

DESTINATION RESORT COMMUNITY AND ECONOMIC DEVELOPMENT STRATEGY

TOWN OF MAMMOTH LAKES

**Adopted April 15, 2009
Updated March 2012, December 2021**

The Destination Resort Community and Economic Development Strategy (DRCEDS) was adopted in April 2009 as a 3-year strategic and operational plan intended to clearly establish a short-term direction for the community and dedicate the resources to achieve them.

Since 2009, the Town has made progress on a number of the objectives and strategies that were identified, and there have been organizational changes and new opportunities and challenges that suggest the need to update and revise DRCEDS. An update to DRCEDS was completed in early 2012 to reflect updated economic conditions and facilitate economic development. While 2012-2021 brought a number of challenges including the Great Recession and the MLLA judgment, the Town continued to make progress on our priorities and completed focused studies including the Main Street Plan, Downtown Revitalization Plan, Walk, Bike Ride, Plan and a Community Housing Action Plan. The 2021 update is intended to reflect changes to economic conditions and prepare the Town for potential investment on a number of fronts.

Summary Background

DRCEDS Formation

In August 2007 the Town Council adopted the 2007 General Plan. A major theme woven throughout the Plan is the importance of strengthening the community's economy and position as a destination resort. The need for an overall community and economic development strategy was obvious. The Town commissioned several study reports and initiated a community process to prepare an economic development strategy.

The Destination Resort Community and Economic Development Strategy adopted in 2009 was the culmination of these efforts. The Strategy was a 3-year strategic and operational plan intended to clearly establish a short-term direction toward economic success for the community, and to dedicate the necessary resources.

2012 DRCEDS Update

For the 2012 update, the Town Council approved an Economic Development work program in September 2011, based on the input from the various working groups. Several different working groups were engaged to gain input on economic development strategies, programs, and identified key issues and strategies that various organizations and entities can deploy to promote economic recovery and strengthen the local economy.

2021 DRCEDS Update

Over the past ten years there have been significant changes to both the local and national economy. Some of the changes include the Town settling the MLLA lawsuit with a substantial judgment against the Town, changes in Air Service, the formation of the ALTERRA Mountain Company, the COVID-19 pandemic, and overall improved economic performance of the Town.

MLLA Settlement

The outcome of the MLLA judgment resulted in a long-term financial loss to the Town. The Town financed the outstanding judgment \$24 million in 2017 with current annual payment of approximately \$1.87 million extending through FY35-36. The financing reduced the interest rate dropping the annual payment from \$2 million. Revenue losses at the Mammoth Yosemite Airport continue at approximately \$100,000 annually. The process to meet the financial challenge of the settlement also resulted in changes in the Town's funding of Tourism, Housing and Transit. Allocations to these three service areas was adjusted again in FY17-18 to allocate additional funding for housing purposes.

Air Service

Commercial air service to the Mammoth Yosemite Airport (MMH) was discontinued in early 2020 due to the COVID-19 Pandemic. Commercial air service was also transitioned to Inyo County Airport in Bishop (BIH), with United commercial service scheduled to resume to resume December 2021. Scheduled Charter service provided by Advanced Air, LLC is scheduled to start in November 2021 at MMH.

Formation of ALTERRA Mountain Company

In 2018 Mammoth Mountain Ski Area and June Mountain Ski Area were part of the creation of the new international, multi-mountain ski corporation, ALTERRA Mountain Company. The Company has a branded pass program (IKON) providing access to owned and partner ski resorts. It is anticipated the new company will provide enhanced investment opportunities for Mammoth Mountain and related properties. Mammoth Mountain Ski Area has also completed a land exchange with the National Forest Service adding approximately 30 acre of private land adjacent to the Mammoth Mountain Main Lodge for redevelopment and new development.

COVID-19 Pandemic

In March 2020 the COVID-19 Pandemic resulted in a substantial the shutdown of the California economy. The impact on the Town's visitor based economy was significant and created a sense of uncertainty. The Town did rebound economically in summer 2020, only to be impacted by wildfire season in the fall with heavy smoke and forest closures. This scenario again repeated itself in the summer of 2021 as California continues to catastrophic wildfires and related smoke impacts. The Town implemented several proactive actions to support the community, to limit financial impacts on the Town, and to meet the demands of the pandemic. The lasting impacts of the pandemic are still unknown.

TBID (Tourism Business Improvement District)

In September of 2013 the Mammoth Lakes Tourism Business Improvement District (TBID) was initiated. The TBID provides additional marketing related funding. All tourism related businesses are assessed a fee based on the type of business (restaurant, retail, lodging or skiing). The TBID has provided a substantial increase in funding to market the community and to support air service.

Economic Performance

The Town's efforts and the strength of the economy is reflected in recent revenue generation by TOT. In FY15-16 \$15.7 million was collected setting a new record. This amount has been exceeded in each of the following fiscal years, with a new record of \$20.2 million in FY18-19. The solid performance in TOT revenue is reflective of a strong tourism economy, stronger performing non-peak times, peak records, increased room rates and increased enforcement on tax remittance.

Our Strengths and Challenges (SWOT Analysis)

Mammoth's economy is almost wholly dependent on tourism. Virtually every aspect of the community is directly or indirectly linked to tourism. The attraction of the area, the diversity of outdoor recreational a

Activities, marketing/PR/branding, the movement of people, town identity, and support for basic business activity (dining, gear, ticket sales, support services, shopping, etc.). The Town's revenue sources are also tied to visitor spending primarily through Transient Occupancy Tax generation.

Five realities have been identified in the current economic condition that factor into the Town's efforts on economic development.

