

bae urban economics

Short-Term Rental (STR) Study  
Prepared for the Town of Mammoth Lakes  
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# EXECUTIVE SUMMARY

Although the concept of renting privately owned housing units short-term (i.e., for less than 30 days) is not a new concept in Mono County and the Town of Mammoth Lakes, the rapid expansion of online booking platforms has expanded the pool of potential short-term rental (STR) owners and property managers, facilitating transactions and drawing new players into the market. This observed growth has drawn concern among residents of many destination communities, who observe impacts to the availability and cost of housing, as well as increases in the prevalence of nuisance issues like noise, trash, parking, and traffic. To address these concerns, the Town of Mammoth Lakes contracted with BAE Urban Economics, Inc. (BAE) to assess the association between the prevalence of STRs in the market and the availability and affordability of long-term housing, and to provide recommendations regarding potential updates to the Town's STR policies and programs. The following is a brief summary of key findings from the research.

## **Empirical Research on STR Impacts**

For the purposes of this research, BAE reviewed more than 50 peer reviewed academic articles and industry publications on the subject.

### *Impacts to Housing Markets*

Within the academic literature, there is a strong consensus that STRs do impact the availability and cost of long-term housing, though the impact coefficients identified through statistical analysis vary widely based on the geography being analyzed and the methods being used. The magnitude of the impacts can range from marginal to fairly significant; though one article notes that while some of the coefficients seem marginal, the size and rapid growth of the industry implies a sizable cumulative effect.

According to the literature, STRs impact the cost of for-sale housing by providing a revenue stream that potential investors and second-home buyers can rely on to cover at least a portion of their carrying costs. This not only increases what many potential buyers are willing to pay to purchase a housing unit to use as an STR, but also increases the pool of potential buyers by increasing purchasing power. In this way, STRs facilitate the consumption of housing resources by the second home market and the tourism industry in what is sometimes called the "hotelization" of the housing stock. STRs then influence the rental housing market via a cumulative reduction in the available supply of rental housing.

Shortcomings of the academic literature include an overemphasis on larger urban markets and a lack of research focused on smaller destination resort communities like Mammoth Lakes. The professional literature on the subject fills this gap somewhat, though with less rigorous methods. The professional literature generally agrees that STRs do have an impact on local housing markets, though research conducted in markets where STRs account for a

relatively small share of the total housing stock (e.g., San Luis Obispo County) determined that in those cases STRs do not represent enough of a demand driver to justify further regulation.

### Impacts to the Hotel Industry

In addition to evaluating impacts on the housing market, the academic literature also includes research on impacts to the traditional hotel and motel sector. While the research findings are somewhat mixed, there is a general consensus that STRs likely do have an impact on occupancy and pricing among hotel and motel properties within the same market. The impacts appear larger with regard to pricing compared to occupancy. The impacts are primarily due to a variable increase in the competitive supply of tourist accommodations. The literature also notes that a larger competitive supply of STR units can create a disincentive to invest in hotel development and renovation. Because STR supply is ‘instantaneous,’ it can readily supplement hotel inventory during peak periods, reducing the need to make significant investments in new hotel inventory that may go underutilized during much of the year. Nonetheless, recognizing the functional differences between STRs and traditional hotel units, some hotel operators are integrating home sharing-like attributes to more effectively compete with STRs, such as with the condo type units recently added to the property at Outbound. The Town has also seen growth in the condo-hotel (aka. condotel) market segment, with are often treated as STRs but which function as hotel units. The benefits of this to the hotel industry is that the operator can effectively outsource the capital cost of providing the hotel unit.

## **Tourism and the Overnight Accommodations Industry**

The tourism sector represents the key economic driver of the Mammoth Lakes and Mono County economies. The sector directly supports around half of all jobs within the county, brings in more than \$580 million in visitor spending and generates around \$44 million in local tax receipts. The Town of Mammoth Lakes relies on transient occupancy tax (TOT) received as a result of overnight rentals (both hotel and STR) for around 70 percent of General Fund revenues. While the Town features a blended inventory of overnight accommodations, the current inventory is heavily skewed towards STRs, with hotel rooms accounting for only around 16 percent of the overnight accommodations inventory and STRs and condotel units making up the remainder.

There is relatively little data available on the change in the number of STRs that are active in the Mammoth Lakes market over time. The available data show moderate growth in the STR inventory over the last five years or so, while the hotel inventory contracted somewhat. Growth in average daily rates (ADR) and revenue per available room night (RevPAR) appears to have been fairly consistent over time for both STRs and hotels.

The large difference between the two product types is occupancy. With the onset of the COVID-19 pandemic in 2020, hotel occupancy dropped by more than 20 percentage points to around 45 percent as a result of stay-at-home orders and similar mandates and has yet to fully

recover. STR occupancy, meanwhile, increased by around 15 percentage points even though STRs were legally covered by the same public health orders, and has remained high.

The available data on STRs indicates that the average STR in Mammoth Lakes is essentially a full-time tourist accommodations unit, with average availability in 2022 of more than 300 nights and bookings averaging around 175 nights per year. Also, roughly two-thirds of all STRs in Mammoth Lakes are managed by large property managers (i.e., more than 10 units under management) versus by individual owners with only one or two properties.

