

CRRA Occupancy Use Fee — Motion and Supporting Memorandum

Submitted to the President and Board of Directors under Rules Article VII, Section 1.B ·
Sherman V. Hawkins, Owner, 550 Gallery Court and 3815 Gallery Court · October 20, 2026

The Board can levy a short-term occupancy fee by rule under the same By-Law authority it relied on October 13 to keep the \$59 long-term rental fee. Article VII, Section 4 of the Rules remains in force: it has not been amended, suspended or repealed under the rule-change process in Article VII, Section 1. This memorandum sets out a motion to amend Section 4 so that the rule as written and the rule as enforced are the same, the amended rule, the authority, the status of the current rule, and the answers to the objections the Board and its counsel will raise.

Motion

Moved, that, Article VII, Section 4 of the Rules and Regulations remaining in force and not having been amended, suspended or repealed under Article VII, Section 1, the Board of Directors, pursuant to By-Laws Article II, Section 8, paragraphs (i) and (v), and Article VI, Section 1, adopts the attached Occupancy Registration and Use Fee rule as an amendment and restatement of Article VII, Section 4, in accordance with the rule-adoption procedure of Article VII, Section 1.C; that the initial rates are fixed at \$59 per term for tenancies of thirty days or more and \$10 per registered occupant per night for occupancies of fewer than thirty days, to be reviewed annually with the budget; that the General Manager implement registration through the owner portal effective the first day of the month following adoption; and that any director who owns, operates, manages, or provides commercial services to short-term rental properties within the Community disclose that interest on the record and abstain from the vote.

The rates are placeholders for the Board to set. The \$59 term rate keeps the long-term fee the Board retained on October 13 unchanged; the \$10 per occupant per night rate is the figure proposed to the Board in July 2026 and should be supported by the cost allocation described in the Procedure section before adoption.

Proposed rule — Article VII, Section 4: Occupancy Registration and Use Fee

A. Authority. This Section is adopted under By-Laws Article II, Section 8, paragraphs (i) and (v), and Article VI, Section 1, and amends and restates the Administration Fee for Rental Properties in its entirety.

B. Registration. Before any Occupant other than the Owner or the Owner's immediate family takes possession of a Lot for any consideration, the Owner shall register the occupancy through the Association's owner portal, stating the names of the Occupants, the dates of occupancy, the number of Occupants (not exceeding any limit set by Gilmer County), vehicle tag numbers, and, for any occupancy of fewer than thirty (30) consecutive days, the Owner's current Gilmer County short-term rental license number. Gate access is issued only to registered Occupants.

C. Occupancy use fee. For the use of the Common Area, Area of Common Responsibility and amenities by Occupants, the Association charges:

1. for a tenancy of thirty (30) consecutive days or more, a fee per term, renewed with the Occupant's identification card every six (6) months; and
2. for an occupancy of fewer than thirty (30) consecutive days, a fee per registered Occupant per night.

The Board fixes both rates annually with the budget and publishes them in the office and online. The fee is charged to the Owner's account at registration and is the Owner's obligation under By-Laws Article II, Section 8(v).

D. Non-compliance. Unregistered Occupants are denied gate access. While any fee under this Section is unpaid, or while an occupancy is unregistered, the Lot's gate access devices, guest passes and amenity privileges are suspended under By-Laws Article II, Section 8(ii), and the Association may proceed against the Owner as provided in By-Laws Article VII and Rules Article VI.

E. Scope. No fee is charged for occupancy by the Owner's immediate family, or by guests staying without consideration of any kind. Management companies and rental agents registering Occupants on an Owner's behalf do so as the Owner's agent; the fee remains the Owner's obligation.

F. Transition. Fees accrued under Section 4 as previously written are not affected. Fees under Section 4 as previously written for short-term occupancies between June 9, 2026 and the effective date of this amendment are waived, and the Board records that waiver

as an action of the Board under Article VII, Section 1, in place of the statement approved October 13, 2026.