1. We are competing in State, National and Global economies.
2. The pace of change and competition in the marketplace will accelerate.
3. Economic and environmental success are overlapping at an increasing rate.
4. Public-private and public-public partnerships are more critical every day.
5. The ability to innovate is the only sustainable competitive advantage.

In this environment the Town and the greater region have strengths, weaknesses and opportunities to enhance the quality of life for residents and experiences for visitors.

Strengths

Strengths of our tourism-based economy are:

- Our incredible natural setting and abundant outdoor recreational activities.
- Our climate, 300 days of sun and average of 400 inches of snow each year.
- Mammoth Lakes proximity to the Southern California market has made us their playground. Southern Californians comprise the majority of Mammoth's visitors and second homeowners, and are a major, consistent source of revenues.
- Mammoth has been attractive to developers such as Intrawest and Starwood Capital that resulted in investments in higher-end lodging and the more recent creation of the

Alterra Mountain Company and planned investments at the Main Lodge. While Mammoth Lakes remains attractive to developers, construction costs continue to hamper development.

- The creation of Alterra Mountain Company has resulted in marketing of Mammoth Mountain to a broader range of visitors and the Ikon Pass program provides an incentive for passholder to visit Mammoth Mountain.
- Mammoth Mountain Ski Area itself is renowned for its size and tremendous variety of terrain for all skill levels and continues to improve on-mountain skiing and snowboarding facilities to attract new visitors. The ability to make artificial snow has reduced the impact of low, natural snow years.
- Our setting in the midst of the Inyo National Forest and proximity to world renowned parks including Devils Postpile National Monument and Yosemite National Park.
- Mammoth Lakes isolation, which is in some ways a disadvantage, results in one of its greatest strengths: as Mammoth Lakes will always be an island of civilization surrounded by unique, spectacular public lands.
- Expanding events calendars and diversification of events, festivals, and community-based activities.
- The extension of Digital 395 provides gigabit broadband service to the community but has limited distribution throughout Town.
- Expansion of non-winter visitor base and activities.
- Growing sense of regional cooperation and investment in strategic areas such as mobility, public lands, trails, housing, marketing and response to changing environmental conditions.
- Updated Inyo National Forest Management Plan and Devils Postpile National Monument Management Plan.

Challenges

Our tourism based economy is affected and threatened by:

- Environmental Factors: 1980 Long Valley Earthquake, 1980-90's volcanism, 1992 Rainbow Fire, New Zealand Mud Snail & Quagga Mussels, Global Climate Change, Extreme Sierra Weather Patterns, drought and catastrophic wildfires.
- Weather-Dependent Economy: Historically low snowfall has occurred intermittently over the past decade and has resulted in significant negative effects on the local economy, based on a sharp decline in skier visits.
- Economic Factors: 1994 Highway 14 closed due to Northridge Earthquake, Strong Resort Industry Competition, Aging Baby Boomers, National/Global Economic Downturn, Escalating and Fluctuating Fuel Costs.
- Local Factors: Soft Spring and Fall Visitation, and limited diversity in recreation, entertainment, and retail options for visitors.
- Competition: alternative recreational choices and resorts to choose from across the west and internationally.
- The growth in popularity of Mammoth Lakes for second homeowners and use of homes for short-term rentals has added to a workforce housing shortage

Mammoth's businesses experience lows and highs:

- Difficult to find housing for employees.

- Difficult to find qualified workforce
- Low to moderate average annual lodging occupancies.
- While shoulder season visitation continues to increase, there are still limited closed restaurants, shops, services and as visitation dips.
- Customer service standards suffer with fluctuations in workforce due to seasonal nature of our economy.
- Difficult to attract and retain employees and achieve a sustainable employment base due to the cost of living, high housing costs, and a lack of resident focused amenities.
- Subject to weather and closures due to natural disaster.

Economic diversification is difficult:

- We are geographically isolated, access is limited.
- Materials, shipping, and construction and development costs are high.
- Local cost of doing business is relatively higher than other communities.
- The Town is limited in size and surrounded by public lands.
- Year-round visitation levels are not sufficient to sustain local businesses investment.
- The rate of return on major investment is lower than in other markets.

Given the Town’s reliance on visitor-derived Transient Occupancy Tax (TOT) and sales tax, there is a need to enhance the sustainability and growth in these revenue sources for the Town. The health of the tourism economy directly impacts the business climate and success of local businesses. Visitor demand and spend are also critical factors in the attraction of new investment.

Our 3-Year Strategic Direction/Action Plan

This Destination Resort Community and Economic Development Strategy includes the ideas of partnership, people, place and positioning. The Plan is intended to improve our overall quality of life: provide expanded opportunity, spur investment, encourage local enterprise, serve the needs of local residents, workers and businesses, promote stable employment, reduce poverty, offer family and neighborhood life, maintain our natural environment, conserve natural resources and be both inclusive and sustainable.

This strategy looks to leverage assets to support increased competitiveness and economic growth. Ultimately, the community, the ski area, and our national public lands require progressive changes to become a destination resort. To achieve these goals, the Town should consider securing funding for the following high priority short- and mid-term strategies and objectives during this next 3-year period (2022 – 2025).

Key Result Area: Achieve Economic Stability and Environmental Resiliency

The Key Result Area represents the highest-level goal of DRCEDS, which will be achieved through a multi-faceted series of objectives and strategies in key targeted areas. The following overarching “disciplines” are those that should be integrated and adhered to in actions and decision-making for any of the objectives and strategies.

We will base our decisions on achieving the triple bottom line (Social, Environmental and Economic): one that considers economic development, land use planning, mobility, community design, and place-making to achieve a thriving local economy.

We will prioritize the allocation of economic development resources and decision-making to provide activities, programs, services, and facilities that lead to a sustainable economy and enhanced visitor and local experiences and increased spend.