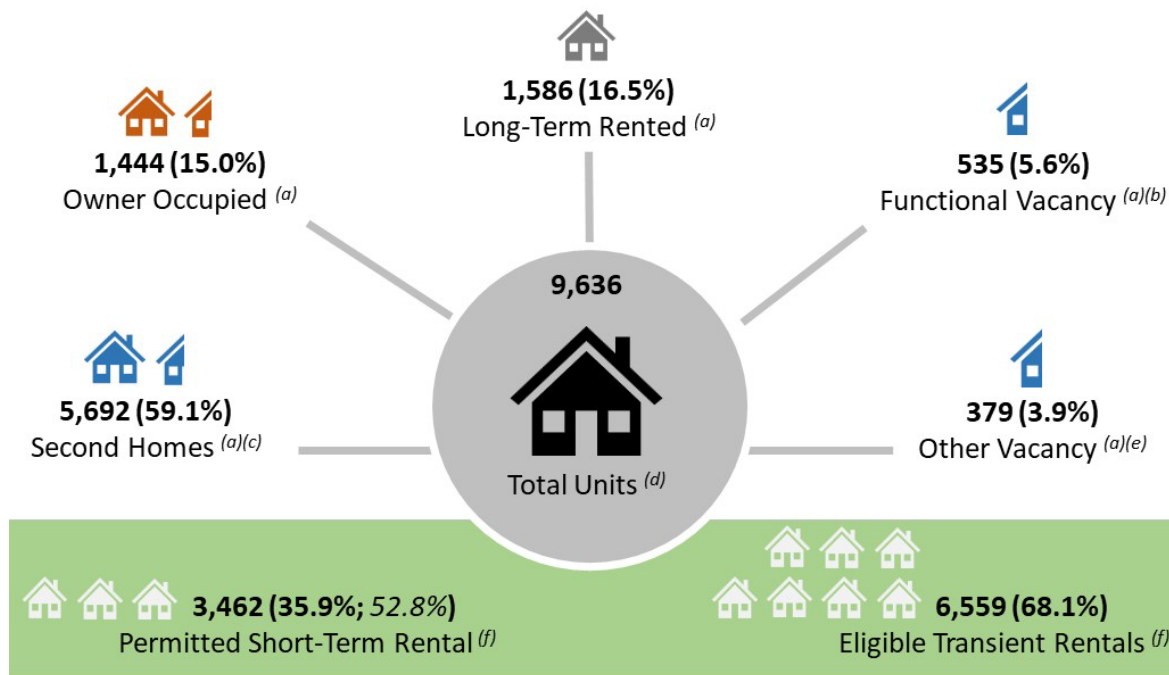
Data indicate that the majority of STR listings in Mammoth Lakes are for rentals with three or fewer bedrooms. Also, data from the Town indicate that around two-thirds of all permitted STRs are located in the Resort Multifamily-2 (RMF-2) zone, with the remainder largely concentrated in the Resort (R) zone and the North Valley Specific Plan (NVSP) zone.

## **Housing Market Conditions and Trends**

As illustrated in Exhibit A, below, the Town estimates that as of 2022, there were 9,636 housing units in Mammoth Lakes. Assuming that the distribution of housing units by tenure has remained the same as in 2020, BAE estimates that as of 2022 there would have been around 3,030 full-time occupied housing units (31.4 percent of the housing stock) in Mammoth Lakes, including 1,444 owner occupied units (15.0 percent) and 1,586 renter occupied units (16.5 percent). Of the remainder, 5,692 units (59.1 percent) were vacant for seasonal and occasional use. Another 535 units (5.6 percent) were vacant as a result of actively being marketed for rent or for sale, though this estimate is likely exaggerated due to inaccuracies in the 2020 Decennial Census. The figure shows 379 units in the “other vacant” category, which includes units identified in the Census Bureau’s “vacant other” category, as well as units that had been sold or rented but not reoccupied and units held vacant for migrant workers. While not a perfect comparison, as of December 2023, the Town of Mammoth Lakes reported having 3,462 permitted short-term rentals, which represent around 35.6 percent of the total housing stock. The Town reports that there are 6,559 units eligible to be short-term rented under regulations, meaning that around 52.8 percent of eligible units were rented and 68.1 percent of the Town’s housing stock were eligible to rent.



## Exhibit A: Housing Stock Utilization, Town of Mammoth Lakes, 2022 Est.



### Notes:

(a) Based on the distribution of vacant housing units by type as reported in the 2020 Decennial Census, multiplied by the total number of housing units, as reported by the Town of Mammoth Lakes for 2022.

(b) Includes units that are vacant as a result of being available for rent and for sale.

(c) Includes units that are held vacant for seasonal and occasional use.

(d) As reported by the Town of Mammoth Lakes for 2022.

(e) Includes units that are rented or sold, but not yet reoccupied, as well as units held vacant for migrant workers, and units that fall into the Census Bureau's "other vacant" definition.

(f) As reported by the Town of Mammoth Lakes as of December 2023.

Source: U.S. Census Bureau, 2020 Decennial Census; Town of Mammoth Lakes; BAE, June 2023.

### A Shift Towards Seasonal Vacancy

According to 2010 and 2020 Decennial Census data, the Town of Mammoth Lakes lost a net total of just under 300 housing units over the decade. The data also show a notable shift away from full-time occupancy towards seasonal vacancy which, as of 2020, accounted for around 60 percent of the housing stock. More specifically, the Town added around 530 seasonally vacant housing units over the decade, which represents growth of around ten percent. At the same time, the number of owner-occupied units decreased by more than 100 and the number of units that were vacant because they were for sale also decreased. Meanwhile, the number of renter-occupied housing units decreased by more than 190, the number of units that were vacant for rent decreased by almost 530, and the number of units that were rented but not yet reoccupied decreased by almost 150. This implies that the inventory of housing available for rent decreased by almost 870 units over the decade.