Authority

The fee authority is in the By-Laws the Members adopted, not in any Board invention. By-Laws Article II, Section 8 grants every Owner a right of use and enjoyment of the Common Area “subject to the following provisions”:

- (i) the right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Area or Area of Common Responsibility, to limit the number of guests of Lot Owners and tenants who may use the Common Area, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his or her family, tenants, guests, and invitees;
- (ii) the right of the Association to suspend ... the right of an Owner to use the recreational facilities in the Community for any period during which any assessment against his or her Lot ... remains unpaid and for a reasonable period of time for an infraction of the Declarations, By-Laws, or rules and regulations;
- (v) any Lot Owner may delegate his or her right of use and enjoyment ... to the members of his or her family living with the Lot Owner, his or her tenants and guests and shall be deemed to have made a delegation of all such rights to the Occupants of his or her Lot, if leased. If a Lot Owner uses the Common Area, Area of Common Responsibility or facilities while the Lot is leased, the Association may impose a user fee for the term of the tenancy. If the tenant fails to pay the user fee, the Owner shall be responsible for the fee ...

Who is an Occupant. By-Laws Article I (n): “Occupant shall mean any Person who is entitled to occupy any portion of the Community, whether pursuant to a lease, a timeshare agreement or otherwise with permission of the Owner thereof.” A short-term renter is an Occupant whether or not the stay is a “lease.”

Board rulemaking. By-Laws Article VI, Section 1: “The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Lots, the Common Area and the Area of Common Responsibility.”

Existing rules already rest on this. Rules Article VII, Section 4 (the \$59 fee) states it is adopted “By authority of the By-Laws of CRRA (Article II, Section 8, Paragraphs i and v).” Rules Article V, Section 1.A provides that the “Guest Pass Policy, including the number of passes and any additional fees, will be reviewed and determined yearly by the Board of Directors.” Rules Article IV already requires registration of Tenants and Temporary Guests (“any short-term guest as cabin, villa, RV, campground rentals”) for gate access.

Statute. O.C.G.A. § 14-3-613 permits a nonprofit corporation’s bylaws to provide for dues, assessments and fees on members; the Members adopted Article II, Section 8 under that authority. The Community is not submitted to the Property Owners’ Association Act, so no statutory lien attaches to the fee; enforcement under this rule is by suspension of privileges under Section 8(ii) and by action against the Owner, not by lien.

Quotations are from the recorded By-Laws (2022 compilation) as OCR’d; the text of paragraph (i) is reassembled from a column-scrambled scan and should be checked against a certified copy before the motion is filed.

Status of the current rule

Rules Article VII, Section 1 is the only process the Rules provide for changing a rule. An owner proposes in writing to the President (§1.B); if the proposal is accepted for consideration, it is submitted in Open Session, owners are given 60 days to comment, and the final wording is adopted by a two-thirds vote of the Board (§1.C); in an emergency the Board may waive the 60 days (§1.D). The Board applied this process to its own Article 10 construction-permit changes on October 13, 2026, invoking §1.D to waive the comment period — which is a statement by the Board that §1.C governs rule changes the Board initiates, not only those owners propose.

None of the three actions taken on the Administration Fee this year went through that process:

- **June 9, 2026.** A floor motion suspended collection of the fee, 6–1, “pending an impact and financial analysis.” No proposal was submitted in Open Session, no comment period ran, no two-thirds vote was recorded, no emergency was declared, and the analysis was never produced. Section 4 was not amended.
- **July 14, 2026.** A proposal to amend Section 4 was ruled out of order because “a change to the Rules and Regulations could not be completed before the end of this session of the Board” — the Board acknowledging that a rule change carries the §1.C clock.

- **October 13, 2026.** The Board approved a statement that it had determined in executive session on September 8 to "discontinue this fee." A statement is not a rule, and §1.C requires submission in Open Session. Section 4 was not amended.

The result is that Article VII, Section 4 reads today exactly as it read in January: the fee "will apply to both short-term and long-term arrangements, regardless of the duration." The Board continues to collect it on long-term tenancies under that Section and has stopped collecting it on short-term tenancies by announcement. The rule as written and the rule as enforced have diverged, and nothing in Article VII authorizes the Board to enforce a written rule against one class of Occupants and waive it for another.

This motion closes that gap by the route the Rules provide. It asks the Board to do, for a tenancy fee it has already altered three times without §1.C, what §1.C requires: submit in Open Session, hear the owners for 60 days, and vote. The Board is asked to confirm, in accepting this proposal for consideration, that it regards §1.C as governing rule changes initiated by the Board as well as those proposed by owners.

Why the \$59 fee failed and why this one does not

The Board did not find that it lacks authority to charge Occupants. It found that the \$59 fee, as written, did not fit the authority it cited. The October 13, 2026 open-session recording shows the three defects and this rule answers each.

