

**Backgrounder- Cordillera Short Term Rentals Workgroup**  
**Town Hall**

**1. Background**

Concerns were expressed to the CPOA board about short term rentals by homeowners, beginning several years ago.

There were reports of some homes being rented out on a frequent basis for larger parties on Airbnb and other platforms. The Tenants\* were not always respectful of our rules here:

- Noise and bright lights after 10pm
- Leaving garbage outside on days other than pick up days, creating bear risk
- Smoking outdoors and flicking butts and ashes into dry surrounding grass, creating fire risk
- Using the Trailhead pool amenity, with partying groups drinking beer
- Occupied by larger groups than rules allow (rules =2 persons per bedroom plus 2 additional persons)
- Speeding – not being aware of the number of walkers, bikers and wildlife that use our roads
- A property owner continuously advertised and hosted weddings at his property, creating a significant detrimental impact on his neighbors
- Parking on the street
- Lack of respect for property- (one group drove through and broke an entry gate afterhours)

While these issues were (and still are) few in number, the violators were repeaters, and there was a sense that the use of homes in Cordillera as short term rentals (defined <30 days) was growing. It appeared that some homes were only being used as short term rental properties. Presently, 25 homes are listed on the platforms for rent in Cordillera.

As a result of homeowner complaints and concerns, the CPOA formed a workgroup in January 2022 to investigate this issue and make recommendations to the Board.

The work group identified four major issues related to rentals:

- **Safety**- Tenants may not be fire and traffic-safety aware, know the rules, and have incentive to follow them; we need to know who is in our homes, and how to reach them in emergency; how to monitor gate access (CMD) and Cordillera ID credentialing (amenities)
- **Preserving the character of Cordillera** –limiting noise, trash, parking, people and big parties on weekends
- **Liability**- CPOA and CMD should be protected from risk; responsibility should lie with the homeowner

- **Use of amenities by tenants-** With over \$12MM being spent on new ACC and Trailhead, do we want to permit use by tenants? Concern about over-use, and less commitment to rules/care of facilities

## **2. What is currently permitted in Cordillera?**

Cordillera’s founding documents—the Covenants, Conditions & Restrictions (CC&Rs)—**currently permit rentals of any length** by homeowners. The tenants in those rentals **are permitted to use our amenities** free and unrestricted, with all the rights and privileges that we have as homeowners. This includes the recently- remodeled Athletic Center, Trailhead Clubhouse and pools (currently closed for renovation), and the Short Course.

**Enclaves** -have their own rules regarding rentals. There are eight enclaves in Cordillera (Alcazar, Cimarron, Club Cottages, Greyhawk, Bentgrass, Bearcat, Kensington, and Les Pyrenées) representing 27% of homes. Most prohibit short term rentals and some have additional requirements. As long as their rules are *more* restrictive than Cordillera’s, they are permitted. However, enclaves cannot restrict use of amenities by tenants.

## **3. If Cordillera wants to change what is currently permitted in terms of Short Term Rentals or Amenity use by Tenants, what is the process to do that?**

In order to prohibit or regulate short term rentals, or ban Tenants from using our amenities, a vote to change our CC&Rs is required. A majority of our 824 properties (one vote per property) would be needed to vote in favor of a change to enact this.

**To assess the community’s views, a survey will be sent to all properties in September.** In addition to questions about demographics, the survey asks questions about:

- prohibiting short term rentals -- (yes or no)
- limiting the number of times a year that an owner can rent (if yes, no more than 2,4, or 6 times/year)
- Continuing to permit Tenants, and the Tenant’s immediate family and guests to use CPOA’s amenities on a free and unrestricted basis (yes or no)
- If use of amenities continues to be permitted, should tenants be charged a reasonable fee for their use, and/or should their use be restricted during certain hours of the day and/or during peak homeowner use periods such as holidays

Assuming a projectable sample of homeowners responds to the survey (which is historically the case in Cordillera), the Board will move forward to conduct a formal vote to change our CC&Rs as indicated.

## **4. What can we do now to address some of these concerns?**

The Board passed a **Rental Regulations and Registration Policy** on July 11, 2022 which requires homeowners who wish to rent out their homes to obtain a license (\$550 annual fee) from the CPOA to do so, agree to follow our existing rules (noise, parking, garbage, fire safety etc.) and affirm that they will take responsibility for any damage caused by their tenants (insurance,) among other requirements. The registration and licensing form is attached as Appendix A.

