

**ALPINE MEADOWS PROPERTY OWNERS ASSOCIATION
MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF
DECEMBER 22, 2018**

Board Members Present at Meeting: Jerry Clark (President), Jim Martin (Vice President), Rick Barnard, John Bruno

Board Members Present by Proxy Received in Advance: Happy Fowler, Honeydew Murray, Elizabeth Smith (Secretary-Treasurer)

The meeting was called to order by Jerry Clark at 2:00 pm MST, who, noting that proper notice had been given for the meeting and a quorum was present, stated that the meeting was properly constituted for business.

The Board received the Minutes from the two previous Board Meetings of September 27 and October 16. A motion was made to approve the Minutes of both meetings, was seconded, and unanimously approved.

The Board then discussed the situation with the Shaw's parking, home and lot. The Shaw's have been notified that they will need to build driveway access to their lot by the end of the Summer of 2019. They had also asked, through their real estate manager, whether their existing structure would qualify as a "second building" per the Covenants, and whether loft space would count against the 750 sq ft limitation for second buildings. The Board unanimously agreed that loft space is included in square footage. They also confirmed that if the current structure is to be viewed as a second building it must be no larger than the 750 sq ft listed in the covenants. Further, it is our understanding that the current structure exceeds this, but if the Shaw's disagree they would need to provide independent 3rd party drawings/measurements from a licensed appraiser showing this and then that would need to be verified by inspection by the Board as well. The Board also reiterated that plans for a driveway, including its location, must be brought forward as soon as possible this Spring to be reviewed and then approved by the Board (as Architectural Control Committee) before construction can start. The objective would be to have the driveway in place during the summer assuming the property is going to be used.

The Board noted that the Shaw's could add on to the existing structure as long as the total sq footage of the combined structure stayed within the restrictions set out in the covenants. They would then be free to build a new second structure elsewhere on the lot, if they so chose, limited to 750 sq feet. The Board unanimously agreed on the above and asked Jerry Clark to communicate these conclusions to the Shaw's agent.

The Board then discussed the documents regarding renting provided in advance of the meeting, namely the Amendment to the Declaration of Covenants, and the Renting Rules and Regulations Policy document, and agreed the following changes be made:

- Amendment: Clarify that Family members who have full use of one's home gratis do not count as a rental.

- Amendment: Also, clarify that a close friend/acquaintance having full use of one's home (again gratis) is not renting. That said, to avoid gaming the system, it should be only occasional and the Board should be notified (which would allow the Board to question and investigate an unusual pattern). The Board would then have the authority to approve or disallow depending on the outcome of such investigation.
- Rules/Regs: Also, it would be good (a suggestion, not a requirement) that a renter should advise one's immediate neighbors of such non-rental stays as well as rental stays. Just a courtesy.
- Rules/Regs: We should clarify in the Rules & Regs document that the "three strike" violation count gets reset to zero if no limits are broken over 25 months. In other words, if after a first violation occurs, the homeowner abides by the limits set for the next 25 months, then that would "clean their record" and a subsequent violation would be treated as a first violation not a "second" violation. (No one of us wants to keep track of violations over a several year period.)
- Amendment: The 7-day limit on renting for new purchasers during their first three years of ownership should be expanded to 14 days. (Feedback from some homeowners was that the 7-day limit is too harsh and could affect the market for resale to potential purchasers who are not interested in turning the property into a rental property but just want a home they can use and might rent out a couple weeks of the year. Parties who want to purchase a home to turn it into a rental property will be dissuaded whether the three-year restriction is one or two weeks.)
- Feedback on allowing more frequent rentals but limiting the # of days was not supported.
- Amendment and Rules/Regs: Not clear what level of coverage we would be requiring for "renters insurance". As a result, the language in the Amendment should be generic and provide the Board the authority to establish limits it deems appropriate and sensible in the Rules/Regs document.
- Rules/Regs: No exceptions for so-called emergency use of drones

And finally, language for Renter occupancy and parking should be revised

The Board agreed that the language in the Amendment regarding # cars to park is getting very prescriptive for the Amendments. Such detail would be better placed in the Rules and Regs document, where the Board can adjust them more easily as circumstances warrant. This section is simply trying to accomplish a few things: 1) Contain/limit the # occupants of any individual rental; 2) keep the look from the street clean, ie don't want a lot (eg more than 2 or 3) of cars and other vehicles etc visible from the street; 3) Don't allow large vehicles like RVs, 5th Wheel campers, and trailers and the variety of other vehicles they transport to be visible for more than a limited period of time. And give the HOA the right to tow etc if necessary.

As a result, the Board agreed the following language regarding Parking ad Occupancy for the Amendments and the Rules/Regs Documents:

For the Amendment:

Occupancy for any rental shall be limited to a maximum of 13 people.