Defect in the former §4	What the record shows	How the replacement differs
Charged per contract "regardless of the duration" and whether or not anyone used anything — a fee on the act of renting, not "for the use of" the Common Area as §8(i) requires	Gary Brown, 1:26:27: "It was never a gate fee. It was never an impact fee. It was an administrative fee to process them coming in."	Charged per registered Occupant per night for use of the Common Area and amenities; the long-term fee is charged per term on the same basis
Justified as staff cost recovery, which disappeared once owners self-register	Brown, 1:26:39: "if we allow the property owners to register their guests, then there's no extra work for the association"	Does not claim cost recovery; it is the admission fee §8(i) authorizes, computed from the Owner's own registration

Defect in the former §4	What the record shows	How the replacement differs
Swept in free stays (“any consideration, whether monetary or non-monetary”)	Flagged in the July 19, 2026 Governing Documents review as over-broad	Section E excludes immediate family and guests staying without consideration

The Board has already conceded the authority. The same statement the Board approved on October 13 reads: “The \$59 long-term rental administration [fee] continues due to the work needed to properly register these tenants” (1:17:26). A fee on long-term Occupants under §8 and no fee on short-term Occupants under §8 is not a legal distinction; it is a policy choice. If §8 authorizes one, it authorizes the other.

The Board has already conceded that some short-term fee is proper. Ryan Murray, 1:27:42: staff still enter guest information for “about seven management companies like Blue Sky, Mountain Resort, Mountain Oasis.” Brown, 1:28:03: “propose a fee for that work.” Richard Stonecipher, 1:31:17: “if we’re registering people for a management company, yeah, we should be charging a fee for that.”

The Board has already stated the revenue consequence. The approved statement: “the elimination of the short-term rental administrative fee causes a significant revenue shortfall for ... funding of our current budget. This will be addressed by the board in the coming months.” The monthly financial packets (GL 44000, Administrative Fees) show the size of it: FY2026 actual \$699,271 against an \$800,000 budget; FY2027 budget again \$800,000; collections of \$51,129 in May, \$16,866 in June (fee suspended June 12), \$708 in July and \$944 in August — \$69,647 year-to-date against \$266,667 budgeted through August, a \$197,020 shortfall after four months and roughly \$700,000 on a full-year basis, about \$215 per lot. Stonecipher, 1:35: the adopted budget runs approximately \$1.3 million of expense over income.

Procedure and vote

Rules Article VII, Section 1 governs. Any Property Owner may propose a rule change in writing to the President (§1.B). If accepted for consideration, the final wording “must be approved by a 2/3 vote of the Board of Directors 60 days after the proposal was submitted in Open Session,” with owner comment solicited in the interim by newsletter, mail, phone or email (§1.C). Rules must be “consistent with the By-Laws of the CRRA and the Original Covenants” (§1.A).

Step	Date	Action
1	Before Nov 14, 2026	Submit this memorandum and rule to the President in writing under §1.B; request that it be read into the open session on Nov 14, 2026
2	Nov 14, 2026	Proposal submitted in open session; 60-day comment period begins; Board directs management to publish the text in the newsletter and portal
3	November–December	Finance Committee prepares a one-page allocation of gate, security, pool and administrative cost to transient occupants to support the per-night rate as “reasonable” under §8(i)
4	Jan 13, 2027	Board vote on final wording with the FY budget; rates fixed; effective the first of the following month

Recusal. By the standard the Board applied on October 13 on advice of counsel, directors who own or operate short-term rentals abstain and leave the room (Jackson, Anthony, DeVries). A director who provides commercial services to short-term rental properties has the same indirect financial interest and should disclose and abstain. §1.C does not say whether “2/3 vote of the Board” means two-thirds of all nine directors (six) or two-thirds of those eligible to vote; the Board should settle that question on the record before the motion is called, because with three or four recusals the answer decides the outcome.

Emergency adoption under Rules Article VII, Section 1 was used on October 13 for the Article 10 rewrite. It is available here on the same reasoning (a stated budget shortfall), but using it for a fee would invite the objection that the 60-day comment process exists for exactly this. The ordinary route is recommended.