We will partner with the private sector and regional public agencies to leverage community and visitor serving activities, programs, services, and facilities with new investment.

We will build partnerships with members of our community to increase opportunity, spur investment, encourage local enterprises, and serve the needs of local residents, workers and businesses.

Goal 1.1 Increase visitation and spend during quiet travel periods to improve repeat visits and encourage higher spend.

Goal 1.2 Stabilize and strengthen local businesses.

Goal 1.3 Maintain a fiscally healthy organization through conservative expenditures, prudent budget management and increased municipal revenues and reliability.

Economic Resilience

Strategy 1.1.1 Promote Mammoth Lakes' economy through increasing and enhancing tourism; the stability of jobs; attraction and retention of new business; and stimulation of economic activity and investment.

Objective 1.1A Increase visitation levels during quiet travel periods and supplement outdoor activities with a mix of indoor activities and diverse events.

Key tactics that can implement this objective are:

- Determine gaps in the tourism amenities within town.
- Identify and invest in a permanent outdoor events venue.
- Invest in a quality indoor community space to support, performances, meetings, activities, and recreational space.
- Dedicate resources to attract, support and coordinate the production of town-wide events and major new festivals.
- Expand on mix of events to include sporting related activities (biking, soccer, running, training, etc.,) and "festivals" such as arts, film, yoga, and civic activities, etc.

Objective 1.1B Increase visitation and occupancy by increasing return visits, extending length of stay, and increasing shoulder season (off peak) visits to Mammoth Lakes. Key tactics that can implement this objective are:

- Establishment of events that have repeat visitors and attraction of new participants.
- Added value options to repeat visitors in off peak season.
- Add venues to support off-peak group travel.

Objective 1.1C Improve town-wide Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR). Key tactics that can implement this objective are

- Attract and work with new investment to improve nightly lodging product offerings.
- Define options to limit the conversion of housing options to short-term rentals
- Support training of local operators on revenue management best practices

Objective 1.1D Support last/middle mile broadband connections to improve the speed and availability of broadband internet in Mammoth Lakes. Expanded broadband allows for longer stays as people work remotely, adds to local experiences, and may improve business operations.

- Seek out funding opportunities for last-mile broadband connections.

Objective 1.1E On a project-by-project basis determine opportunities for public-private financial participation.

Objective 1.1F Define opportunities and financing tools to work in partnership to fund necessary and desirable public improvements (i.e., use of EIFDs, PBIDs, BADs, tax sharing agreements).

Air Service

Strategy 1.1.2 Develop a plan for airport services that acknowledges commercial air service moving to Bishop (BIH) with an emphasis on Scheduled Charter Service for Mammoth Yosemite Airport (MMH).

Objective 1.2A Update the Airport Layout Plan to expanded General Aviation (GA) services. Key tactics that can achieve this goal are:

- Focus on growing scheduled charter services with multiple connections with a goal to reach 10,000 enplanements.
- Add necessary infrastructure to support firefighting resources.
- Expand related events to draw in general aviation enthusiasts and public interest.
- Retain Part 139 status for future commercial services.

Mobility

Strategy 1.1.3 Shift the primary means of access to local services and amenities and circulation from auto use to walking, bicycling, transportation demand management, micro-mobility options and transit to improve the Town's overall quality of life, reduce number of vehicle trips, and improve roadway safety.

Objective 1.3A Complete a Mobility Master Plan to consolidate previous planning efforts into one master document, providing a framework for the identification, prioritization, and implementation of mobility projects throughout the Town.

Objective 1.3B Implement mobility hub study through a focused pilot project program with concept to be part of the Community Recreation Center development to include expanded electric vehicle charging stations.

Objective 1.3C Provide expanded parking options for visitors to the Village at Mammoth Lakes. Parking should be designed to connect visitors to the Village for shopping, dining, events, and other transit connections thereby reducing vehicle trips.

Objective 1.3D Provide intelligent transportation system (ITS) services to residents and visitors of Mammoth Lakes through the provision of transit applications and other related technology as it becomes available.

Visitor Driving Activities, Programs, Services & Facilities

Strategy 1.1.4 Partner with the private sector to provide a variety and range of meeting and conference spaces, indoor and outdoor event venues and recreational facilities with new development that can be programmed to drive visitation and experiences.

Objective 1.4A Develop a variety of meeting and conference spaces with future hotel development in general and in the North Village, Town Center and Main Street districts. This objective would target a mix of spaces ranging from 2,000 to 15,000 square feet.

Objective 1.4B Work in partnership with Mammoth Lakes Tourism and partners to establish new out-door event center that may also support expanded meeting space as well as events.

Strategy 1.1.5 Serve as the facilitator for bringing the various organizations together in a directed effort to define current amenity offerings, gaps and opportunities for new amenities and define opportunities to build capacity for enhancing recreational based product.

Objective 1.5A Convene working group(s) of regional partners to define projects and means to enhance recreational opportunities on public lands.

Objective 1.5B Partner with the Inyo National Forest to improve visitor experience by improving trails, providing information, enhancing basic services such as restrooms, trash collection, parking and transit.

Place-Making

Strategy 1.1.6 Coordinate with MUSD, Cerro Coso College, the Mammoth Lakes Foundation, Mono County and Southern Mono Healthcare District to determine the most beneficial and appropriate program of public uses and facilities for the Gateway District, and the broader program of facilities that would complement these uses.

Objective 1.6A Work in partnership with Mammoth Lakes Foundation on the completion of the Mammoth Arts and Cultural Center (MACC) to add larger meeting/conference space and to expand year-round performance facility.

Objective 1.6B Work with the Mammoth Lakes Foundation to complete a process to plan the housing area located east of the existing college site.