Renters may keep certain vehicles on the property during the period of any rental, which will be limited subject to the restrictions herein and subject to the restrictions contained in rules and regulations related to the renting of homes adopted and approved by the Board of Directors. Such restrictions shall relate to such things as, but not be limited to:

- the number and kind of vehicles allowed (including standard passenger vehicles as well as “Alternative” vehicles or equipment such as RVs, campers, 5th wheel campers, trailers, off-road vehicles, snowmobiles, or a boat);
- their visibility from the street; and
- the duration that any such Alternative vehicles or equipment may remain visible or kept on the property in conjunction with the rental of the property.

Further, the Association has the right to tow, impound or boot any vehicle parked in excess of these provisions at the owner’s or renter’s expense, but only after a notice is provided at least 48 hours in advance.

No Parking of any vehicle or equipment of any kind is allowed on the street.

The Rules and Regulations Document would then provide further specificity (along with all the other things it would include) as follows:

At no time should more than three vehicles or equipment of any kind be visible from the street. This may include an RV. It may also include one “Alternative” vehicle, such as any one of a variety of Alternative vehicles or equipment such as a 5th Wheel camper, a boat, one or two snowmobiles, or one or two off-road vehicles, or any other such alternative vehicle or equipment, together with a trailer (limited to one) used to transport them that may be kept in the driveway. Any RV or “Alternative” vehicle or equipment may be parked visible from the street, but for no more than 14 days. After that, they must either be garaged or removed from the property. No more than 2 passenger vehicles of any kind (eg, a standard passenger car or a SUV) may be visible from the street at any time.

The Board then discussed the plans to communicate and roll-out the Amendment and the Renting Rules document, and empowered the President to coordinate that over the next several weeks.

There being no other business to discuss, the meeting concluded at 3:30 pm.



Gerald F. Clark
President

Outline: Amendment to the Covenants Re Rentals

1. Homeowners who wish to rent their homes must register with the HOA by providing to the Board all information set out in the HOA's Rules and Regulations and Policies regarding renting as the Board may issue, including but not limited to verification of Renter's insurance of coverage levels as the Board deems necessary.
2. Homeowners who rent must abide by the Rules and Regulations concerning renting of Homeowner's property, which the Board will issue and update from time to time.
3. Renting one's home is not allowed unless an HOA approved waiver of liability is signed by the prospective renter and provided to the Board in advance of the rental. This waiver also applies to use of Nicholson Lake, Activities on which are done at one's own risk. Under this waiver, renters shall assume all liability related thereto, and release the Association from any and all damages, costs, claims, liabilities and expenses as a result of said use. Homeowners are liable for any claims (lake use or otherwise) made by their renter against the HOA.
4. Any Member who rents their property, regardless of whether they have secured a signed release of liability, shall be deemed to have fully indemnified the Association, and will be required to defend and hold harmless the Association from any and all claims that may arise as a result of the rental of the Member's property.
5. Owners shall be responsible for any violations and assume liability for any damages or claims made by renters against the HOA.
6. Damage by a renter to common area/HOA property is the owner's responsibility.
7. Renters and all non-owner occupants are expected to abide by the rules and courtesies that are common to the neighborhood
8. Each non-owner occupant shall be held to the same covenants and restrictions as the owner of the property.
9. Current Homeowners as of the date this Amendment is ratified may only rent their homes 3 times between the six month period May 1 to October 31. An additional 3 rentals are allowed for the six month period November 1 through April 30. Each of the rentals in these "rental periods" can be of any duration. By inference, Homeowners can also have one rental that covers more than six months. A "house trade" with a third party is treated as a rental.
10. Homeowners who purchase their homes after the date this Amendment is ratified may only rent their home for a total of 7 days each of their first three years of ownership. After those three years, they may rent their homes on the same basis as other Members who have purchased their homes before the date this Amendment is ratified.
11. Only two cars are allowed on the property for each rental. The Board shall also have the authority to boot, remove or tow a renter's vehicle illegally parked.
12. Homeowners cannot reside on a property while a "guest space" is rented to a 3rd party. A "guest space" is defined as any space on the homeowner's property, whether part of or separate from the main residence. Exceptions

may be made by the Board but shall be limited to no more than two people in the rental party, and only where the Homeowner requires their presence to assist with the Homeowner's health or physical impairment, or for the Homeowners personal safety (such as may exist for an elderly person living alone). Exceptions will not be made if the Board determines the predominant purpose of the rental is to generate additional rental income.

13. The Board shall have the authority to set reasonable fines for violation of renting limits, including monetary fines as well as further restrictions on the number of weeks one can rent (up to and including a revocation of renting privileges), as well as other such things the Board deems necessary for enforcement of this amendment to the Covenants.

