

# Mammoth Lakes Town Council

## Agenda Action Sheet

**Title:** Approve the Innsbruck Lodge Affordable Housing Project Grant Agreement with Mammoth Lakes Housing, Inc.

**Council Meeting Date:** 4/19/2023

**Prepared by:** Nolan Bobroff, Senior Planner / Housing Coordinator

**Recommended Motion:** Approve the Innsbruck Lodge Affordable Housing Grant Agreement with Mammoth Lakes Housing, Inc.

**Summary:** In January 2022, the Town, together with Mammoth Lakes Housing, Inc. (MLH), submitted an application to the State's Homekey Program<sup>1</sup> for the acquisition and rehabilitation of the Innsbruck Lodge located at 913 Forest Trail into a 16-unit affordable housing project (*15 affordable units and 1 manager's unit*). The Town and MLH were successful in the grant application and an award announcement was made in May 2022 followed up by the acquisition of the property in August 2022. Rehabilitation (demolition and interior renovations) work is currently underway, and occupancy is expected in late-2023.

As a part of the application, the Town committed a \$1M grant towards the project and Mono County committed an additional \$550K. Due to increasing construction costs and a more refined scope-of-work, the overall cost of the project increased, and the Town committed an additional \$400K grant towards the project in February 2023, that is to be used only if needed and if all other funding sources have been exhausted.

To memorialize the financial commitments from both the Town and the County to the project and to clearly articulate the terms and conditions of the grants, grant agreements between all parties will be executed and recorded on title. The proposed agreement between the Town and MLH has been reviewed by the Town Attorney, and all requested revisions to the agreement have been made. The County will enter into a separate grant agreement with MLH; however, the form and content of the agreement is the same as the Town's agreement.

The term of the Town's grant agreement is for 15 years from the Project completion date (i.e., the date that a certificate of occupancy is issued), which mirrors the term of the State's Standard Agreement for the project. The agreement outlines, amongst other things, the terms and conditions for forgiveness of the grant, conditions for disbursing the grant funds, events of default, and operating requirements.

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<sup>1</sup> The Homekey Program is a State housing financial assistance program that is intended to rapidly expand the inventory of housing for people who are experiencing homelessness or at risk of homelessness and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases. Homekey is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing for the Target Population.