Objective 1.6C Revise and update the North Village Specific Plan, including the Implementation Element, to reflect the recommendations of the North Village District Planning Study regarding critical mix and mass of uses; anchor retail, resort services and entertainment uses; meeting, event, and performance venues; and mobility, parking, and related infrastructure improvements to be provided with new development.

Objective 1.6D Complete design specifications to establish uniform standards for resort animation: decorative banners, tree lighting, information kiosks, graphics, wayfinding and accoutrements that create an attractive festive resort appearance.

Natural Resources

Strategy 1.1.7 Protect the area's natural resources, scenic beauty and character recognizing that these environmental attributes are also primary tourist attractions.

Objective 1.7A Complete construction of new Materials Recovery Facility (MRF) in the Industrial Park, long-haul transfer station, and enhanced recycling processes.

Objective 1.7B Finalize options and potential funding for a biomass processing plant capable of using a mix of feedstock materials. The facility is to divert materials from landfills, reduce GHGs, and meet SB1383 diversion goals.

Objective 1.7C Actively participate in the development and implementation of work programs designed to reduce fuel loading in the greater Mammoth Lakes area to reduce the risk of catastrophic wildfire, to improve forest health and restoration of drainages and other forest lands, including development of

biomass/organics process capacity and long-term stewardship options for forest fuels management.

Objective 1.7D Work with United States Forest Service and Parks Service to implement sustainable multi-use trails systems, improve public services amenities, enhance watershed protection, and reduce the risk of catastrophic wildfires and enhance ways to connect the visitor audience with the landscape.

Marketing & Promotion

Strategy 1.1.8 Continue to support the work of Mammoth Lakes Tourism (MLT) as the Town's Destination Marketing Organization to leverage and improve the effectiveness of external sales, marketing, and promotional efforts and investment in visitor education/information on responsible recreation. Work together to enhance the visitor experience.

Business Assistance, Diversification & Retention

Strategy 1.1.9 Support the local business community in their efforts to increase business revenues and receipts, increase business and employment diversity, capture more sales locally and reduce leakage.

Objective 1.9A Continue to benchmark local economic performance and report quarterly performance. Consider partnering with other local agencies to provide regional economic performance data.

Objective 1.9B Work with the Chamber of Commerce to connect with local businesses to learn about conditions, concerns, and issues to find ways to improve them.

Objective 1.9D Assemble local resource and service providers to establish technical and financial assistance that can help small businesses.

Objective 1.9E Develop an economic and stimulus program to develop and implement business retention and attraction programs, loan and grant programs, creating incentives and eliminating conditions of disrepair and blight.

High Quality Public Service

Strategy 1.1.10 Maintain an effective organization, provide quality customer service, and engage the community in the Town's major efforts.

Objective 1.10A Promote a customer-focused culture that celebrates high achievement, communicates and promotes respect, and fosters efficient and effective teams.

Objective 1.10B Continue to streamline and expedite the development approval process to reduce unnecessary delay and costs.

Objective 1.10C Establish annual community survey to identify citizen satisfaction with the range, quality and cost of Town and contract-funded organizations' services. Target a minimum 80 percent satisfaction rate for Town performance in providing services to its customers.

Increase Housing and Childcare Availability

Objective 1.11A Implement the Town Housing Program to increase workforce housing availability within town in order to assist in the retention and recruitment of employees. Key tactics that can achieve these goals are:

- Continue to facilitate development of The Parcel.
- Fund and utilize the Creative Housing Fund for various housing opportunities including the acquisition of existing market-rate units or partnering with the private sector on new workforce housing projects.
- Administer Federal and State housing grants including HOME, CDBG, BEGIN ReUse, and other programs as applicable.

Objective 1.11B Partner with the Mono County Child Care Council and others to develop actionable plans to expand childcare options to support the workforce and meet the needs of children and families.

The following sections of this document provide contributing and supporting information.

Evaluation Framework

Progress on achievement of the strategies and objectives outlined in this document is completed as a part of the Annual Community Indicators report. The Community Indicators Report uses indicators to report performance related to the “triple bottom line” sustainability goals of the community of Mammoth Lakes. These goals and indicator results reflect the interplay between the social, environmental, and economic factors affecting the community's well-being.

The Community Indicators Report tracks the following indicators

- Economy
 - Prosperity – Sales Tax Revenue – Taxable sales are a measure of consumer activity in Mammoth Lakes. Trends in sales tax revenue reveal the economic health of residents and local businesses. Further, sales tax revenue funds government expenses such as police and road maintenance.
 - Poverty – Subsidized School Lunch Eligibility - Participation in the federally subsidized school lunch program requires children to come from families with incomes at or below 130 percent of the federal poverty level. Subsidized school lunch program eligibility, therefore, is a direct measure

of family poverty levels and is a proxy for household income in Mammoth Lakes.

