

# **SPRING CREEK HOMEOWNER'S ASSOCIATION**

P.O. BOX 4780, Jackson, WY 88001

(307) 733-8833

## **Occupancy Regulations Update**

October 12, 2020

Spring Creek Ranch Homeowner's Association (the HOA) has evaluated comments made by certain owners concerning the occupancy regulations adopted for single family and townhome rentals effective July 1, 2020. The regulations have been modified slightly, but remain effective as of July 1, 2020. The HOA has a responsibility to preserve, protect and enhance property values for all of its owners. The HOA will not permit expenses associated with rental tenancies to burden other property owners who do not rent their dwellings. The HOA established regulations effective July 1, 2020 governing occupancy of townhomes and single-family residences within Spring Creek Ranch. For the safety, security and benefit of the entire community, the Board of Directors of the HOA adopted these regulations, which include several provisions concerning rental tenants. The HOA has charged Spring Creek Ranch Management Company ("SCRMC") with the administration of these regulations. These additional tasks by SCRMC result in additional charges to the HOA, which must be borne by the property owners whose tenants cause these expenses. The HOA has a services agreement with SCRMC that provides for labor charges ranging from \$55 to \$160 per hour for administration and accounting. By virtue of these regulations and agreement with SCRMC, SCRMC will charge a fixed amount of \$75 per rental agreement for tenants originating from outside agents. This equates to less than one hour of average labor time for all time components associated with each rental agreement. SCRMC will absorb all costs related to their own rental tenants without cost to the HOA.

The \$75 charge per reservation is maintained in the amended regulations for all rentals through agencies other than SCRMC. This charge will be paid over in full to SCRMC to compensate it for administrative costs incurred: setting up reservations in its systems; checking in new arrivals, including collecting data on identities; compliance with occupancy limits; establishment of credit card accounts; compliance with dog regulations, when applicable; directing tenants to their residences; issuing and monitoring parking passes; checking occupants out as they leave, including processing credit card charges as necessary, etc., all as more fully described in the regulations governing single family and townhome occupancies. As a result, SCRMC will not charge the HOA for any of these associated costs. In addition, SCRMC will absorb the cost of these services for their own tenants so the HOA will bear no expense of this type.

In addition, the HOA requires that all rental tenants pay their fair share for use of Spring Creek Ranch amenities. SCRMC charges their own tenants daily "resort fees" ranging from \$20 to \$80 per day as compensation for use of all Spring Creek Ranch amenities (some of which are owned and maintained by SCRMC), without any cost to the HOA. The HOA has amended its rental regulations and adjusted its resort fees charges down to exactly match those being charged by SCRMC. Thus, all rental tenants stand on exactly the same footing. Owners who rent independently may pass this expense along to their rental tenants, just as SCRMC passes similar charges to its rental tenants. No one is placed at a disadvantage.

The HOA received several comments and concerns that the previous \$75 per unit per day fee in the original regulation was unfair to rentals originating from outside agencies because this exceeded some of the "resort fees" being charged to rentals made through SCRMC. While the HOA continues to believe this charge was justified, it has considered the comments and issues in good faith, and has no desire to engage in a protracted controversy. Therefore, the HOA has amended the regulations to adopt daily resort fees which are exactly equivalent to the fees being charged to SCRMC rentals. This change is effective as of July 1, 2020. Thus, the daily resort fee will be \$20 for a one-bedroom unit, \$40 for a two-bedroom unit, \$60 for a three-bedroom unit and \$80 for a four bedroom unit. As a result, tenants renting through outside agencies will stand on exactly the same footing as tenants renting through SCRMC.

The HOA intends to pay 50% of all daily resort fees to SCRMC as compensation for guests' utilization of various resort amenities which are owned by SCRMC, and for related expenses associated with rental tenant usage that are not charged to the HOA. The HOA will retain the remaining 50% of the daily resort fees to offset costs which may be charged to the HOA associated with rental tenants from outside agencies. This includes monitoring compliance with occupancy regulations, enforcement of parking passes and regulations, remedial actions as required, legal fees and expenses, accounting fees, clean-up of refuse left by rental tenants, etc. SCRMC will absorb these types of expenses for their own tenants without cost to the HOA.