

# Mammoth Lakes Town Council

## Agenda Action Sheet

**Title:** Update and Discussion on Town's Housing Program Fund Allocation Progress.

**Council Meeting Date:** 10/20/2021

**Prepared by:** Nolan Bobroff, Associate Planner – Housing Coordinator

**Recommended Motion:** Receive the presentation from staff and provide comments, confirmation, or direction on the use of funding allocated to the Town's Housing Program.

**Summary:** At the August 4, 2021 Town Council meeting, the Council allocated \$5.7M in funding to support the Town's Housing Program (Resolution 21-21). The following is a summary of the various housing programs funded:

- Creative Housing Fund (\$1.5M)
  - This fund was established to be flexible and adaptive as various housing opportunities arise, such as the acquisition of existing market-rate units or to partner with the private sector on new workforce housing projects.
  - **TOML Bridge Loan Program:** The Town has authorized MLH to submit a purchase offer of a market-rate condominium unit within the San Joaquin Villas complex. The unit is a market rate unit that will be resold to an income qualified household earning no more than 120% of the AMI. The Town will loan MLH the purchase price of \$474,630 plus an additional \$15,000 for repairs of the unit prior to resale. The Town will be repaid \$380,000 (*the deed restricted sales price*) upon the sale of the unit. Funds will go back into the housing program. The total subsidy necessary for the purchase and rehabilitation of this unit will be \$109,000, of which \$101,000 is being redirected from the Moderate-Income Workforce Homebuyer Assistance program and the remaining \$8,000 will come from the Creative Housing Fund. The \$101,000 subsidy is necessary to convert the unit from a market-rate unit to a deed-restricted unit. MLH will cover the closing costs for the unit. Escrow is expected to close on November 8<sup>th</sup> and it is expected that the unit will be listed for sale at the deed-restricted price in early 2022. This program replaces middle income loan program previously set up with MLH. The program funding is from the \$1.5M allocation for working with the private sector and others on housing for middle income households.
- 238 Sierra Manor Road - Mammoth Lakes Housing Project (\$1.2M + \$300K)
  - The Town has committed \$1.5M in funding to MLH's 238 Sierra Manor Road Project. The proposed project is the conversion of an existing commercial property into 11 one-bedroom affordable housing units.
  - The project relies on a number of other funding sources, including a federal HOME and CDBG grant, and MLH is awaiting notification of an award from those two federal funding sources before moving forward with construction. MLH staff is hopeful that notification will be provided soon.
- 60 Joaquin Road - TOML Project (\$3M)
  - The Town purchased 60 Joaquin Road in summer 2021 with the intention of developing a six-unit multi-family affordable housing project on the vacant site.
  - The Town is in the process of developing the procurement documents necessary to enter into a design-build contract with a developer for the project. Staff has been

working with the Town Attorney to ensure compliance with the design-build procurement requirements and intends to release the RFQ and RFP for the project in winter 2021. A six-unit project with for sale or rental units is under review.

- Approximately \$201,000 has been spent on the acquisition of the site and escrow fees. Funding for the project is from the \$3M allocation for development of the project plus \$201,000 for the purchase costs coming from the Town's Housing Program Fund.