- Tourism – Transient Occupancy Tax (TOT) Revenue - Mammoth Lakes' economy is tourism-based. High altitude outdoor activities are the major economic and employment generator in the community, and the seasonal ebb and flow of visitors causes economic and employment fluctuation. Transient Occupancy Tax (TOT) revenues are a measure of visitor bed occupancy, as such, reflecting the health of the tourism sector in Mammoth Lakes.
- Environment
 - Air – Particulate Air Pollution - Particulate air pollution impacts the health of community residents, aggravating respiratory conditions such as asthma and bronchitis. Furthermore, air pollution generated in Mammoth Lakes and throughout California from human activities such as the burning of fossil fuels and deforestation harm the ecosystems that support community residents as well as other terrestrial and aquatic species.
 - Water – Water Consumption - Freshwater supplies are a limited resource in Mammoth Lakes. Efficient use of freshwater supplies is needed to meet the needs of local residents and to support local industry. Increased demand for water has negative impacts on aquatic ecosystems, and imposes a financial burden on Mammoth Lakes to create new water supplies and/or additional treatments.
 - Waste – Recycling Rate - Solid waste disposal in landfills or incineration generates Greenhouse Gas (GHG) emissions, increases the risk of soil and groundwater contamination, and consumes non-renewable resources. Recycling minimizes these impacts and creates local jobs.
- Community
 - Housing – Median Home Price - Home prices determine if local residents can afford to own their own home. Median home prices are used by real estate agents, buyers and sellers to inform home pricing and buying decisions, including potential buyers weighing the trade-offs of living outside of and commuting to jobs in Mammoth Lakes.
 - Crime – Law Enforcement Arrests - A safe community encourages residents and visitors to Mammoth Lakes to be more active and engaged in the community. Crime can cause physical and emotional harm to victims, impacting an entire community and weakening morale and civic engagement of local residents.
 - Health – Student Obesity Rates - Children who are overweight or obese have an increased risk of health problems. In addition, children with health problems contribute to high costs on the local health care system and thereby the local economy. Promoting policies and creating environments that support physical activity and eating a healthy diet can help reduce rates of overweight and obese children, in turn making Mammoth Lakes a healthier community.

- Education – Graduation Rates - Graduation provides students with the opportunity to continue on to postsecondary education, access to higher lifetime earnings and more stable employment prospects. Higher graduation rates are a proxy for a more skilled workforce which makes Mammoth Lakes a more attractive place for business investment.
- Transit – Local Transit Participation - A well-functioning public transportation system that fulfills the needs of local residents and visitors is one of the primary tools for reducing dependence on automobile travel. Automobiles are expected to be a primary source of Greenhouse Gas (GHG) emissions in the community. Furthermore, alternative transportation reduces the overall cost of transportation upkeep, reduces traffic congestion and reduces the number of traffic-related accidents.

Annual Community Indicator Reports are available on the Town's Website here: <https://www.townofmammothlakes.ca.gov/808/Annual-Planning-Reports>

Organizational Profile

The Town of Mammoth Lakes is a General Law city incorporated in 1984. The Town has a council/manager form of government, with a five-member Town Council elected at large. The Mayor is selected by the Council from among its members and serves a one-year term. The Town Manager, appointed by the Council, is the chief administrative officer carrying out the policies of the Council and directing a municipal organization of approximately 85 full and part-time employees. The Town's annual operating budget is approximately \$25 million.

Mammoth Lakes is the only incorporated municipality, and the center of population, development, and visitation, in the County of Mono. It is the largest community in the Tri-County area, consisting of Inyo, Mono and Alpine Counties. Because of the high level of visitation and associated employment of those who commute into town for work, the Town serves a population far greater than its permanent residents. Mammoth Lakes is an "island," bounded on all sides by the Inyo National Forest and other publicly owned lands. With a mere four square miles available for development, the character, quality, and function of the community and new development is very important.

Primary Products and Services

Traditional Government Services - including services that are normally expected from a municipal government, such as:

- Trash pick-up and removal (via franchise agreement)
- Maintenance of streets, sidewalks, and drainage systems
- Snow removal
- Parks and recreation facilities and programming
- Public Transportation, via participation in Eastern Sierra Transit Authority
- Workforce Housing, via Town Housing Program including funding of Mammoth Lakes Housing

Non-Traditional Government Services - in light of the community's role as a resort/vacation area:

- Marketing and promotion
- Support/coordination for visitor-oriented special events
- Close coordination with the USFS, Mammoth Mountain Ski Area, and other local partners to facilitate outdoor recreation experiences

Regulatory/Enforcement - including services to protect the general public interest, such as:

- Police
- Animal control
- Building plans examination and permitting
- Code enforcement
- Land use permitting

Management/Administrative Services - including a wide range of centralized support services to internal users:

- Airport services
- Engineering
- Facilities maintenance
- Financial management
- Fleet maintenance
- Information systems
- Human resource management
- Legal support
- Risk management
- Council and Advisory Commission support

Services Provided by Other Agencies/Entities:

- Education—Mammoth Unified School District, Mono County Office of Education, and Cerro Coso Community College District
- Electrical utilities—Southern California Edison
- Fire—Mammoth Lakes Fire Protection District
- Medical—Mammoth Lakes Hospital District
- Natural gas—AmeriGas and Eastern Sierra Propane
- Public lands—United States Forest Service and National Park Service
- Water and sewer—Mammoth Community Water District

Delivery Mechanisms:

Town services are delivered directly to customers through six operational departments and administration. A non-profit (Mammoth Lakes Housing) and a Joint Powers Authority (Eastern Sierra Transit Authority), in partnership with the Town, provide workforce housing and transit services, respectively.

Key Customers and Stakeholders

KEY CUSTOMERS

Local residents
Visitors
Second homeowners
Businesses
Special interest and advocacy groups
Community agencies
Development/construction community
Special districts
Property owners
Schools

KEY STAKEHOLDERS

Town Council
Mono County Agencies
State Agencies
Federal agencies
Advisory Commissions
Employees
Grant providers

Current and Future Requirements and Expectations

The Town's key customers and stakeholders generally require or expect the following:

- Affordable taxes and fees for service
- Service quality and quantity sufficient to maintain a high quality of life
- Timely and efficient delivery of services
- A stable, financially secure local government able to effectively deal with emerging requirements
- A local government compliant with state and federal mandates, regulations, and rules
- A community that provides good and improving economic opportunity for everyone
- Accessibility; a convenient means of requesting service or filing a complaint
- Civic engagement and transparency in decision making

Challenges Facing Municipal Government and the Town of Mammoth Lakes

With these service expectations in mind, the Town is facing increasingly difficult challenges in terms of fiscal resources. In addition, broader trends in our national and state economies and politics affect the types and complexity of services the Town provides.

