



*Mammoth Lakes Housing, Inc.
supports workforce housing
for a viable economy and
sustainable community.*

STAFF REPORT

Subject: Receive an update regarding 238 Sierra Manor Road project

Presented by: Patricia Robertson, Executive Director

BACKGROUND

Mammoth Lakes Housing, Inc. purchased the commercial property located at 238 Sierra Manor Road on October 6, 2017 through a partnership with the previous owner who made a \$50,000 land donation. The intention is to convert the property to 11 one-bedroom apartments.



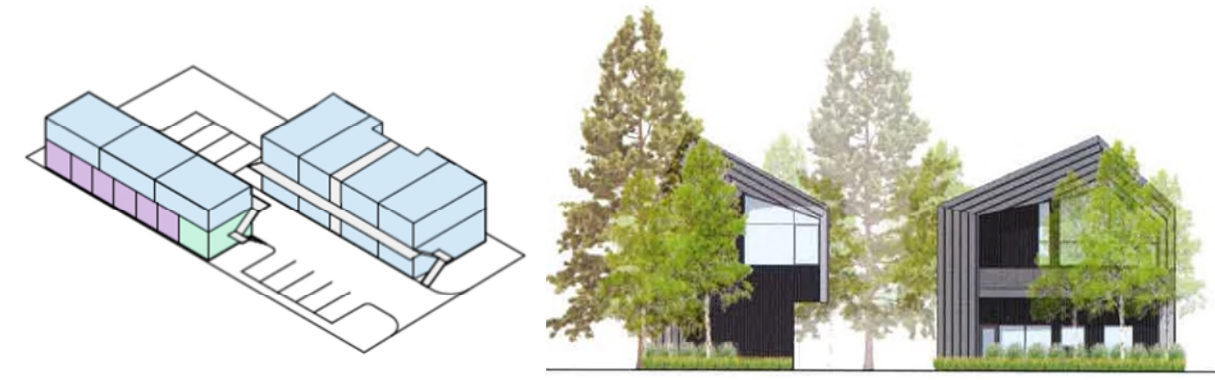
MLH purchased this property with the intention to convert the commercial space into eleven 640 square foot apartments with six garages. Conversion of the two buildings to housing units will stay within the existing foundational footprint. The conversion will include new interior walls, plumbing, electrical, mechanical (including a new fire suppression system), secured storage and bike parking, and exterior tenant community area.

The approximately .40 acre site is optimal in terms of location and neighborhood fabric since it is within one mile of the family health clinic, public library, grocery store, and public schools. The property is located in the Old Mammoth Road District and the zoning is Commercial 2. The Town's Municipal Code permits 100% multifamily residential within this zoning designation.

MLH 2019-2023 Strategic Plan

- FOCUS AREA A: Build & Facilitate Community Housing
 - GOAL A-1: Develop Plan to Reach 5-year Goal
 - OBJECTIVE 2: Pursue Development Opportunities
 - TASK 1: Complete Sierra Manor Road Project

PUBLIC OUTREACH IN 2019



DECEMBER 2021 UPDATE

LINE ITEM	COST
Land	\$1,250,000
Construction	\$5,338,301
Soft Costs	\$1,142,755
DIF & Permit Fees	\$160,000
Contingency	\$544,228
Capitalized Reserves	\$60,000
Total Development Cost	\$8,495,284

SOURCE	AMOUNT
Permanent Loan	\$503,710
HOME Loan	\$1,374,416
CDBG Loan	\$2,790,698** <i>waitlisted</i>
Town of Mammoth Lakes Grant	\$1,500,000
Mono County Social Services Grant	\$149,545
Deferred Developer Fee to MLH	\$80,000
IMACA Grants	\$260,000 (<i>pending</i>)
Land Donation	\$50,000
Kern Regional Center	\$600,000 (<i>pending</i>)
Fee Waivers	\$60,000 (<i>pending</i>)
Value Engineering	\$500,000 (<i>pending</i>)
TOTAL DEVELOPMENT COST	\$8,495,284 +/-
GAP IN FUNDS TODAY	\$792,000 +/-