Member repeal. Any rule may be repealed “by the affirmative vote or written consent of a majority of the total Association vote” (By-Laws Art. VI §1) — roughly 1,600 of about 3,200 lots. That is the rule’s exposure, and it runs in favor of the fee: the owners who bear the shortfall outnumber short-term rental owners roughly seven to one.

Objections and answers

“The bylaws say the owner delegates use to tenants, so we can’t charge for it.”

Paragraph (v) grants the delegation; paragraph (i) of the same Section grants the Association the right to charge admission and use fees to everyone who uses the Common Area, and paragraph (v) itself provides a user fee during a tenancy. The Board relied on exactly this reading to keep the \$59 long-term fee on October 13. The delegation is not a fee exemption; a long-term tenant is equally a delegate and pays.

“The covenants limit assessments; the Board can’t invent use fees.” (The position taken publicly by Tom Kenney, September 27, 2026.) The recorded Declarations govern assessments against Lots. This fee is not an assessment; it is a use fee under the By-Laws the Members adopted, which O.C.G.A. § 14-3-613 permits. The argument is strongest against the By-Law *lien* in §8(v), which the Declarations do not authorize — which is why this rule enforces by suspension of privileges, not by lien. If the objection were correct, the long-term fee and the guest-pass fees would fall with it.

“Counsel already advised that the fee is unauthorized.” Counsel’s opinion has not been shared with the membership. The statement the Board approved describes the former fee as an “administrative fee” to “compensate the association for the cost of processing” tenants. An opinion that a cost-recovery fee cannot survive the end of the cost is not an opinion that §8(i) admission fees are unauthorized. The Board should ask counsel the question this rule actually presents, in writing, and share the answer.

“It singles out a subgroup of owners.” The rule applies to every Occupant of every Lot, long-term and short-term, and exempts family and free guests. Owners who host more Occupants pay more, as they do now for long-term tenants. The 2008 By-Law amendment already treats one class of owners (timeshares) differently with 2,119 votes in favor.

“\$10 per night is a toll on the owner’s easement of ingress.” The strongest form of the objection. §8(i) authorizes fees “for the use of any portion of the Common Area”; roads are Common Area, but an Owner’s right of ingress is an easement. The answer is in the rule’s framing: the fee is for Occupants’ use of the Common Area and amenities as a whole, administered through registration, exactly as the guest-pass fees are. Keep the rate within the range of comparable amenity guest fees and support it with the cost allocation; do not describe it as a gate fee.

“It will be repealed by the next Board.” True of any rule; the remedy is the By-Law amendment that makes it the Members’ fee. Article XII, Section 8: two-thirds of votes cast or a majority of eligible voting power, whichever is less, by written ballot under Article III, Section 8. That is the second step, not a reason to skip the first.

“Owners will not register.” Unregistered Occupants do not get through the gate; that is the enforcement, and it is also the security case for the rule. Gilmer County requires a host license and occupancy limits; registration verifies both.

Sources

- CRRA Complete By-Laws updated 2022 (incl. DB2547 amendment), Google Drive copy — Art. I (n), Art. II §8(i), (ii), (v), Art. III §§2, 8, Art. VI §1, Art. XII §8; 2008 amendment certificate (2,119–39).
- CRRA Rules and Regulations, June 9, 2026 edition — Art. IV (gate access and registration), Art. V §1.A (Guest Pass Policy), Art. VII §1 (adoption of rules), Art. VII §4 (Administration Fee for Rental Properties).
- CRRA Board of Directors open session, October 13, 2026, Zoom recording and large-v3 transcript (Videos\CRRA Meetings) — cited by timestamp above.
- CRRA monthly financial packets, April–August 2026 (Access Management; Downloads: 04–08 Financials.pdf) — GL 44000 Administrative Fees, budget vs. actual; AR 12016 Admin Fees – STR.
- Statement from the Board of Directors Regarding the Short-Term Rental Fee, emailed October 16, 2026 (noreply@mycrra.com).
- S. Hawkins, Governing Documents — Review and Recommended Changes, July 19, 2026 (Art. VII §4 finding; POA Act non-submission).
- T. Kenney, “The \$800,000 Double Standard,” Facebook, Coosawattee River Resort (Open to all Topics), September 27, 2026; statement to the Board, October 13, 2026.
- O.C.G.A. § 14-3-613 (dues, assessments and fees); §§ 14-3-860 to -865 (director conflicting interest transactions) — statutory citations to be confirmed before filing.