The *National League of Cities*¹ (NLC) identified several recent trends in local government that will likely affect the way communities operate. Anticipation of how these trends will affect our community is an important factor in determining the overall strategies. Key trends include the following:

Essential Infrastructure Enables Community Resilience – Infrastructure is critical to the success of cities, however, nearly a quarter of cities experienced fewer infrastructure upgrades over the past year, including those related to climate and resiliency, further reflecting the trend in delayed maintenance resulting from budget challenges.

Hard-Hit Budgets Beginning to Stabilize with Federal Funding – The Covid-19 pandemic hit a lot of budgets hard, and many cities supported residents and businesses through deferred property taxes, waiving late fees on utilities, small business loans/grants, and rent relief programs. The trends reported by the NLC reflect 1) the significant revenue loss experienced by cities early on in the pandemic, particularly sale tax revenue, 2) economic improvements resulting from proactive Federal policy, and 3) the shift in municipal revenue composition toward fees.

Reimagining Public Safety a Top Priority for Cities – America's cities continue to work toward more comprehensive public safety solutions in response to calls for racial justice and demands to reimagine public safety. Strategies such as de-escalation and implicit bias training, body cameras and independent oversight bodies were seeing ubiquitously this past year and plans for the year ahead.

¹ This section includes trends, direct quotes, and references to the National League of Cities. (2021). *State of the Cities 2021*. https://www.nlc.org/wp-content/uploads/2021/06/NLC_2021_StateOfTheCities_Report.pdf

Commercial Decline Hitting Smaller Towns Hard – The National League of Cities (NLC) reported that the pandemic and commercial decline was both a positive and negative to small towns. Remote work increased significantly which created a positive economic impact in smaller cities and towns which are more desirable to remote workers. On the flip side, inactive and vacant commercial developments is widely cited as the economic condition causing major negative impacts in cities over the past year. The NLC notes that, while much attention has been paid to the plight of hollowing urban downtowns and office districts, small business and commercial decline appear to be hitting smaller towns particularly hard as well.

Rising Home Values and Decreasing Supply Contribute to Growing Urban-Rural Divide – Housing rises to the top of both positive and negative conditions affecting communities over the past year. Home prices in 2021 are at a record high, driven by a low supply of homes as housing construction lags due to zoning restrictions, a stall in the lumber supply, and a boom in demand from households benefitting from more flexibility from remote work, stimulus checks, student loan benefits, and low interest rates. As home values and rental prices have skyrocketed, affordable housing supply has dwindled, and residential vacancies, demand for financial assistance and demand for temporary housing have increased.

Community Profile

2021 Key Statistics²

Town of Mammoth Lakes Population (2020)	7,191
Mono County Population (including Mammoth Lakes) (2020)	13,195
Mammoth Lakes Percentage of County Population (2020)	55%
Mammoth Lakes Housing Units (2019) ³	9,927
Mono County Housing Units (2019) ⁴	14,000
Mono County Median Household Income (2021) ⁵	\$81,200

Mammoth Lakes Demographic Profile (2019, 2021)²

Age	Number	Percentage of Total
Under 18	1,927	26.8%
18-64	4,897	68.1%
65 and Older	367	5.1%
Race	Number	Percentage of Total
White	3,948	54.90%
African American	65	0.90%
Hispanic, Any Race	2,697	37.50%
Other (including persons of two of more races)	482	6.7%
Gender	Number	Percentage of Total
Male	3,919	54.5%
Female	3,272	45.5%

Families & Living Arrangements	
Households, 2015-2019	2,514
Persons per household, 2015-2019	3.19
Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	41.4%

² U.S. Census Bureau (2021). Quick Facts – Mono County, California; Mammoth Lakes town, California; United States. Retrieved from <https://www.census.gov/quickfacts/fact/table/monocountycalifornia,mammothlaketowncalifornia,US/PST045219>.

³ Town of Mammoth Lakes. (2019). Town of Mammoth Lakes 2019–2027 Housing Element. <https://www.townofmammothlakes.ca.gov/DocumentCenter/View/9756/Adopted-Mammoth-Lakes-2019-2027-HE>

⁴ U.S. Census Bureau (2021). Quick Facts – Mono County, California; Mammoth Lakes town, California; United States. Retrieved from <https://www.census.gov/quickfacts/fact/table/monocountycalifornia,mammothlaketowncalifornia,US/PST045219>.

⁵ California Department of Housing & Community Development <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/income-limits-2021.pdf>

Mammoth Lakes Housing Profile (2020)

Occupancy/Tenure

	Number	Percentage of Total
Total Housing Units	9,330	
Vacant (Seasonal) Housing Units	6,396	68.5%
Occupied Housing Units	2,514	
<i>Renter-Occupied</i>	<i>1,334</i>	<i>53%</i>
<i>Owner-Occupied</i>	<i>1,180</i>	<i>47%</i>

Source: Census 2020, DEC Redistricting Data (PL 94-171)

Housing Unit Types

	Number	Percentage of Total
Total Housing Units	9,708	
Single Family (Attached and Detached)	2,729	28.1%
Units within 2-4 unit buildings	2,408	24.8%
Units within 5+ unit buildings	4,424	45.6%
Multi-Family Total	6,832	70.4%
Mobile Homes	147	1.5%
*Differs from 2010 total, because data based on 2012-2016 Estimate rather than Census count		

Source: Town of Mammoth Lakes Housing Element, August 2019

Our Competitive Position and Long-Term Outlook

In recent years there has been a great deal of progress in making the Town more economically sustainable. Mammoth Lakes competitive position in the resort market has been strengthened by:

- Upgrades at the Mammoth Mountain Ski Area (Canyon Lodge), which improve quality of the on-mountain experience and improvements to the Summer Bike Park.
- Providing increased tourism and marketing funds through TOT increases.
- Continued funding of Mammoth Lakes Housing, Inc. as a provider of and advocate for workforce housing.
- Adoption of Measure “T” to fund public transit and creation of ESTA as a public sector transit provider.
- Investment of Measure “R” funds (voter approved special sales tax) to improve parks, recreation facilities and trails.
- Investment of Measure “U”, (Voter approved Utility Users Tax) funds to support recreation, arts, and mobility.
- Continued operation of commercial air service to Bishop to reach additional markets and enhanced scheduled charter service to Mammoth Yosemite.
- Close collaboration and partnership with the United States Forest Service.