FINANCING

1. Grant Applications

a. HOME –

- i. The Board approved a HOME application on December 2, 2019
- ii. The HOME Application was submitted 1/21/20 for \$1,374,416 and \$50,000 administration costs
- iii. Staff met with HCD on 7/23/21 and received an update that our project will be recommended to the Internal Loan Committee in the next few weeks and we should hear positive news by the end of the month
- iv. After providing additional information, staff was informed that HCD/HOME had an internal meeting on 9/2/21
- v. Last communication was 11/19 – HOME trying to schedule our project for Loan Committee review

b. CDBG –

- i. Application due September 30, 2020 – \$3,000,701
- ii. Submitted in partnership with the Town on 9/30/20
- iii. Over the Counter (OTC) funds for Shovel Ready projects were oversubscribed in 2020. A waiting list was established, and 2021 OTC funds were utilized to get projects off the list. Our application remains on the list of about ~20 projects to be funded. On a call with CDBG on 7/8/21 staff was told that HCD is looking for funds for all of the Shovel Ready projects on the waiting list and has been successfully funding down the list one project at a time as funding is identified.
- iv. Last communication with CDBG was 10/25 when they published the waitlist
- v. Our application is last on the list and there is only one other HOUSING project on the waitlist

c. Other funding:

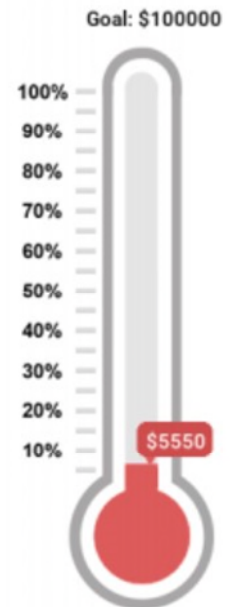
- i. Staff has identified ~20 funding sources that represent 100% of funding for this project, including fee waivers, private donations, etc.
- ii. Approximately 75% of funding has been secured
- iii. Value-engineering, cost savings could reduce costs by about 5-10% of construction estimate
 - The Board discussed at their 10/4/21 meeting and decided to revisit value engineering at a later date if necessary

2. Fee Waivers

- a. Town – submitted in May and rejected in July, MLH asked for escalation of building permit fee waiver request of ~\$20,000, no response to date
- b. Water District – submitted May, scheduled for August 19th at 5:30 PM; Staff met with Water District on 9/3 and the item is rescheduled for the Water Board on October 21 at 5:30 PM. The Water District Board of Directors agreed to defer our water connection fees until Certificate of Occupancy, which helps defray the

upfront cost of about \$34,000. Waiting for security documents between the Town, Water, and MLH.

- c. Fire District – Discussions initiated in June
 - d. Child Care/MCOE – TBD
 - e. Library – meeting with County Library Director in June, MCOE asked for additional information on 8/19 and that information was provided. Followed up November.
3. Fundraising
- a. Fundraising committee established 7/12/21
 - b. Union Bank – grant application in progress; meeting with Foundation Rep 9/7/21
 - c. Eastern Sierra Community Bank – grant application submitted 9/22
 - d. Vons Foundation – grant application submitted
 - e. Mono County Board of Supervisors presentation 11/9/21
 - f. Alterra Community Foundation submitted 11/15/21
 - g. Other asks to consider:
 - i. Mammoth Lakes Tourism
 - ii. Business community
 - iii. Others?
 - h. Event scheduled for October 16 at 3:00 PM at the project site!
 - i. Success!
 - ii. Raised about \$1,000



4. Other Public Outreach
- a. Flier – attached
 - b. 4th of July parade
 - c. Press release re: Town commitment complete
 - d. Community Coffee 8/23 – housing
 - e. Mammoth Voices – 9/2
 - f. Fundraising event – 10/16/21
 - g. Project webpage – check it out!
<https://mammothlakeshousing.org/rent/communities/access-apartments/>
5. **Other funding opportunities**
- a. Affordable Housing Program (AHP) Grant through the Federal Home Loan Bank of San Francisco
 - i. Next round March 2022
 - ii. Identify potential partner banks: Union Bank
 - iii. Call with consultant scheduled 9/9; may not be competitive unless 100% “homelessness”
 - b. Kern Regional Center DDS funding
 - i. Schedule call with new Community Services Director on 12/10/21; Met with them on 6/11 and followed up 7/5, response on 7/12 to wait to hear back on timing

- c. IMACA / CoC - Homeless Housing, Assistance and Prevention (HHAP) Grant
 - i. Timing: imminent, staff coordinating with IMACA
- d. Project HomeKey
 - i. Application is due 1/31/22
 - ii. MLH and Town staff have been working with Technical Assistance team on the application
 - iii. There is conversation if this is the best fit for this project.
 - iv. MLH Preapplication meeting scheduled for 10/11. Maximum allocation could be \$1.65 million. Expenditure deadline is 8 months after date of award.
- e. Housing Accelerator Program – Round 2
 - i. Potential source
 - ii. NOFA to come out early in 2022

ANALYSIS

MLH has committed approximately \$1,054,000 to date (acquisition costs, carrying costs, and project soft costs).

RECOMMENDATION

The Board should receive the update and provide any feedback.

ATTACHMENTS:

- 1. Fundraising flier for 238 SMR