

LUBING, GREGORY & RECTANUS, LLC
Attorneys at Law

James K. Lubing
Admitted in WY, ID & MT
Nathan D. Rectanus
Admitted in WY
Kevin P. Gregory
Admitted in WY & MD

Madison J. Worst
Admitted in WY, ID & MT

March 2, 2022

VIA Email Only

Stage Stop, Inc.
c/o Jill Arnold
Fodor Law Office, PC
jill@fodorlaw.com

Re: Lot 333, Rafter J Ranch Subdivision;
PUD Amendment / CUP Request

My Client: Rafter J Ranch Homeowners Association

Dear Jill,

As you know, I represent the Rafter J Ranch Homeowners Association (the "HOA"). This letter is sent in follow-up to our previous written communications concerning your client, Stage Stop, Inc.'s ("Stage Stop"), ongoing efforts to amend the Rafter J Ranch Planned Unit Development ("PUD") approval applicable to Lot 333 and to obtain a conditional use permit ("CUP") to permit Stage Stop to convert the Legacy Lodge, located on Lot 333, into residential apartments and in order to rent the same as "workforce housing."

As you know, Lot 333 is subject to the Declaration of Covenants, Conditions and Restrictions for the HOA and all amendments and supplements thereto (collectively, the "CCRs"). The CCRs are recorded against Lot 333 and serve, in part, to restrict the use of Lot 333 as set forth therein. **Pursuant to the CCRs (Art. IX, Sec. 1), Lot 333 is designated as a commercial area and should be used as such in accordance with the CCRs. As the HOA has repeatedly informed Stage Stop, Lot 333 is not within the lots classified as "multiple dwelling" lots within the CCRs and multi-unit residential use is squarely not a permitted use of Lot 333 under the CCRs.**

It is apparent to the HOA that Stage Stop has taken significant steps and efforts towards the PUD Amendment and CUP application with Teton County, but to date has failed to recognize its obligations and restrictions under the CCRs. While you referenced the HOA's private covenants in your remarks during the February 28, 2022 Planning Commission meeting, it was concerning for my client that you appeared to stop well

short of recognizing or acknowledging the CCRs' prohibition against residential use on Lot 333 and you made no commitment to secure an amendment to the CCRs before implementing Stage Stop's planned use. You stated that approval from the County was essential to implementing your client's plan, with the implication (arising from the complete lack of any effort by Stage Stop to pursue a CCR amendment) being that a CCR amendment is somehow less essential. Additionally, it was noteworthy that, in his remarks, Mr. Darwiche said that the use of the Legacy Lodge as residential apartments could "begin tomorrow with a 'yes' vote from the Commission tonight," again suggesting that Stage Stop does not perceive the securing of an amendment to the CCRs to be necessary to its plan. As you may expect, given the import of the private covenants encumbering Lot 333, and my client's duty to enforce the same, these facts are troubling.

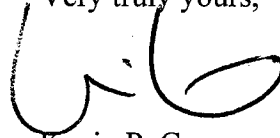
To be clear on the issue, the approval of Stage Stop's PUD Amendment or CUP application will not relieve it of its obligation to comply with the plain language of the CCRs, and Teton County's CUP approval cannot and will not abrogate any obligation attributable to Stage Stop under the CCRs, including the obligation to implement only uses approved for Lot 333 therein. Pursuant to the Teton County Land Development Regulations at Section 1.6.6. "Conflicts with Private Agreements," "Nothing in these LDRs is intended to supersede, annul, or interfere with any easement, covenant, deed restriction, or other agreement between private parties, but such agreements shall not excuse a failure to comply with these LDRs." It is well settled under Wyoming law that zoning ordinances or local government decisions cannot annul, abrogate or relieve property owners from private covenants. *See Fox v. Miner*, 467 P.2d 595, 597 (Wyo. 1970). While Teton County is not legally required to consider the CCRs' prohibition against the use Stage Stop proposes, please understand that the HOA will strictly enforce the CCRs and will not permit violation thereof, including any violation that Stage Stop's apparent plan portends.

Given the foregoing, the HOA hereby requests that Stage Stop confirm its commitment to complying with the CCRs and that it will not engage in any use of Lot 333 that is violative of the CCRs. If Stage Stop intends to implement residential use of the Legacy Lodge, or otherwise provide residential housing on Lot 333, it needs to confirm its intention to seek proper amendment of the CCRs, in accordance with Article XII, Section 3 thereof, prior to initiating such use. If Stage Stop intends to ignore this obligation, the HOA will be forced to avail itself of the remedies set forth in the CCRs at Article XII, Sections 1 and 5, along with any other causes of action or remedies available to it under Wyoming law. Please understand that it is not the HOA's desire to escalate this matter. Stage Stop's simple compliance with the private covenants that encumbered Lot 333, and which were known to Stage Stop when Stage Stop purchased the property, will obviate the need for escalation.

As Stage Stop's response to this request is clearly pertinent to the matters pending before the Teton County Planning Commission, we ask that Stage Stop respond in advance of the March 14, 2022 Planning Commission meeting. Stage Stop's failure to respond will be indication that it intends to ignore the import of the CCRs' restrictions upon Lot 333.

Thank you for your time and attention to these matters. I am available to speak should you wish to discuss further.

Very truly yours,

A handwritten signature in black ink, appearing to be 'K. Gregory', written in a cursive style.

Kevin P. Gregory

CC: Teton County Board of County Commissioners
Teton County Planning Commission
Teton County Planning Department
Office of the Teton County Attorney
All above c/o Keith Gingery, Chief Deputy County Attorney
kgingery@tetoncountywy.gov