These and many other public and private projects and programs have contributed to our competitiveness and have strengthened our economy. While there are many positive aspects of the economy in Mammoth Lakes, our seasonal visitation and weather-dependent industries will continue to result in long-term economic uncertainty.

Market Position

Because of the limited prospects to achieve economic diversification from the recreation and visitor-based economy; the Town should expand its recreation and resort business in order to attract more visitors, especially during mid-week winter and shoulder-season periods and function as a “destination resort.”

Destination resorts are distinguished from non-destination resorts by: the proximity of the resort to its primary market, the means by which the resort user reaches the resort, the frequency with which a user patronizes the resort, the typical length of stay, and the quality of the resort setting. Destination resorts tend to be a considerable distance from their primary markets, users travel by air rather than by car, visit infrequently (usually once a year or less and often only once), and book longer stays (often one- or two-week vacation visits). Destination resorts also tend to be located in dramatic or particularly attractive settings. Defining characteristics of destination resorts are:

- A higher ratio of hotel rooms to second homes, whereas the reverse is true for regional resorts.
- Hotel rooms tend to have a higher rate of occupancy (“hot beds”) than second homes and condominiums (“cold beds”).
- More upscale and expensive than regional resorts.
- A four-season resort amenity package that attracts visitors throughout the year.

The Town's market position as a destination resort requires a community and economic development strategy that is as much focused on providing affordable housing and encouraging locals to spend locally as providing additional activities for skiers and other tourists to enjoy.

The 2007 General Plan – The Triple Bottom Line

The 2007 General Plan places emphasis on achieving this end: becoming a premiere, year-round resort community. The General Plan states the importance of making decisions that achieve the triple bottom line:

“The values of the community also encompass making decisions that benefit the community's social, natural, and economic capital – the triple bottom line. Decisions that enhance all three aspects of community capital provide the greatest benefit; decisions that improve or conserve two forms of capital without diminishing the third are ideal. Decisions that only benefits one and decrease the other two forms of capital are undesirable.”

The 2007 General Plan sets forth this vision statement and supporting values:

“Surrounded by uniquely spectacular scenery and diverse four-season recreational opportunities, the community of Mammoth Lakes is committed to providing the very highest quality of life for our residents and the highest quality of experience for our visitors.

To achieve this vision, Mammoth Lakes places a high value on:

- 1. Sustainability and continuity of our unique relationship with the natural environment. As stewards, we support visitation and tourism as appropriate means to educate and share our abundant resources. We are committed to the efficient use of energy and continuing development of renewable resources.*
- 2. Being a great place to live and work. Our strong, diverse yet cohesive, small town community supports families and individuals by providing a stable economy, high quality educational facilities and programs, a broad range of community services and a participatory Town government.*
- 3. Adequate and appropriate housing that residents and workers can afford.*
- 4. Being a premier, year-round resort community based on diverse outdoor recreation, multi-day events and an ambiance that attracts visitors.*
- 5. Protecting the surrounding natural environment and supporting our small town atmosphere by limiting the urbanized area.*
- 6. Exceptional standards for design and development that complement and are appropriate to the Eastern Sierra Nevada Mountain setting and our sense of a “village in the trees” with small town charm.*

7. *Offering a variety of transportation options that emphasize connectivity, convenience and alternatives to use of personal vehicles with a strong pedestrian emphasis.*

The General Plan Economy Element states:

E.1 Sustainable Economy: *Be a premier destination community in order to achieve a sustainable year-round economy.*

- *Prepare an economic development strategy*
- *Re-establish year around commercial air service*
- *Marketing, promotion and special events*

E.2 Sustainable Tourism: *Achieve sustainable tourism by building on the area's natural beauty, recreational, cultural, and historic assets.*

E.3 Diversify Economy: *Achieve a more diversified economy and employment base consistent with community character.*

- *Business and employment*
- *Education*

Community and Economic Principles

Our community and economic values and principles are designed to implement the General Plan and achieve self-sustaining vitality and target improvement of the livability and quality of life in the community through economic growth. Economic growth stimulates investment, high quality jobs, and wealth. Economic growth also provides opportunities to improve community-serving amenities and upgrade the character and quality of our environs. The following values are also in line with the broad goals, policies and actions contained in the Town's General Plan:

Partnership - Create an alignment of strategic intent to collectively foster economic growth and improve the quality of life.

People - Develop people to power the economy. Increase educational attainment and skills, opportunities, and demand for local labor force. Recognize and increase community and business investment in, and commitment to, education.

Place - Improve quality of place to attract investment and occupancy by visitors and workers by establishing distinctive, quality, stable, safe and sustainable physical improvements and attractions that welcome business, commerce, tourism, employment, and wealth necessary to maintain and enhance quality of life. Increase the quality, supply and range of housing to attract and accommodate the work force.

Positioning - Develop and market the unique character, heritage and special attributes of the community as the premier mountain destination to visit, play, invest, work and live.