### Housing Sale Prices and Rental Rates

This analysis considered home sales price data provided by the Town of Mammoth Lakes for the period from 2010 through 2022. The data indicate that properties located within zoning districts that allow short-term renting sold at a significant premium compared to properties located in areas that do not allow short-term renting, both in total dollar terms and on a price per square foot basis. The data suggest that the per square foot price premium is likely equal to 35-40 percent for single-family homes and 10-20 percent for condominium units. The data also indicate that this price premium increased with the pandemic, as interest in short-term renting as a way to facilitate second home ownership increased throughout California.

With a median single-family home sale price of \$1.1 million in non-transient use zones and \$3.3 million in transient use zones, single-family ownership housing is likely well beyond the means of most workforce households, including those working in high paying professional positions. The median sale price for condominium units, however, was notably lower at \$711,200 in non-transient use zones and \$750,000 in transient use zones in 2022. These costs may be affordable at incomes around 200 percent of the area median family income (MFI), which for a family of four is equal to around \$200,000 per year in gross income. Nonetheless, factors like the size of the downpayment and homeowners' association (HOA) dues and special assessments likely reduce the relative affordability of condominium units.

To assess the relative affordability of rental housing, BAE collected information on rental listings from local property managers and identified 236 listings and eight vacancies, which equals a rental vacancy rate of 3.4 percent. On average, rentals were priced at just over \$1,000 per bedroom, on average. At this price point, rental housing in Mammoth Lakes is likely affordable to low- and moderate-income renter households, though the relative lack of available rentals likely poses a significant challenge to many workforce households.

### Near-Term Migration Trends

The onset of the global pandemic and the embrace of remote work led to significant changes to regional migration patterns throughout the nation. In 2019, prior to the pandemic, Mammoth Lakes lost a net total of around 60 permanent resident households. With the onset of the pandemic and resulting housing affordability and availability challenges, data from the U.S. Postal Service indicates that the community began losing residents at an exaggerated pace, which peaked with the loss of around 1,000 permanent residents in 2022. As of mid-2023, the pace of outmigration has slowed somewhat, though it remains above the level reported for 2019. Data from the California Department of Education confirm a significant decrease in local school enrollment in the 2020-2021 through 2022-2023 academic years.

### Labor Force Trends

With limited options on where workers can live and still commute into Mammoth Lakes for work, the Mammoth Lakes business community, as well as that of Mono County at large, is primarily reliant on the resident workforce to meet near-term labor needs. Data from the

California Employment Development Department (EDD) indicate that the size of the local labor force was relatively stable from 2015 through 2019, despite significant seasonal variation. With the onset of the pandemic in 2020, the size of the resident labor force shrunk significantly and has not yet fully recovered. Prior to the pandemic, the unemployment rate in Mammoth Lakes dropped consistently from a high of around 7.5 percent in 2015 to less than 0.5 percent in 2018 and 2019. Although unemployment spiked in 2020, it dropped quickly, and in spring 2021 fell to an official estimate of zero, where it has stayed in the years since.

## **Induced Workforce Housing Demand**

In addition to impacting housing availability and pricing through the consumption of housing for use as tourism accommodations, STRs also impact the market by creating demand for new workers who subsequently demand housing. Based on data from Visit California and Dean Runyan, spending by visitors staying in hotel, motel, and STR accommodations supports just under 4,400 jobs in Mono County across a variety of industry sectors. With more than 660,000 visitor nights spent in hotel, motel, and STR accommodations, BAE estimates that the industry supports one job for every 151 occupied nights. With an average of 174 occupied nights per STR in Mammoth Lakes, BAE estimates that the average STR supports around 1.2 full-time equivalent jobs. With an average of 1.65 workers per household, BAE estimates that the creation of one average STR likely generates demand for 0.7 new workforce housing units.

## **Regulatory Approaches in Peer Communities**

To provide additional insight into how Mammoth Lakes could approach updates to its STR regulations, this study reviewed regulations enacted by 17 peer communities. While regulations vary significantly among the peer communities, a variety of themes emerged:

- **Definition of a Short-Term Rental or Vacation Rental**  
STRs typically include residential real estate used to house visitors for no more than 30 to 90 days. Many jurisdictions define STRs to include only single-family homes and duplexes, though some communities also include condominiums. Some jurisdictions prohibit the short-term renting of multifamily housing.
- **Caps on the Number of STRs that may be Permitted**  
Most peer communities have “caps” on the number of STRs that may be legally established either throughout the jurisdiction or in one or more subareas.
- **Geographic Carve-Outs and STR Density Limitations**  
Most peer communities have some form of geographic restrictions on where STRs may be established, and/or limitations on how close an STR can be to another similar use. This may include only allowing STRs in certain zones, and/or restricting the density of STRs, such as the distance between STRs or the share of units in a neighborhood that may be rented short-term.

