

Frequently Asked Questions (FAQ's) About P1 Parking

1. Why are 22 Station and PVNC considering a parking system for P1?

To collect payments from non-Owners who pay to stay overnight in the Village at Palisades Tahoe and generate revenue to offset expenses and lower Residential Assessments.

2. Will PVNC Residential Unit Owners pay for parking in P1?

A Residential Owner will have access and NOT pay to park in one unassigned parking space while occupying his/her unit.

3. Will the friends and families of Residential Unit Owners pay for parking in P1?

Friends and families of Residential Unit Owners may have access and not pay to park in one unassigned parking space while the Residential Unit Owner is not occupying his/her unit and not parking in his/her unassigned space. Residential Owners may have to provide authentication to these individuals to enter/park in the P1 garage area. If Residential Owners do not provide authentication to individuals/vehicles, these individuals/vehicles may have to pay to enter P1.

4. Will the parking in P1 become more congested?

No. The vehicles eligible to park in P1 will not change

5. Will entering the P1 parking area be different?

No. An Owner will have to authenticate and pass through the East Garage entry and do the same at the interior entry gate. Owners may possibly use a smartphone instead of a key card.

6. What is the estimated parking revenue potential for P1?

\$0.5 million to \$1 million annually

7. Why such a large range?

The revenue potential is sensitive to pricing in the Winter season particularly peak periods in the Winter season. The PVNC Board members and management are not in total agreement on how to price parking. Some of us want to maximize revenue and return to Owners and price dynamically. Some are sensitive to the Customers Experience. Others have a conflict of interest.

8. What will be the impact of this potential revenue if realized?

PVNC receives and recognizes the parking revenue. The parking revenue will offset PVNC expenses that PVNC incurs for the benefit of Residential Unit Owners. All things being equal, PVNC Residential Unit Assessments will decrease. 290 Residential Unit Owners will equally share the benefits of P1 parking revenue.

9. Who owns P1?

22 Station and First Ascent own the walls, ceilings, floors, and infrastructure in Buildings 4 and 5, and Building 1-3, respectively including in P1. PVNC owns the parking spaces in P1.

10. What will be the costs to install a parking system?

The one-time expense will be roughly \$10,000 to \$200,000 depending on the vendor(s) hardware and software designs and processes.

11. Who will incur the costs to install a parking system?

Initially, 22 Station and FA will incur the one-time expenses to install infrastructure in the garage area. As provided for in the CC&R's, 22 Station and FA will levy assessments for PVNC and Palisades Tahoe to pay equally the indirect and direct expenses of the garage areas in Buildings 1-5.

12. What will be the ongoing expenses to operate a parking system?

Net revenue will be about 85%-90% of gross revenue after financial fees (e.g., credit card processing and software license subscriptions)

13. Will the Associations install a parking system for FY 2023-2024?

No. On September 5, 2023, PVNC, 22 Station, and First Ascent entered into a parking agreement with Palisades Tahoe for FY 2023-2024. Palisades agreed to pay PVNC roughly \$450,000 for fiscal year 2023-2024 to park Village at Palisades Tahoe hotel guests in P1. The actual amount will vary based on hotel occupancy.

14. What are the consequences of this parking agreement between Palisades Tahoe and the Associations?

The status quo in the P1 will continue through this fiscal year with the exception that Palisades will write a check to PVNC each month for parking.

15. What will PVNC do with this payment from Palisades Tahoe?

PVNC will recognize these payments as parking revenue. Parking revenue will offset Residential Cost Center expenses. If a surplus results at the end of the fiscal year, PVNC can use the surplus to fund future year expenses, lower assessments, or distribute the surplus as a dividend.

16. How will a Residential Owner benefit from this parking agreement?

Each of the 290 Residential Owners and only the Residential Owners will benefit equally from PVNC parking revenue

17. Will a Residential Owner who has a revenue sharing agreement with Palisades Tahoe benefit additionally from this agreement.

Our understanding is that Palisades Tahoe increased the nightly Resort Fee that each Village at Palisades Tahoe Hotel guest pays and communicated the Resort Fee includes parking. Prior to the increase, Palisades communicated that parking was a free amenity. Residential Owners with a revenue sharing agreement with Palisades may receive a share of the Resort Fee increase. The parking agreement between the Associations and Palisades is separate and independent of Palisades' other agreements. Palisades' agreement terms and pricing with Residential Owners and third parties are at Palisades' sole discretion.

18. Why did Palisades Tahoe enter into this agreement with the Associations?

Last November 2022, the 22 Station and PVNC Residential Directors and Caroline Ross started discussions with Palisades about P1 Parking proposals. 22 Station and PVNC proposed that either PVNC, 22 Station, and Palisades design collaboratively a parking system for P1 which PVNC would implement and operate or Palisades pay PVNC a lump sum to park hotel guests in P1. Palisades informally agreed to pay PVNC \$148,000 from December 2022 to May 2023 while the parties discussed parking system designs. In May 2023, Palisades decided and agreed in a non-binding term sheet to continue to pay PVNC and increase the payment amount to park in P1.

19. Why did 22 Station and PVNC enter into this agreement with Palisades?

The agreement generates parking revenue with no investment or expense and earlier than PVNC can install and implement a parking system.

20. What is the term of the parking agreement with Palisades? Will the parties renew the agreement?

The agreement expires June 30, 2024. The agreement has no renewal terms.

21. Will the Associations and Palisades enter into a similar agreement for FY 2024-2025.

For fiscal year 2024-2025, PVNC is planning to install a parking system in P1 that has the potential to generate \$0.5 million to \$1 million of parking revenue while not changing Residential Owners use and enjoyment of the P1 parking area. Because of lead times, PVNC will make a go, no-go decision in late Winter/early Spring. At the same time, PVNC will explore another agreement with Palisades for FY 2024-2025 who will have the experience of managing parking systems in the East and North outside parking lots during the winter of 2023-2024.