

Upon recording return to:
Bachelor Gulch Village Association
c/o Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203

**BACHELOR GULCH VILLAGE ASSOCIATION
RESOLUTION ADOPTING POLICY**

**REGARDING LICENSING OF RESIDENTIAL LEASES
REGULATIONS AND RULES**

Adopted: May 2, 2025

WHEREAS, the rising popularity of short-term home rentals has generated local and national discussion regarding the impact of such property uses on neighbors, surrounding communities and property values; and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Bachelor Gulch Village Eagle County, Colorado (the "Declaration") provides that the Owner of a Unit may have Guests or Lessees to said Unit provided such Guests or Lessees are subject to certain conditions including but not limited to compliance with the Bachelor Gulch Village Association ("Association") documents including the Declaration, Bylaws, Articles of Incorporation, Design Guidelines, Policies, Rules and Regulations and any other governing documents of the Association ("Association Documents"); and

WHEREAS, Sections 3.17 and 7.1 of the Declaration authorize the Board of Directors to establish, make, amend from time to time, and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use, and occupancy of Units, subject to the provisions of the Declaration and other Association Documents; and

WHEREAS, the Board of Directors of the Association has solicited input from owners and residents in the limited area of Bachelor Gulch affected by this Policy, and owners and residents have generally expressed a desire to protect the idyllic natural environment, safety and peaceful nature of the community by imposing some limits on short-term rentals; and

WHEREAS, having considered all data, community input and other information generated and presented to the Board of Directors, the Board of Directors wishes to adopt regulations and rules concerning short-term rentals of property within Bachelor Gulch Village and specifically to prohibit leases having a duration of less than fourteen days (i.e. Short-Term Rental) and causing all other leases to comply with the licensing requirements of this Policy.

NOW THEREFORE, BE IT RESOLVED, that the Association, pursuant to Sections 3.17 and 7.1 of the Declaration and Section 6.5 of the Bylaws and in compliance with the Association's Resolution regarding the Adoption and Amendment of Policies, Procedures and Rules hereby adopts the following policy regarding Licensing of Residential Leases, Regulations and Rules (this "Policy"):

1. Purpose and Applicability. In this Policy, the abbreviation "STR" stands for Short-Term Rental as defined herein (please see Section 2 for specific defined terms used in this Policy).

The purpose of this Policy is to establish comprehensive licensing regulations to manage and monitor the use, occupancy and location of Leased Properties (defined below) within single family residences (including Class A Estate Lots) in Bachelor Gulch Village. This Policy shall only apply to the Lots identified in Exhibit A and depicted on the map as Class A Estate Lots because multi-family structures and some single family neighborhoods have individual homeowners associations that govern internal operations of those communities.

2. Prohibition on STRs; No Assignment, Subletting or Transfer by Tenant for STR Purposes. No property within Class A of Bachelor Gulch Village shall engage in a Short-Term Rental as defined in this Policy. Tenant's interest in the Leased Property and any STR Rental Agreement may not be assigned, sublet, or otherwise transferred if such assignment, sublease, or other transfer is a Short-Term Rental/STR. Tenant may not advertise the Residence (or any portion of it) on HomeAway, VRBO, Airbnb, FlipKey, Couchsurfing, Craigslist, or any other advertisement or listing service for the purpose of soliciting a Short-Term Rental/STR. Any violation of this Policy may be subject to fines, injunctive relief and all other remedies available to the Association.

3. Definitions. All capitalized terms not expressly defined herein shall be deemed to have the same definition as provided for in the Declaration. For the purposes of this Policy, the following additional terms shall have the following meanings:

a. **Lease.** A Lease is the lease, rental or other occupancy arrangement, for monetary consideration of any kind given or paid to the property Owner, that permits either: (i) exclusive occupancy of a Residence **for a period of 14 days or more in duration**; or (ii) exclusive occupancy of any distinct room or rooms within a Residence, but not the entire Residence **for a period of 14 days or more in duration**, provided that payment of consideration by family members (e.g., parents or children) occupying a portion of a Residence shall not constitute a Lease under this clause (ii).

b. **Leased Property.** Any Residence, or any distinct room or rooms therein which shall include ancillary structure, that is available for Lease.

c. **Owner.** The Owner of record, whether one or more persons or entities, of title to any Residence that the Owner uses or intends to use as a Leased Property.