Our summary principles are:

1. Economic health and vitality is a critical part, but only a part, of a well-balanced community. Economic, social and natural factors (the triple bottom line) must all be taken into account in a balanced way when making any important decision about the community's future.
2. Tourism growth in the future will depend upon developing "destination tourism" where visitors make Mammoth Lakes their primary destination and hub for all of their activities. "Destination tourists" spend more money per capita and stay longer than stopover tourists. We must encourage both the public and private sectors to make the town a destination resort that achieves higher visitation during mid-week and shoulder seasons.
3. Crucial to the development of successful resort destinations is an understanding of the fundamental human desire to get away from familiar surroundings and experiences. Destination resort visitors as well as locals are looking for more varied recreational and resort options that offer a sense of authenticity, discovery, entertainment, and stimulation, composed to achieve a "Sense of Place."
4. The foundation of our economic prosperity is our unique quality of life-clean air and water, beautiful natural setting, abundant and accessible open space, diverse recreational opportunities, small town character, along with the personal safety and a true sense of community. We must pro-actively work to preserve and enhance these qualities to protect our future economy and way of life.
5. For Mammoth Lakes to remain viable for the future, major improvements in the way that people get around town are needed.
6. Positive economic development must serve the daily, basic needs of the people of the community because it is integral to their quality of life. Existing businesses are one our greatest assets, but they are often taken for granted and not included as part of the economic plan. Expansion of already established businesses is a very cost effective form of economic development.
7. Economic diversity is an essential part of any healthy economic system. Our town is home to a variety of workers of all skill and education levels and all need and deserve a decent job.
8. Mammoth Lakes has become one of the least affordable housing markets in the state and the nation. Since 2000, the community has identified the lack of affordable workforce housing as a significant business issue. The Town has recognized that a livable, balanced community depends on widely diverse types of workers and each has to have somewhere to live. For the social and economic health of the community, it is important for the community to take a proactive leadership role in addressing housing needs.

9. Investment in technology is needed to support the ability of local enterprises to succeed, improves civic life, and provides open access to information and resources.
10. Cooperation with Mono County and other agencies is important to provide cost effective services and a more regional approach to economic, transportation, and land use planning.

Completed Objectives

The following Objectives have been completed as of October 2021.

- ✓ Objective 1.2D Complete a town-wide wayfinding and signage system plan by April 2010. The first phase will be a demonstration trails signage and wayfinding system in place by July 2009.
- ✓ Objective 1.3B Complete a town-wide wayfinding and signage system plan by the end of 2012.
- ✓ Objective 1.3C Complete the environmental review of the Parks and Recreation and Trail System Master Plans by December 2009. Adopt the two plans by March 2010.
- ✓ Objective 1.3D Complete CEQA evaluation and adopt the General Plan Mobility Element.
- ✓ Objective 1.6A By December 2009 complete a Main Street district study.
- ✓ Objective 1.6B Complete the Mammoth Creek Park Master Plan to specify the recreational uses and facilities, such as an indoor events facility with joint sports field/outdoor events area, family lawn and picnic areas, play area and equipment, and mobility and infrastructure improvements to be provided with new development. The Master Plan should be developed in light of the recommendations of the South Districts Neighborhood District Plan (NDP), as well as the Gateway District Plan and Community Recreation Facilities Plan described in Objective 1.6.A.
- ✓ Objective 1.7B Complete a Town Center/Downtown Specific Plan for Main Street and North Old Mammoth Road to specify the critical mix and mass of uses; anchor retail and entertainment uses; meeting, event, and performance venues; and mobility and infrastructure improvements to be provided with new development.
- ✓ Objective 1.7D In FY12-13, complete the Community-Based Transportation Plan-funded scope of work for Main Street to refine the design and configuration of Main Street, the disposition of surplus right-of-way, mobility and infrastructure improvements, and explore financing and funding opportunities for planned improvements.
- ✓ Objective 1.8A Complete the comprehensive Zoning Code Update in FY12-13, to bring the Zoning Code into conformance with the General Plan, and to include standards and requirements for the following:
 - Condominium-hotels.
 - Community Benefits/Incentive Zoning.
 - Codification of development standards recommended in the Downtown Concept for Main Street, North Old Mammoth Road District Planning Study, and South Districts Neighborhood District Planning Study.

- Incorporate resource conservation and green technologies policies and standards, complementing the relevant standards of the State Green Building Code.
- ✓ Objective 1.8C Complete the Mammoth Lakes Housing workforce housing strategy.
- ✓ Objective 1.8A Complete the Build Out Monitoring and Population At One Time Model by March 2009
- ✓ Objective 1.8D Complete district planning studies and develop a single integrated community concept plan by December 2009.
- ✓ Objective 1.8E Complete the General Plan Housing Element update by August 2009.
- ✓ Strategy 1.110 Create a “Destination Marketing Organization” (DMO) to engage the local tourism industry in efforts to leverage and improve the effectiveness of external sales, marketing, and promotional efforts by adopting the model used in most destinations.
- ✓ Objective 1.10A Involve at least 10 percent of our local businesses in formulating the purpose for the operations of the DMO, complete by June 2009.
- ✓ Objective 1.10B Secure public sector funding for DMO operations in the Town Fiscal Year 2009-2010 budget.
- ✓ Objective 1.10C Form an operational DMO by December 2009. Secure private sector funding for the DMO as part of formation process.
- ✓ Objective 1.10E By June 2009 release the master annual sales and marketing plan that includes performance objectives and measures.
- ✓ Objective 1.10F Establish and fund a community-based annual hospitality and customer service-training program by December 2009.
- ✓ Objective 1.11B Hold two new visitor-attracting events in 2010.
- ✓ Objective 1.11C Complete a community-based art and culture plan by September 2010.
- ✓ Objective 1.13F Overhaul the Town’s web site to be the first and best source for local government information and services by July 2010.