The CPOA has contracted with Granicus to automate the registration and licensing process, identify those properties listed for rental, and assist with compliance. Granicus is a national software company used by many neighboring communities to monitor, track and help enforce rental policies in cities and HOAs. Our portal for registration and licensing will be live on or about September 1, 2022.

#### **5. Arguments for and against Short Term Rentals in Cordillera**

A document has been prepared laying out the arguments for and against Short Term Rentals in Cordillera. Please see Appendix B.

#### **6. Arguments for and against Amenity use by Tenants in Cordillera**

A document has been prepared laying out the arguments for and against Amenity use by Tenants in Cordillera. Please see Appendix C.

**\*“Tenant” as used in this document means the lessee or renter of a Rental Property for consideration who has signed the Rental agreement.**

**Appendix A  
RENTAL PROPERTY REGISTRATION FORM**

**This form must be completed for each Rental Property pursuant to the Policy regarding Registration Requirements and Rules for Real Property Leases and Rentals adopted by the Board of Directors of the Cordillera Property Owners Association (the “Policy”).<sup>1</sup>**

**For each Rental of the Rental Property to a Tenant, Owner must submit a Tenant Rental Information form to the Association prior to commencement of the Rental.**

**OWNER AND CONTACT INFORMATION**

Rental Property Address: \_\_\_\_\_

Maximum Overnight Occupancy (limited to 2 persons per bedroom plus 2): \_\_\_\_\_

Pets Allowed: Y/N

Owner Name: \_\_\_\_\_

Owner Mailing Address: \_\_\_\_\_

Owner Email Address: \_\_\_\_\_ Owner Cell: \_\_\_\_\_

Local Manager or Responsible Party Name: \_\_\_\_\_

Local Manager or Responsible Party Email Address: \_\_\_\_\_

Local Manager or Responsible Party Cell: \_\_\_\_\_

**OWNER CERTIFICATION**

**I certify that I am the Owner of the Rental Property shown above. I certify and agree to the following:**

- **I will provide notice of each Rental and its duration to the Neighbor(s) of such Rental Property.**
- **The Rental Property is insured, and the Association is named on the policy as an additional insured.**
- **The Rental Property is equipped with functioning smoke detectors, fire extinguishers, and carbon monoxide detectors.**
- **My rental agreement requires Tenants to abide by the Governing Documents.**
- **A copy of the Association’s Declaration and all Association rules concerning property use or Rentals are available for my Tenants in either hardcopy or easily accessible electronic format in the Rental Property.**
- **I acknowledge, understand, and agree that by submitting this application for Registration that I am agreeing to indemnify and hold harmless the Association and the District for any and all damages, issues or claims of any nature or kind that may**

<sup>1</sup> Capitalized terms that are not defined will have the meanings given to them in the Policy and the Governing Documents.

arise or occur as a direct or proximate result of the Rental of my Rental Property and the actions of Tenants, their family, and guests.

- I acknowledge, understand, and agree that pursuant to the Association Governing Documents, I am responsible for ensuring my Tenants comply with all provisions of the Governing Documents, including this Policy, and that the Association may take action against me for violations of the Governing Documents, including this Policy, by me or my Tenants. I acknowledge and understand that such actions may include damages, fines, interest, costs, and attorneys' fees, and may also include injunctive relief.
- The Rental Property is subject to the Governing Documents and all of the rules and regulations of the Association, including but not limited to the following:
  - The Rental Property will not be used to conduct a trade or business of any kind and will not be used as a bed and breakfast. It will not be advertised or used as an Event venue.
  - The Rental Property will not be used for a timeshare, fractional ownership, interval ownership or similar program.
  - Trash and garbage may not be placed outside the Rental Property, temporarily or otherwise, except in trash cans with tops that are secured to keep animals out and during allowable timeframes. All garbage must be disposed of in appropriate sealed bags and all trash must be placed in the trash cans for collection or removal from the community.
  - Dogs are not permitted to run freely and must be controlled by a leash of no more than 12 feet under the direct control of its owner or authorized representative.
  - Stored vehicles must be kept in enclosed garages.
  - The Rental Property may not be used in any manner which creates noise between the hours of 10:00 p.m. and 8:00 a.m. which can be heard by persons in another Unit that will unreasonably interfere with the rights, comfort or convenience of any other owner, just prior written Association approval for an event has been obtained.
  
