

November 2022

Dear Keystone Ranch Homeowner,

This letter serves as a follow-up to the September 29, 2022, HOA Board meeting that was held at the Keystone Science School and made available to all homeowners via a Zoom link. Several topics were covered including the HOA's transition to our new HOA management company Basic Property Management, new State-required HOA policies, installing water meters in the individual Keystone Ranch homes, and rentals. A copy of the Meeting Minutes is attached for your review.

The remainder of this letter serves to address rentals in our community.

As you are all aware the Keystone Ranch HOA Board has been tasked with addressing homeowner concerns regarding rentals/short-term rentals in our community. We have been researching this issue since it was brought-up at the July 2021 HOA meeting. Our research included canvassing the homeowners via telephone calls, conducting a Short-Term Rental Survey with the homeowners via Survey Monkey, hearing testimony from District Water Commissioner Troy Wineland regarding the impact that rental homes have on the Keystone Ranch water system and water supply, better understanding what other HOAs have done to address rentals in their subdivisions, and receiving input from the Summit Association of Realtors and the Summit County Planning Department.

From our research there are several key points that have led to influencing the Board's position and recommendation of an Amendment to the Declarations. These key points are:

1. Homeowner input that rentals/short-term rental homes in our HOA are disruptive to neighboring homes and homeowners' personal use and enjoyment of their Keystone Ranch home with expressed concerns for noise, parking, safety, traffic, emergency vehicle access, and for incremental stress and negative impact to community infrastructure and amenities (roads, dumpster use, and personal use and enjoyment of the swimming pool) because of high-frequency high-occupancy tenant turnover.
2. Input from homeowners who do not rent but would like to be able to preserve the ability to rent in the future, mostly in consideration of future generations' ability to pay operating expenses and 'keep' the house.
3. Concerns that high-occupancy rental homes have on the private Vail-owned Keystone Ranch Water System and water supply. Specifically, during periods of high occupancy there are times when the water tank does not refill overnight. This raises fire suppression concerns and concerns for water supply in general.

Therefore, to address the concerns and desires of the majority of our homeowners regarding their personal use and enjoyment of their home balanced with desires of being able to generate income to off-set operating expenses and with consideration to our water supply, your Keystone Ranch Board of Directors will be proposing to the Membership an Amendment to the Declarations that addresses these concerns.

Key intentions of the Amendment are to:

1. Limit frequent transient rental-related turnover in the community.
2. Allow for rental activity to off-set home operating expenses and taxes.
3. Limit water consumption by non-owner-occupied rental homes.

Additionally, this proposed Amendment:

1. Has no limits or restrictions whatsoever on a homeowner's personal and family use of their home.
2. Does not make a distinction between short-term and long-term rentals.
3. Does not limit or restrict the maximum number of rental nights per year.
4. Does limit the number of rentals per year to three separate rentals per year of unrestricted length. (Note: consideration is being given to permit up to four separate rentals per year instead of three).
5. Requires the Lessee to be in-residence throughout the term and duration of the lease.
6. Prohibits sub-leasing.
7. Does not place restrictions on advertising for rentals.
8. Has a household occupancy limit of two persons per bedroom plus two, maximum occupancy of ten people.
9. Prohibits all commercial uses of the home where a material increase in traffic is generated to the home and to the community because of such commercial uses.
10. Allows in-home on-line occupations where no material traffic is generated to the home or community because of such on-line activity.
11. States that:
  - all leases are subject to HOA Declarations, By-Laws, and Rules and Regulations.
  - the homeowner is responsible for their tenants.
  - all leases shall be in writing.
  - the homeowner shall provide to the Board prior to tenant's arrival a copy of the lease including tenant contact information, vehicle descriptions, and license plate numbers.
  - the homeowner shall provide prior to tenant arrival contact information on who to call in case of a disturbance or problem (for both tenant and homeowner/management company).
12. Violations of the Amendment would result in financial penalties and the homeowner not being allowed to rent for the remainder of that calendar year and the following year.

The Board feels the Amendment they will be submitting to the Membership addresses the concerns and desires of the homeowners as expressed above.

The Amendment will be sent to all homeowners for their vote following the Christmas/New Year holiday. Passage of such an Amendment will require a 67% supportive vote of the Membership (50 out of 74 homes).

We ask for your support in voting YES for this Amendment for the present and long-term best interests of our Keystone Ranch community.

Sincerely,

Your Keystone Ranch Board of Directors

John Pringle  
Chris Ornes  
Jayn Karl  
Kris Ciccolo  
Vince Donahue