- **Exemptions for Owner Occupied Housing and Hosted Rentals**

Twelve of the peer communities differentiate between hosted and/or owner-occupied STRs. However, recent case law in California invoking the “dormant commerce clause” may limit the ability of jurisdictions to prohibit non-owner-occupied units from being rented short-term. It is not clear if a policy based on full-time occupancy (either by the owner or a full-time renter) or host status, would face the same legal challenge.
- **Variations in the local application processes and procedures**

Application procedures and approval type vary significantly between peer communities. Most require some kind of registration, though some like Mariposa County provide approvals over the counter. Others, like Mono County, require multiple rounds of discretionary approvals that are much more onerous.
- **Initial and ongoing inspection requirements**

Most peer jurisdictions have inspection requirements for STRs. Inspections are generally required prior to issuance of the STR permit or license. Some jurisdictions also require recurring inspections either annually or every three or four years.
- **Recertification or Renewal Requirements**

Eleven of the jurisdictions require annual renewal, while permits in Santa Cruz County remain effective for five years. In four of the jurisdictions with renewal requirements, the STR must be active (i.e., actively remitting TOT) to be eligible for renewal. Note that these jurisdictions also have caps on the number of STRs.
- **Nuisance Mitigation Programs and Enforcement Penalties**

Thirteen communities require a local contact who can be reached 24 hours per day when an STR is rented. Penalties for non-compliance with STR regulations typically consist of fines and suspension/revocation of permits, with the possibility of misdemeanor charges in some cases. Many jurisdictions have a waiting period before a property owner can apply for a new STR permit.
- **Policies Related to Fractional Ownership Models**

Two of the peer communities have policies related to fractional homeownership. These fractional ownership models typically consist of the purchase of a property by a limited liability corporation (LLC), with ownership split between two to eight buyers who then use the property as a shared vacation home. Sonoma County restricts fractional ownership to zones that allow timeshares and private residence clubs, while Moab, Utah, was developing a similar policy until legal authority to do so was pre-empted by the state.
- **Ties to Complementary Policies and Programs**

While most STR policies are stand-alone ordinances, some jurisdictions are beginning to tie STR regulations to other complementary programs. For example, the Town of Truckee recently adopted a Short-Term Rental Workforce Housing Token Pilot Program (STR Token Program) that offers in-kind payment for workforce housing deed

restrictions in the form of STR “Tokens.” A Token is redeemable for a Transient Occupancy Registration Certificate, which is required to short-term rent a property.

## **STR Study Recommendations**

Based on the research summarized above, BAE presents the following recommendations for consideration by the STR Advisory Committee and Town Council.

### ***Administrative and Process Updates***

To reduce the cost of administering the STR program, streamline the applications process, and improve data collection, BAE recommends that the Town consider enacting the following:

- 1) **Update the Definition of an STR**  
Update the definitions for an STR and other related uses to better reflect the functional differences between different forms of transient visitor accommodations.
- 2) **Maintain Records to Allow Ongoing Analysis**  
Update the administrative process for issuance of TOT certificates to collect more information on the types of properties providing tourist accommodations and their occupancy levels to aid in long-term evaluation of program effectiveness.
- 3) **Update Code Language on Vested Interests**  
The Town should update the Code of Ordinances to incorporate language similar to that used by El Dorado County regarding STR permits and the conveyance of vested interests and entitlements, which was upheld in recent court proceedings.
- 4) **Require STR Platforms to Submit Data**  
Consider adopting code language that requires STR platforms, like Airbnb, to regularly disclose information regarding each home sharing and/or vacation rental listing, the names of the persons responsible for each listing, and any associated attribute data necessary for the Town to assess compliance with applicable local regulations.
- 5) **Update TOT Property Search Tool**  
Update the TOT Property Search Tool to improve the user experience and make it easier to find relevant information on permitted STRs.

## **Update Eligibility Standards**

To improve program administration and address the influence of STRs on the availability and pricing of long-term housing, BAE recommends that the Town consider the following:

- 6) **Prohibit Short-Term Renting of Properties Recently Subject to Eviction**  
To reduce the incentive for property owners to evict existing tenants in order to convert properties to STRs, consider prohibiting units that have recently been subject to an eviction from being registered as an STR for a specified period.

**7) Establish a Waiting Period for New Home Purchases**

Establish a waiting period of at least one year following the purchase of a residential property before that property is eligible to apply for an STR permit.

**8) Update Fractional/Timeshare Code**

The Town should update the fractional ownership/timeshare portions of the Municipal Code to restrict new fractional ownership conversions and acquisitions to defined geographic areas.

## **Update Enforcement Penalties**

To encourage owners and managers of STRs to engage with the Town's permitting process in good faith, BAE recommends that the Town consider updating the enforcement penalties to better align with the economics of short-term renting.

**9) Increase Enforcement Penalties**

Consider increasing the flat-fee penalty from \$500 for the first violation and \$1,000 for all subsequent violations within three years to something more substantial.

**10) Register Rentals of 90 Days or Less**

Consider requiring property owners and managers to declare long-term rentals of 90 days or less and to notify the Town in the event that the rental is cancelled, or the lease broken, within 30 days after the start date. The intent is to discourage the illegal avoidance of STR regulation. In the event that a rental is cancelled within 30 days of the start date, require the property owner or manager to pay applicable TOT. Consider applying strict penalties for chronic repeat offenders.

## **Limit the Number and Type of STRs**

To facilitate managing the inventory of tourist accommodations available in the Town of Mammoth Lakes and to address concerns regarding impacts to the availability and pricing of long-term housing, BAE recommends that the Town consider the following:

**11) Establish a Cap or Caps on the Number of Permitted STRs**

Consider limiting the total number of STRs that may be permitted within certain areas, including within the Residential Multi-Family-2 (RMF-2) zone or portions thereof. The cap may be set at or near the existing level, and may be adjusted over time as needed.

