 - Estimating 600 participating (75% of total TD registered STR properties)
 - Limit of six STR Cards per property
 - Approximately 140 owners relinquish their properties to Resident Tenants
- Tenant card administrative fee revenue, non-member daily access revenue, and other revenue increase with inflation

APPENDIX - MODEL – 2025 THROUGH 2029

Properties	6,473					Inflation	4%
<u>Included Amenity Access Yr 1(0), Yr 2 (min 2), Yr 3+ (min 4) ... Max 10 Total Amenity Cards/property by year 3</u>							
		\$ -	\$ 100.00	\$ 225.00	\$ 230.00	\$ 235.00	
YoY Assessment Change		\$ -	\$ 100.00	\$ 125.00	\$ 5.00	\$ 5.00	
	<i>Total Cards Included</i>	0	2	4	4	4	
Revenue Stream	2024	2025	2026	2027	2028	2029	
Rec Access Revenue covered by Assessment		\$ -	\$ 647,300	\$ 1,456,425	\$ 1,488,790	\$ 1,521,155	
Rec Fee (2025) and Extra Member ID Card Revenue		\$ 1,500,450	\$ 922,740	\$ 209,100	\$ 217,464	\$ 226,163	
Tenant Card Admin Fees		\$ 74,000	\$ 76,960	\$ 80,038	\$ 83,240	\$ 86,570	
Daily Access Revenue (Member)		\$ 70,000	\$ -	\$ -	\$ -	\$ -	
Daily Access Revenue (Non-Member)		\$ 463,000	\$ 481,520	\$ 500,781	\$ 520,812	\$ 541,645	
Other Revenue (Lessons, Rentals & Retail)		\$ 482,000	\$ 501,280	\$ 521,331	\$ 542,184	\$ 563,872	
Total		\$2,589,450	\$2,629,800	\$2,767,675	\$2,852,490	\$2,939,403	
Total Annual Ops Costs	\$ 2,398,727	\$ 2,494,676	\$ 2,594,463	\$ 2,698,242	\$ 2,806,171	\$ 2,918,418	
Trout Creek	\$ 1,220,289	\$ 1,269,101	\$ 1,319,865	\$ 1,372,659	\$ 1,427,566	\$ 1,484,668	
Aquatics	\$ 384,733	\$ 400,122	\$ 416,127	\$ 432,772	\$ 450,083	\$ 468,087	
Tennis	\$ 450,058	\$ 468,060	\$ 486,783	\$ 506,254	\$ 526,504	\$ 547,564	
Marina	\$ 343,647	\$ 357,393	\$ 371,689	\$ 386,556	\$ 402,018	\$ 418,099	
Variance (Shortfall / Surplus)		\$ 94,774	\$ 35,337	\$ 69,434	\$ 46,319	\$ 20,985	

APPENDIX - CHANGE FROM THE CURRENT RULE TO THE NEW RULE ENDGAME

MODEL IMPLICATIONS 2024 v 2027

These modeled implications are based on the same assumptions on slide 28. Actual 2027 annual assessment implication will be determined through the 2027 budget process.

Household	Current Rule – 2024 (Not Prorated)*						Proposed Rule - 2027			
	2 Member		4 Member		8 Member		2 Member	4 Member	8 Member	10 Member
	Rec Fee	No Rec fee	Rec Fee	No Rec fee	Rec Fee	No Rec fee				
Assessment Implication	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 225	\$ 225	\$ 225	\$ 225
Annual Access Pass – per property	\$ 312	\$ 0	\$ 512	\$ 0	\$ 1,212	\$ 700	\$ 0	\$ 0	\$ 700	\$ 1,050
Member Daily Access – per person	\$ 0	\$ 12	\$ 0	\$ 12	\$ 0	\$ 12	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 312	\$ 0	\$ 512	\$ 0	\$ 1,212	\$ 700**	\$ 225	\$ 225	\$ 925	\$ 1,275

- *In 2024, the Rec Fee was prorated at 80% because the 2024 Rec Fee expired after 8 months instead of the typical 12 months. These numbers represent the 2024 Rec Fee if it had not been prorated.*
- ***Non-prorated rate for the extra cards in 2024 is \$175 per card - \$175 x 4 = \$700*

APPENDIX - CHANGE THE TYPICAL HOUSEHOLD OF 4 MEMBERS

MODELED IMPLICATIONS THROUGH THE THREE-YEAR IMPLEMENTATION PLAN

These modeled implications are based on the same assumptions previously mentioned. Actual 2025 Recreation Fee pricing will be determined through the budget process.

Typical Family of 4	Current Rule - 2024 (Not Prorated)		Proposed Rule - Year 1 - 2025		Proposed Rule - Year 2 – 2026		Proposed Rule - Year 3 - 2027	
	4 Members		4 Members		4 Members (2 Cards Included)		4 Members	
	Rec Fee	No Rec fee	Rec Fee	No Rec fee				
Assessment Implication	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100	\$ 225*		
Annual Access Pass – per property	\$ 512	\$ 0	\$ 500	\$ 0	\$ 0	\$ 0		
Additional Photo ID Cards	\$ 0	\$ 0	\$ 0	\$ 0	\$ 310**	\$ 0		
Member Daily Access – per person	\$ 0	\$ 12	\$ 0	\$ 12	\$ 0	\$ 0		
Total	\$ 512	\$ 0	\$ 500	\$ 0	\$ 410	\$ 225		

* Change from 2025, not a year-over-year increase

** Extra card fee for 2 cards at \$155 each

APPENDIX - MEMBER PHOTO ID CARD BENEFITS

IN ADDITION TO INCLUDED PRIVATE AMENITY ACCESS

Members receives other benefits in addition to private amenity access which include:

- Exclusive discounts for products and services
- Priority reservation/purchase windows
- Exclusive F+B BOGO and other offers

The 2021 Cost of Services Study indicated the association provides approximately \$1.1M in discounts annually for members and guests. **The products below are a few examples of the value of having a member photo ID card.**

Product – Adult Rate Provided	Member	Public	Member Discount
Downhill Ski Season Pass	\$ 400	\$ 619	\$ 219
Cross Country Ski Season Pass	\$ 409	\$ 545	\$ 136
Winter Combo Ski Pass	\$ 599	\$ 841	\$ 242
Downhill Holiday Daily Ski Lift Ticket (23-24)	\$ 54	\$ 113	\$ 59
Cross Country Holiday Daily Trail Pass (23-24)	\$ 38	\$ 61	\$ 23
Golf Weekday Plus Season Pass	\$ 1,750	\$ 2,350	\$ 600
Golf Daily Green Fee	\$ 110	\$ 195	\$ 85
Bikeworks Maintenance Clinic	\$ 0	\$ 20	\$ 20