d. **Residence.** Any Estate Lot developed as a single family residence and identified on Exhibit A. For purposes of this definition, any ancillary structure used as separate living quarters located on an Estate Lot shall be considered a separate residence on that property.

e. **Short-Term Rental/STR.** A lease, rental or other occupancy arrangement, for monetary consideration of any kind given or paid to the Property Owner, that permits either: (i) exclusive occupancy of a Residence **for a period of less than 14 days in duration**; or (ii) exclusive occupancy of any distinct room or rooms within a Residence, but not the entire Residence, **for a period of less than 14 days** provided that payment of consideration by family members (e.g., parents or children) occupying a portion of a

Residence shall not constitute a Short-Term Rental under this clause (ii). Short-Term Rentals are prohibited.

f. **Tenant.** A Lessee and any other permitted or actual occupant or Guest who will or in fact does occupy a Residence pursuant to a Lease.

4. License Required. A valid license issued by the Association ("Leasing License") is required for each Leased Property in Bachelor Gulch Village. No Residence shall be made available for Lease or in fact leased or occupied for a Lease unless and until a Leasing License is issued for the Residence and maintained in full force and effect.

5. Application for License.

a. At least thirty (30) days prior to any advertising for or lease of a Residence for Lease purposes or within thirty (30) days of the effective date of this Policy, the Owner shall file a written application for a Leasing License with the Association or its authorized agent, on form(s) supplied by the Association, which may be administered by the Association's authorized agent. The application shall not be deemed complete until all required information is submitted and the license fee (described below) is paid in full.

b. In addition to registration and processing fees of the Association's authorized agent, the annual license fee shall be \$500.00, payable upon submittal of the application for the initial Leasing License. The Leasing License term shall be for a period of twelve (12) months. The Leasing License may be renewed in succeeding years provided the then in effect license fee is paid at least fifteen (15) days prior to the twelve (12) month anniversary date of the grant date of the Leasing License and the licensed property is in compliance with the Association Documents. The Leasing License may be renewed each year thereafter for the Residence upon which the Leasing License remains in place. Failure to pay the annual license fee when due or failure to update contact information on the Leasing License shall constitute a voluntary relinquishment of the license by the Owner, and a new application must be filed in order to reinstate the Leasing License. The annual license fee is collected to help defray the costs and expense of operation of the licensing and monitoring program which an Owner acknowledges upon submittal of the application for a Leasing License. The annual license fee may be modified at any time by resolution of the Board of Directors and notice to any then holders of Leasing Licenses.

c. The submittal of an application for a Leasing License shall constitute the affidavit and agreement of the Owner that each rental of the Leased Property will comply with all terms and conditions of this Policy, all other Association Documents, and any modifications thereto.

d. A Local Agent (hereinafter defined) may submit a joint application for all Leased Properties within Bachelor Gulch Village that it manages with the written authorization of each Owner. An annual license fee shall be paid for each Residence included on a joint application.

e. The Association, directly or through its authorized agent, will issue the Leasing License within fifteen (15) business days of receipt of a complete application and

payment of the license fee. The Leasing License shall be issued in the name of the Owner, and shall not be transferable, including upon sale of the Leased Property to another Owner.

f. The approved Owner shall provide a copy of the granted license, a copy of the "Good Neighbor Guidelines," and the 24-hour number of the Association's Public Safety (to lodge complaints regarding Tenant violations) to the Owner at the Residence address on file with the Eagle County Assessor Office and to each Residence adjacent to or across from the Leased Property.

6. License Term and Termination. Once issued, a Leasing License shall remain in effect until such time as the Owner voluntarily relinquishes the same (including by failure to renew and pay the annual license fee provided above), when the Leasing License is revoked for violations of this Policy, or when title to the Leased Property is transferred to a new Owner, whichever occurs first. All Leasing Licenses are non-transferable, and each new Owner of a Residence shall be required to apply for and obtain a Leasing License prior to offering any Residence for Lease. If an Owner voluntarily relinquishes its license, transfers its Leased Property, or has its Leasing License revoked during a license year, no portion of the license fee shall be returned to the Owner.