**12) Create a Mechanism to Reduce Allowed Permits When Needed**

If the Town of Mammoth Lakes elects to limit the number of STRs allowed in certain areas, it will be important to also establish a mechanism or process for decreasing the number of permits that may be issued, as needed.

**13) Consider Fewer Restrictions on Hosted STRs**

Consider using differential regulations for hosted and non-hosted STRs, to limit the prevalence of absentee landlords and corporate ownership within the STR market. The impact of such provisions on the market will depend on the details of the policy.

**14) Consider a Cap on Nights Rented in Non-Hosted STRs**

To discourage the further proliferation of non-hosted STRs, consider establishing a maximum number of nights per year that a new non-hosted STR may be rented in certain areas where full-time resident occupancy is the preferred use. This provision, if implemented, should be dovetailed with any potential cap or unit restrictions.

## **Geographic Targeting and Density Limits**

To discourage the over-concentration of STRs while ensuring the availability of tourist accommodations in desirable locations, BAE recommends that the Town:

**15) Consider Further Geographic Targeting of STR Regulations**

Recognizing the concentration of tourism demand in certain parts of Town, consider applying different standards within specific geographic areas to ensure the availability of visitor accommodations in areas appropriate for such activity (e.g., resort portals).

**16) Consider STR Density Limits**

Consider establishing a minimum distance between permitted STR units or a maximum share of units within a certain defined area that may be short-term rented.

## **Related Policies and Programs**

The Town should also consider actions that better dovetail sustainable tourism management, land use policy, economic development strategy, and community housing resources.

**17) Update Analysis of Workforce Housing Need**

Prepare an updated analysis of workforce housing needs in Mammoth Lakes that characterizes the order of magnitude of workforce housing needs and which includes a survey of both worker and employer needs and perceptions.

**18) Strongly Oppose Legislation Similar to SB 584**

Although Senate Bill (SB) 584 was not advanced during the last legislative session, the Town should continue to monitor new legislative proposals and should strongly oppose consideration of any new state legislation that would be similar to Senate Bill (SB) 584, which proposed the imposition of a 15 percent statewide TOT on STRs.

**19) Encourage Development of Other Accommodation Types**

Encourage development of new tourist accommodations other than STRs, like hotel and condotel projects, that do not impact how the housing stock is utilized, including construction and renovation.

**20) Lobby for Tenants Rights Reform**

Lobby state lawmakers to advance tenants' rights reform which strikes a better balance between tenant protections and property owner interests.

**21) Expand and Diversify the Housing Supply**

Encourage and facilitate construction of a diversity of housing types that meet the needs of a wider array of workforce households, similar to development at The Parcel.

**22) Establish Additional Dedicated Local Funding Sources for Housing Programs**

Consider options for creating more local funding sources that can generate consistent and dedicated financial resources for housing programs.

**23) Aggressively Expand Inventory of Deed Restricted Housing**

Continue to aggressively pursue acquisition of affordable and workforce housing deed restrictions on new and existing housing units within the community.

**24) Pursue Economic Development Initiatives**

Prioritize efforts aimed at increasing the local wage levels and the number of living wage jobs that are available in the community. The Town should also continue to engage with large landowners and employers to provide additional developable land and housing resources for workers and for the community at large.



# INTRODUCTION

The concept of renting privately owned housing units short-term (i.e., for less than 30 days) is not a new concept in the Town of Mammoth Lakes and Mono County more broadly. In years past, listing a unit for rent often involved taking out an advertisement in a local newspaper or working with a local property management company. This was not always easy, particularly if renting independently (e.g., vetting tenants), and came with significant costs (e.g., management and cleaning fees, maintenance, etc.).

The landscape of the short-term rental market changed drastically starting in the mid-2000s with the introduction of HomeAway (now VRBO) and Airbnb, the first online platforms for booking private short-term rental accommodations. While Airbnb remains one of the most prominent platforms in the market, other competitors have also emerged, including Vacasa, Turnkey, FlipKey (owned by TripAdvisor), Booking.com, and Hotels.com, among others. The rapid expansion of online booking platforms has expanded the pool of potential short-term rental owners and property managers, facilitating transactions and drawing new players into the market. This observed growth has drawn concern among residents of many destination communities, who observe impacts to the availability and cost of housing, as well as increases in the prevalence of nuisance issues like noise, trash, parking, and traffic.

To address community concerns, the Town of Mammoth Lakes contracted with BAE Urban Economics to assess the association between the prevalence of short-term rentals (STRs) and changes in the availability and affordability of long-term housing, as well as the impact of changes in STR supply on the performance of dedicated hotel and motel uses, and to provide recommendations regarding potential updates to the Town's STR policies and programs.

## Summary of Report Contents

The following provides additional detail regarding the contents of each section of this report:

### ***Review of the Contemporary Literature***

Due to the inherent complexities associated with this topic, this research includes an initial review of the contemporary academic literature on the relationship between STRs and long-term housing availability and pricing, both rental and for-sale, recognizing that such research is conducted to a much higher standard compared to what may be possible with the data available within Mono County, and within the current schedule and budget. Nonetheless, key findings from the literature provide useful indications of how STRs can impact local communities. The review also includes consideration of various professional studies that have been prepared for other communities. Though less prevalent in the literature, the review also included studies related to the impact of STRs on occupancy and pricing (e.g., average daily

rates or ADR, etc.) for hotel and motel uses. For a full list of articles and publications reviewed for this research, please refer to Appendix A.