DRAFT

ALPINE MEADOWS PROPERTY OWNERS ASSOCIATION RULES AND REGULATIONS FOR SHORT-TERM AND LONG-TERM RENTALS

At the 2017 Annual Meeting of the Alpine Meadows Property Owners Association (the "Association" or the "HOA"), the HOA discussed the growing trend in the Crested Butte area for increased renting of homes for short and long-term periods, and what, if any, limitations, rules, or regulations should be considered for our Alpine Meadows neighborhood. This issue was again raised at the 2018 Annual Meeting. After discussion and review of the current state of rentals in our neighborhood, the following conclusions have been reached and are agreed:

- We recognize the desires of individual Members who wish to rent out their homes from time to time. At the same time, we seek to maintain the character and identity of Alpine Meadows as a quiet neighborhood predominantly populated by its Members, and we seek to maintain the ambiance, tenor, and beauty of the neighborhood that results from proper understanding of and respect for the privacy, quiet and support provided to all neighbors, especially those in one's immediate vicinity.
- At the present time, the frequency and number of rentals by Members who wish to let out their homes, and the behavior of rental tenants is not considered acceptable to the neighborhood at large. Also, the behavior of renters themselves has at times, raised concerns in the neighborhood.
- As a result, in [February 2019] the Members of the Association approved an Amendment to the Covenants to impose restrictions on the number and frequency of rental activity of any Member's property.
- To clarify and further detail the terms of this Amendment and the steps authorized to implement these terms, this document sets out the Rules and Regulations that all Homeowners who rent and their renters must abide by, as follows:

1. Homeowners who wish to rent their homes must register with the HOA by providing to the Board all information set out below:
 - Your Name, Address, and Contact information;
 - Contact information of Property Manager; Contact information of leasing Company/Agent
 - Proof of Renters' Insurance, listing Alpine Meadows Property Owners Association as "Additional Insured", with coverage set at a minimum of [\$3 million]. BETH OPINION ON THIS LEVEL OF COVERAGE?
2. Homeowners who rent must provide, in advance of each rental, an HOA approved waiver of liability signed by the renter, the names of the party renting, and how many people are in the party.
3. As set out in the Amendment to the Covenants concerning renting, Homeowners who qualify for full renting privileges are limited to 3 rentals during each six-month rental period of May 1 through October 31, and November 1 through April 30.
4. Immediately following the end of every six-month rental period, the HOA shall request that Homeowners who rent report as to the # rentals they had and the dates of those rentals. Failure to do so may result in reduction of renting privileges. At that time, Homeowners shall also pay a fee of \$50 per rental they had to Alpine Meadows Property Owners Association, to cover costs and time of administering this rental policy.
5. Homeowners must also allow the HOA to contact their leasing/renting agency and their property managers and instruct them to provide information the HOA requests as to the rentals the Member have had.
6. Homeowners who rent and exceed the rental limits established in the covenants will be notified by the HOA of their violation of the rental limits. The excess # of rentals will be deducted from the rentals allowed for this Homeowner for same six-month period of the following year. If they exceed the renting limits a second time, the Board is authorized (in addition to further reducing rentals allowed) to also impose a fine of \$150 for each day the home is rented by the rental(s) which exceed the limit. If the limits are exceeded a third time, fines will again be imposed and renting privileges will be completely rescinded for up to three years at the discretion of the Board.
7. The Board may choose to boot, remove or tow a renter's car illegally parked.
8. Homeowners who are assessed a fine and/or a reduction in renting privileges can contest the fine and request a hearing, as consistent with the HOA's Policy on Enforcement (to be developed...).
9. Each non-owner occupant shall be held to the same covenants and restrictions as the owner of the property. Renters and all non-owner occupants are expected to abide by the rules and courtesies that are common to the neighborhood. Owner is responsible for payment of fines due to violations by their renter, as determined by the Board.
10. In particular, Renters shall follow the following rules:
 - No dogs allowed
 - No speeding on streets.
 - No use of drones.
 - No parties at lake/follow lake rules
 - No intrusive noise; no noxious or offensive activities
 - No intrusive light at night
 - Property kept clean; no trash on property; observe trash pickup dates and place trash in bear-proof containers on the street the morning of (and not before) the trash pick-up date.

- Property not used as a commercial/business establishment
- No parking on street; cars must be parked in driveway and preferably garaged so not visible from street.
- No RVs, boats, trailers etc parked on the property and visible from the street for more than 14 days.
- All HOA rules apply; owner is responsible for payment of fines due to violations by their renter.
- No activities shall be conducted on any property which are or might be unsafe or hazardous to any person or property. This includes no discharging of firearms and no open fires except in built-for-purpose fire-pits which must be attended at all times and completely extinguished after use.
- Be respectful to neighbors