- I certify that I have read and will abide by the CPOA Rental Rules and Registration policy available [here](#). (link)
- I understand that wildfire safety is extremely important in Cordillera, and will abide by all safety rules as noted in section 5(o) of the CPOA Rental Rules and Registration policy available [here](#) . (link)
- I agree to provide the rental license number, once granted to me, in any and all advertising that I place for my property.
- I will provide a Tenant Rental Information form, found [here](#), (link) via email to [Crystina.Flores@grandmanors.com](mailto:Crystina.Flores@grandmanors.com) for each rental.
- I agree to provide a printed copy of the Rental Standards for Tenants in the property, which can be found [here](#). (link)

**[Signature and payment information]**

## **Appendix B.**

### **Arguments in favor of and opposed to continuing to permit Short Term Rentals\***

#### **Arguments in Favor**

- 1. Leasing one's home in Cordillera, no matter the duration of the lease, is permitted in our current CC&Rs which have been in place since its founding. There are owners, we do not know how many, who bought here under the understanding that they could use their home for extra income. To change this now would be taking away a right they were counting on when purchased.**
- 2. There are ways to regulate Short Term rentals (and all rentals) vs changing our Declaration to have an outright ban. In fact, the CPOA passed a Rental Rules and Registration Policy on July 11, 2022 requiring homeowners who rent to obtain a license and agree to follow the existing rules (noise, trash, pets, parking etc.).**
- 3. The ones most impacted here are those whose homes are closer together, namely those living in enclaves. They have the right to change their Declarations, and many have already done so. Why should those Cordillera homeowners who live in the non-enclave areas which are more protected with greater separation from noise and nuisance risks be subjected to restrictions on renting?**
- 4. Having the ability to rent your home increases its resale value. (See arguments against- this is apparently debatable.)**
- 5. How big of an issue is this in Cordillera? Only a few incidents have been reported. If the issue is noise/nuisance, current rules apply. If it is use of our amenities, we can vote to change that in our CC&Rs going forward, should the community desire it.**

#### **Arguments Opposed to continuing to permit Short Term Rentals**

- 1. No matter how many regulations you have in place, it falls to neighbors to call authorities and the fines are usually negligible in relation to the rental income for the owner/renter. The non-renters end up managing the renter's business.**
- 2. Short term tenants have no interest in the community.**
- 3. Short term tenants may have no knowledge of fire restrictions. One flicked cigar ash or errant s'mores marshmallow on fire could start a large fire in the community.**
- 4. Most short term tenants have little knowledge of proper garbage protection or how to interact or not interact with a bear or other wildlife.**

**5. To say that taking away the ability to rent lowers your home value can be repudiated by any number of top real estate agents in the valley. People love niche areas that are “high end and exclusive.”**

**6. Collection of fines is hard work and falls to the HOA. They are also after- the- fact.**

**7. Why should the rest of the community pay for the administration and ongoing management of renter’s businesses? Why is that fair?**

**8. No current way to limit the number of times per year that a homeowner can rent, or any minimum stay. Homeowners are not required to live in the home which can change the character of the community.**

**9. Even if you are in an enclave that prohibits Short Term Rentals, you are still impacted by Short Term Rentals in the rest of the community (safety, amenity use etc.)**

**10. While some may have bought here to be able to rent out their homes short or long term, many others bought here for the lifestyle without Short Term Rentals.**

**11. Prohibiting Short Term Rentals doesn’t take away a homeowner’s ability to rent their home for income. They can still rent out their property. There is a demand for seasonal and longer term vacation rentals.**

**\*“Tenant” as used in this document means the lessee or renter of a Rental Property for consideration who has signed the Rental agreement.**

## Appendix C

### Arguments for and against continuing to permit use of amenities by Tenants

#### Arguments For

1. The current use by Tenants is very low, at least according to recent data provided by the ACC. "Overuse" is not a current problem.
2. According to the newly passed Rental Regulations and Licensing Policy passed by the CPOA, Owners now have to accept liability for Tenants who may cause damage to any of our amenities. It is their responsibility.
3. Now that Owners who want to rent must register, obtain a license, and agree to follow the existing rules, as well as post the rules in rental properties, the understanding and compliance should be good.
4. The ability to allow use of our amenities by tenants increases the value and desirability of rentals in Cordillera, thereby helping the homeowners who want to rent to make higher rental income.

#### Arguments Against

1. After having invested \$12MM in property owner funds to renovate the ACC, building new pickleball facilities, and renovating the Trailhead pools, these facilities should be restricted to those who paid for them, namely the property owners.
2. By allowing use of our amenities by Tenants, we are in essence helping other homeowners to make money off of our investment in these amenities.
3. Tenants will not be as careful and respectful in using our amenities as property owners are...no ownership.
4. This will lead to overcrowding-- particularly those amenities that have fewer spaces/slots available (lap swimming, pickleball).
5. This could lead to overuse, particularly at peak times.