### ***Tourism and Overnight Accommodations Industry Trends***

The tourism industry is a primary economic driver for Mono County and the Town of Mammoth Lakes, accounting for a majority of employment and economic activity. The analysis summarizes key metrics regarding the tourism industry broadly, as well as characteristics and trends within the tourism accommodation sector. This includes comparison between the inventory of hotel and motel rooms versus STRs, as well as analysis of trends in room rates and occupancy characteristics. Data for this analysis were primarily collected from CoStar and AirDNA, both private data vendors.

### ***Housing Market Conditions and Trends***

In conjunction with the analysis of available data pertaining to the STR market, this report also considers existing conditions and trends within the Town of Mammoth Lakes housing market. This includes evaluation of changes to the housing inventory over time, as well as analysis of housing vacancy characteristics and both rental and for-sale home pricing and comparative affordability. Data on housing inventory characteristics are from the U.S. Census Bureau. Home sales records from the local multiple listing service were provided by the Town, while information on long-term rental rates was obtained through consultation with local property managers.

### ***Near-Term Migration Trends***

Recognizing the significant impact that regional migration has had on many visitor-serving economies throughout the nation, this report compares the available statistics on household and business relocations published by the U.S. Postal Service (USPS), as well as data on school enrollment from the California Department of Education (DOE).

### ***Labor Force Trends***

Recognizing Mammoth's remote location, the analysis documents in- and out-commute patterns and changes in labor force composition and the unemployment rate from 2010 through October 2023. This analysis confirms the tightening labor market which aligns closely with regional outmigration patterns.

### ***Estimating Induced Housing Demand***

Recognizing tightening labor availability, this report also evaluates the extent to which the creation of new tourist accommodation units in Mammoth Lakes likely results in the creation of new demand for workforce housing. This is done using data on the economic impacts of tourism by visitor accommodation type published by Dean Runyan and Associates, as well as information on STR overnight stays provided by Visit Mammoth and AirDNA. BAE then converts the estimated direct and induced employment to workforce households based on an estimate of the average number of

workers per household calculated using data from the U.S. Census Bureau's Public Use Microdata Sample (PUMS), then converts from workforce households to housing units demanded based on an assumed structural vacancy rate.

### ***Regulatory Approaches in Peer Communities***

To provide additional insight into some of the ways that the Town of Mammoth Lakes could approach the possible regulation of STRs, this study includes an overview of the Town's current regulations pertaining to STRs, as well as the regulatory approaches enacted by 17 peer communities. The review of STR policies in peer communities is organized around key themes and policy approaches which may be considered by local decision makers as components of a revised STR regulatory structure.

## **Definition of an STR**

For the purposes of this research, an STR use includes real property designed for long-term residential use, including the availability of full kitchen and bathroom facilities, among other attributes. This differentiates STR units from more traditional hotel and motel uses, which often lack full kitchen facilities, and are located in developments that are intended primarily for use by transient occupants (e.g., hotels, motels, condotels, etc.), including tourists and business travelers. STRs in this analysis include single-family homes, duplex and triplex units, townhomes, condominiums, mobile homes, and apartment units. By comparison, hotel and motel properties, bed and breakfasts, time shares, and condo-hotels (condotels) primarily function as part of the more permanent inventory of visitor accommodations, as opposed to STRs that can readily transition between residential and visitor use.<sup>1</sup> While there is some "gray area" inherent to these definitions, they offer a way to operationalize the concept of short-term renting that aligns with the priorities expressed by the local decision makers.

The section titled "Existing Mammoth Lakes Regulations," starting on page 42, provides a more detailed review Chapter 5.40 of the Town of Mammoth Lakes Code of Ordinances, which provides definitions of what constitutes a "transient rental," and "transient occupancy facility," and a "residential property" for regulatory purposes. These definitions are largely consistent with the operational definition of an STR provided above. The section also provides an overview of the Town's existing regulatory framework relating to STRs.

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<sup>1</sup> A condotel is a condominium property that facilitates the short-term rental of units in a centrally organized way, often including advertising of available rental listing, screening of prospective renters, provision of a staffed check-in desk, provision of periodic housekeeping services, and concierge services, among other amenities and benefits.

# EMPIRICAL RESEARCH ON STR IMPACTS

Recognizing the recent growth of interest in the impacts of STRs on local housing and tourist accommodations markets, BAE reviewed more than 50 peer reviewed academic articles and industry publications on the subject. The following section provides a brief summary of the key findings and themes discussed within the contemporary academic and professional literature.

## **Housing Availability and Affordability**

The academic body of work pertaining to the relationships between STRs and long-term housing is mainly focused on impacts within major urban tourist markets, such as Barcelona, London, Los Angeles, New York City, and San Francisco, among other locations. One peer reviewed study included a descriptive analysis of the prevalence and characteristics of STRs within 237 communities throughout Oregon, including smaller, more rural, communities (DiNatale, Lewis, and Parker, 2018). Another study identifies the ways in which peer-to-peer accommodations can facilitate economic development in rural areas without significant hotel inventories (Yeager, Soulard, Deale, and Milazzo, 2023). Despite being mainly focused on evaluating the impacts of STRs in urban settings, the academic literature nonetheless provides valuable quantitative documentation of the existence of real relationships between STRs and conditions in the long-term housing market that can be used to better understand ongoing trends in the Town of Mammoth Lakes. In addition, BAE reviewed the results from five studies completed by private consulting firms for local jurisdictions in the Mountain West which estimate the relationship between STRs and new induced workforce housing demand, as well as housing availability.