7. Local Agent Required. Each Owner shall appoint a natural person who remains within a sixty (60) minute distance of the Leased Property and is available 24 hours per day, 7 days per week, to serve as the local agent for the Leased Property (the "Local Agent"). The obligation to appoint a Local Agent may be satisfied by the availability of the Owner or Owner designee or by the engagement of a professional property management company with identification of a specific responsible manager and which professional property management company shall at all times have available a person or persons who satisfies the definition of Local Agent and who is in fact available as required. The Local Agent shall at all times have available a person or persons who satisfies the definition of Local Agent and who is in fact available as required. The Owner shall notify the Association or its authorized agent in the Leasing License application of the appointment of a Local Agent, and thereafter provide notice at least five (5) days prior to any modification of any such appointment.

8. Minimum Safety Standards. Each Leased Property shall comply with all of the following standards, at a minimum, at all times while the Leased Property is being leased:

- a. Buildings, structures or rooms shall not be used for purposes other than those for which they were designed or intended.
- b. Parking limitations applicable to the specific Leased Property.
- c. Occupancy shall not exceed applicable local limits.
- d. The street address and license number of the Leased Property, and contact information for Bachelor Gulch Village Public Safety, the Local Agent and the Owner, shall be posted conspicuously in the interior of the Leased Property at all times.
- e. There shall be a sufficient number of trash receptacles to accommodate all trash generated by those occupying the Leased Property, and all receptacles shall comply with the Association's trash removal rules and regulations and be wildlife resistant.

f. Up to date fire restrictions and local guidance from fire mitigation/response agencies shall be prominently displayed in the Leased Property.

9. Rules and Regulations. All Association Documents, as the same may be amended or adopted from time to time, including but not limited to all rules, regulations and policies of the Association, shall apply to all Leased Properties and Tenants. Owners shall specifically inform Tenants of the Association Documents prior to the commencement of the Lease and shall provide a copy of the Association's "Good Neighbor Guidelines" to each Tenant for every Lease. In applying for a Leasing License, each Owner understands, acknowledges and agrees that violations of the Association Documents during any Lease of a Leased Property shall be addressed by its Local Agent, and may be addressed by Bachelor Gulch Village Public Safety in its normal course, and any fine resulting from a violation of the Association Documents by a Tenant or any other occupant under a Lease arrangement shall be the responsibility of the Owner (notwithstanding any agreement or understanding between the Owner and Tenant) and such fines, if not timely paid, may result in a default Assessment being levied by the Association and/or revocation of the Leasing License. For purposes of any cumulative fines, or fines that increase based on repeat violations, the same shall be applicable regardless of the fact that the violations were committed by different Tenants. Any such fines incurred are in addition to the fines provided herein for violation of this Policy. The Association's authorized agent or Bachelor Gulch Village Public Safety may contact the Local Agent for the Leased Property in appropriate circumstances to directly address violations (such as, without limitation, parking violations or trash violations). The Local Agent are requested to resolve the issue that was the subject of the notification within sixty (60) minutes, including visiting the Leased Property, if appropriate.

The Association and each Owner, by virtue of submitting an application for a Leasing License, acknowledge and agree that Repeated Violations (hereinafter defined) of the Association Documents are a problem caused by operation of a Leasing business without proper oversight by the Owner. Therefore, notwithstanding any other provision of this Policy or the Association Documents, any Repeated Violation shall constitute a separate direct violation of this Policy, and shall be subject to complaint and fine in accordance with Section 12 of this Policy *in addition to* any fines payable as a result of the underlying violation of the Association Documents. The term "Repeated Violation" as used in this Policy means any third violation of a provision of the Association Documents at or involving a single Leased Property (but notwithstanding that the violation(s) may have been caused by different Tenants) that occurs within one hundred and eighty (180) calendar days of the first such violation in the series, and any other subsequent violation of the same provision that occurs within three hundred sixty (360) calendar days after the immediately preceding Repeated Violation. A violation or series of violations need not have been subject to previous fine(s) or other formal action in order to constitute a Repeated Violation, so long as each violation in the series was the subject of a notification to the Local Agent for the Leased Property.

10. Parking. All parking to accommodate Leased Properties and Tenants shall comply with all applicable provisions of the Association Documents and sub-association documents, if any. All vehicles shall be parked in garages or driveways. Parking is prohibited in any landscaped area and all vehicles shall display a Bachelor Gulch Village Public Safety hang tag.

11. Advertising. All advertising of Residence for Lease shall include the Leasing License number issued by the Association immediately following the description of the Leased Property. Residences subject to this Policy may not be used for Short-Term Rental by Owner or by any Tenant of Owner.