### ***Findings from the Academic Literature***

The contemporary academic literature reviewed for this study consistently found statistically significant relationships between proportionate increases in the number of STR listings and the availability and pricing of long-term housing, both rental and for-sale (Goncalves, Peralta, Pereira dos Santos, 2022; Benitez-Aurioles and Tussyadiah, 2021; Franco and Santos, 2021; Li, Kim, and Srinivasan, 2021; Koster, Ommeren, and Volkhausen, 2021; Shabrina, Arcaute, Batty, 2021; Thackway, Ng, Lee, Shi, and Pettit, 2021; Garcia, Miller, and Morehouse, 2021; Bao and Shah, 2020; Etxezarreta-Etxarri, Izagirre-Olaizola, Morandeira-Arca, and Carollo, 2020; Garcia-Lopez, Jofre-Monseny, Martinez-Mazza, Segu, 2020; Zou, 2019; Barron, Kung, and Proserpio, 2018; Wachsmuth, Chaney, Kerrigan, Shillolo, and Basalaey-Binder, 2018; Wachsmuth, Kerrigan, Chaney, and Shillolo, 2017; Gurran and Phibbs, 2017; Lee, 2016; Merante and Horn, 2017; Sheppard and Udell, 2016). These studies also found that an increased prevalence of STRs incentivized the conversion of housing that was otherwise available for long-term occupancy to STRs, in a process referred to as the ‘hotelization’ of the housing stock (Seguera, Nofre, Diaz-Parra, Gil, Yrigoy, Mansilla, Sanches, 2022; Li, Kim, and Srinivasan, 2021; Barron, Kung, and Proserpio, 2018; Lee, 2016). STRs can also increase the

prevalence of nuisance issues, which in some cases can have a negative impact on neighborhood livability and home values (Garcia, Miller, and Morehouse, 2021).

Those studies that incorporated a geographic concentration element into their analysis generally determined that STRs tend to be concentrated in proximity to major tourist attractions, and that greater concentrations of STR listings correlated with more significant impacts to housing availability and pricing (Franco and Santos, 2021; Li, Kim, and Srinivasan, 2021; Thackway, Ng, Lee, Shi, and Pettit, 2021; Shokoohayar, Sobhani, and Sobhani, 2020; Zou, 2019; Wachsmuth, Kerrigan, Chaney, and Shillolo, 2017; Dudas, Gyorgy, Tamas, and Lajos, 2017). The research also indicates that the negative effects of STRs are stronger in places with less owner-occupied housing (Barron, Kung, and Proserpio, 2018) and smaller inventories of hotel and motel accommodations (Peric, Smiljanic, Kezic, 2021). Also, smaller communities that are more dependent on transient occupancy taxes and that have more limited inventories of available rental housing may experience disproportionate impacts (DiNatale, Lewis, and Parker, 2018). There is no specific mention of the impact of STRs in markets dominated by large numbers of second homes, though this topic is addressed in the professional literature discussed in the next section.

The available research generally indicates that the relationship between the prevalence of STRs and housing affordability is stronger for for-sale prices compared to rents (Benitez-Aurioles, Tussyadiah, 2021; Shokoohayar, Sobhani, and Sobhani, 2020; Garcia-Lopez, Jofre-Monseny, Martinez-Mazza, Suge, 2020; Wassmer, 2019). This is because for-sale home prices in areas with high concentrations of STRs are directly correlated with the revenue generating potential of the unit on the STR market. The impacts of STRs also vary based on the type and size of the property (Goncalves, Peralta, Pereira dos Santos, 2022). Rental housing prices, by comparison, are indirectly impacted through reductions in the available long-term rental supply, which increases pricing competition between renter households. Other research indicates that STR regulation can have an appreciable impact on market rate rents (Seiler, Siebert, Yant, 2023).

The research identifies an increasing prevalence of investor owners of STRs in certain markets, including a rise in owners with multiple properties. Zou (2019) indicates that "...urban space becomes more valuable as tourists and residents take advantage of STRs...with limited urban supply for new development, investors will seek to convert the existing housing stock into STRs, bidding up property prices and making life more difficult for first-time homebuyers and long-term renters." Wachsmuth and Weisler (2018) similarly describe the increasing prevalence of investor owners as "gentrification without redevelopment," adding that a price gap emerged between market rate long-term rents and STR revenue and "...a strong economic incentive followed for real estate investors to evict existing long-term tenants or to cash out existing homeowners. They then converted properties to STRs without building anything new." Lee (2016) found that 60 percent of the properties listed on Airbnb in Los Angeles were used solely for commercial purposes.

Sheppard and Udell (2016) similarly found that STRs are often used as speculative assets which have the potential for capital appreciation, generating rental income during the hold period to defray costs. These benefits can entice investors to purchase properties not for their own use, and to hold onto properties for longer, since they can offset carrying costs, though the factors contributing can vary between markets (Krause and Aschwanden, 2020). Nonetheless, Bei and Celata (2023) found that local STR regulation can have a substantive impact on composition of the STR market, including decreasing the prevalence of hosts that own and manage multiple listings.