12. Civic Assessments and Sales Taxes. Owners are responsible for collection and payment of all applicable sales taxes and Civic Assessments imposed by law or the Association's governing documents.

13. Notice. Any notice required by this Policy to be given to an Owner is sufficient if sent by first-class mail to the address of record with the Eagle County Assessor and to the address provided by the Owner on the most recent application for Leasing License or for renewal thereof, if different, or by posting on the Leased Property. Notice given to the Local Agent, by first-class mail to the address provided by the Owner, shall also be sufficient to satisfy any required notice to the Owner under this Policy.

14. Complaints and Enforcement. Complaints relating to the Leasing of a Residence in the absence of a Leasing License, any Repeated Violation, or any other direct violation of requirements related to Leasing of a Residence pursuant to this Policy, may be made by any Owner or by Bachelor Gulch Village Public Safety in the performance of its duties. All complaints made to the Association's authorized agent, Bachelor Gulch Village Public Safety or other representative of the Association shall clearly identify the Leased Property in question and describe in detail the violation(s) of this Policy alleged to have occurred. Complaints must include the name of the complainant. No anonymous complaints will be accepted.

a. The procedures for complaint, investigation and hearing set forth in the Association's Resolution Regarding Enforcement of Covenants and Rules shall apply to each complaint except that the schedule of fines for violations of this Policy which shall be deemed Health and Safety Violations, shall be as follows:

i. For the first formal complaint confirmed by the Association, a fine as determined by the Board will be assessed to the Owner.

ii. For the second formal complaint confirmed by the Association, a fine as determined by the Board will be assessed to the Owner.

iii. For the third and subsequent formal complaint confirmed by the Association, the Board may revoke the Leasing License, pursue legal including injunctive relief, or other remedies available to the Association.

iv. The Association shall be authorized to record a lien for any fine unpaid within sixty (60) days of levy.

b. Violation and Penalty. Owners shall be responsible for any violation of any provision of this Policy. Each separate act in violation of this Policy, and each and every day or portion thereof during which any separate act in violation of this Policy is committed, continued, or permitted, shall be deemed a separate offense. Without limiting the generality of the foregoing: (i) each day that a Residence that is not subject to a valid

Leasing License is offered for Lease shall be a new and separate violation of this Policy; and (ii) any failure of an Owner to have in place a Local Agent shall be a new and separate violation for each day that there is no Local Agent identified for the Leased Property.

15. Grandfather Clause. As of the date of the recording of this Policy (“Recording Date”), the Owner(s) of record of each Class A Estate Lot identified in Exhibit A as reflected in the records of the Eagle County Assessor, shall be exempted from this Policy. The Owner(s) of record shall be those persons or entities having record title to the Residence as shown on the records of the Eagle County Assessor as of the Recording Date. Any conveyance of title to a Residence occurring after the Recording Date, except for a conveyance exempted from the Real Estate Transfer Assessment pursuant to Section 9.3(c)(iii), 9.3(c)(iv), 9.3(c)(v), or determined in writing by the Board of Directors not to be inconsistent with the intent and purpose of this Policy, shall terminate the Grandfather Clause as to the conveyed Residence, and this Policy, in its entirety, shall be in full force and effect as to the conveyed Residence. Conveyance of title shall have the same meaning as “transfer” as defined in Section 9.3(b) of the Association’s Bylaws.

16. Effective Date. This Policy shall be effective as to all Class A Estate Lots (Exhibit A) as of the date of recording in the office of the Clerk and Recorder of Eagle County, Colorado, regardless of the date of adoption.

Certification

I, the undersigned, do hereby certify:

That I am a duly elected and acting President of Bachelor Gulch Village Association, a Colorado nonprofit corporation; and

That the foregoing Resolution was duly adopted by action of the Board of Directors of the Association at its meeting held on the 2nd day of May, 2025, at which a quorum was present.

Dated this 9 day of May 2025.



President of Bachelor Gulch Village Association

EXHIBIT A

Property Descriptions and Map

Bachelor Gulch Village Filing No. 1, Lots 1-47, inclusive

Bachelor Gulch Village Filing No. 2, Lots 48-76 inclusive

Bachelor Gulch Village Filing No. 3, Lots 77-105 inclusive, Lot 106, Lots 112-115 inclusive,
and Lots T-1 and T-2

Bachelor Gulch Village Filing No. 4, Lot 107

County of Eagle, State of Colorado