**Table 1: Summary of Literature Review Findings of the Impacts of STRs on Rental and For-Sale Home Pricing**

Author	Published	Geography	Effect on Rents	Effect on Sale Prices
Goncalves, et al.	2022	Lisbon	n.a.	8% on average and 20% for two-bedrooms resulting from a ban
Shabrina, et al.	2022	London	8.0% per 100% increase in illegal/ non-conforming STRs	n.a.
Benitez-Auriol, et al.	2021	London	0.014% per 100 listings	0.032% per 100 listings
Franco & Santos	2021	Portugal	n.a.	3.7% per 1% increase in STRs
Koster, et al.	2021	Los Angeles	4.9% increase per 1% increase in STR listings	5.1% increase per 1% increase in STR Listings
Thackway, et al.	2021	Sydney	n.a.	2% per 1% increase in STR density
Elxazarreta-Etzarri, et al.	2020	San Sebastian	7.3% increase per standard deviation	n.a.
Garcia-Lopez, et al.	2020	Barcelona	1.9% in areas of low concentration and 7.0% in areas of high concentration, for every 200 listings	4.6% in areas of low concentration and 7.0% in areas of high concentration, for every 200 listings
Zou	2019	Washington DC	n.a.	0.66% - 2.24% Overall
Barron et al.	2018	United States	0.018% per 1% increase in STR listings	0.026% per 1% increase in STR listings
Lee	2016	Los Angeles	0.2% per 1% increase in STR listings	n.a.
Merante & Horn	2016	Boston	0.4% per standard deviation increase in STR listings	n.a.
Sheppard & Udell	2016	New York	n.a.	Doubling STRs equals 6.0-31%

Source: BAE, 2023.

Table 1, above, summarizes the statistical relationships between the prevalence of STRs and long-term rental rates and for-sale home prices, as documented in the available peer reviewed academic literature. The magnitude of the impacts ranged from relatively marginal to fairly significant; though one article notes that while some of the coefficients seem marginal, the

significant growth in the sector in recent years likely results in sizable cumulative impacts over time (Dogru, Mody, Suess, 2019).

Among the known limitations of the available academic literature is the possibility that the research has omitted significant variables that have a bearing on the relationship between STRs and long-term housing availability and pricing. In addition, there is a reliance on web-scraped data from Airbnb and other online platforms, which is known to be incomplete and sometimes inaccurate. Zou (2019) specifically indicates that “...any statement with a high level of confidence would require direct data from STR platforms with accurate details.” Therefore, the research findings summarized here should be interpreted with caution.

### ***Findings from the Professional Literature***

There have been a variety of studies done by private consulting firms for local jurisdictions and stakeholder groups throughout the country regarding the impacts of STRs on local housing markets. This research identified two studies that were prepared specifically on behalf of the STR industry, which contribute to the literature, but which should be interpreted with caution. This research also identified six professional studies prepared on behalf of various stakeholders that leveraged tourism and housing market trends analysis to identify associations between changes in the STR inventory and changes in housing market conditions. Lastly, this research identified three professional studies that replicate statistical methods used in the academic literature to quantify the impact of STRs on housing markets.

### ***Industry Sponsored Studies***

The oldest professional study reviewed for this report is a 2016 analysis prepared by ECONorthwest on behalf of HomeAway, an online STR platform, in response to proposed STR regulation in Seattle and should be reviewed with caution. Another study prepared by HR&A on behalf of Airbnb in Colorado in 2022, found a rough association between STRs and housing availability and pricing but recommended increased subsidies for affordable housing and workforce housing construction and preservation, rather than additional STR regulation.

### ***STR and Housing Market Trends***

This research identified six professional studies that use STR and housing markets trends analysis to highlight relevant associations.

Three of the studies reviewed for this research were prepared by BAE Urban Economics in the communities of Placer County, Mariposa County, and the Town of Truckee. These studies identified the large concentrations of housing within each market which was vacant for seasonal and occasional use and identified similar increases in the number of housing units engaged in short-term renting. These analyses highlight the ways in which short-term renting can be used to facilitate purchases of residential properties for second home use, leading to increased home prices and an expanded pool of potential second home buyers. The research also identified an increasing prevalence of dedicated STRs in some communities, most notably



in Mariposa County, that were expressly purchased or built with the intent of exclusively making them full-time STRs, without any secondary residential use. The study prepared for the Town of Truckee also evaluated the profitability of STRs compared to long-term renting.

In addition to the three studies prepared by BAE, this research also evaluated three descriptive studies prepared by Beacon Economics for San Luis Obispo County and by PlaceWorks for San Bernardino County, as well as a study prepared by the Milken Institute for the State of California. The San Bernardino County and San Luis Obispo studies both concluded that STRs are not the primary driver of housing availability and pricing issues in those communities.

In San Bernardino, PlaceWorks documented significant increases in the number of STRs located within certain county subareas, notably near Joshua Tree National Park, which were associated with significant increases in home sale prices and rents. PlaceWorks relies heavily on differences in unit size and quality to justify this differential, versus acknowledging that entities buying units with the express intent of short-term renting can and are willing to pay more than other households. They also note the significant prevalence of corporate-owned STRs. PlaceWorks also acknowledges the significant difference between the revenue generation potential of STRs compared to long-term rentals but downplays this by recognizing the industry's seasonality. The study relies on data from the U.S. Census Bureau indicating an increase in renter occupancy, coupled with data showing that more than 60 percent of active STRs were built or substantially improved since 2018 to imply that the STR industry is not taking units out of full-time occupancy. While they do acknowledge the existence of some anecdotal evidence presented by members of the community regarding the conversion of long-term housing to STR use, they suggest that this does not represent a significant market driver.

The studies prepared by Beacon Economics for San Luis Obispo County and the Milken Institute for the State of California clearly acknowledge the importance of tourism spending to the economic and fiscal health of many communities. These studies also highlight that STRs can offer a different consumer experience compared to traditional hotels and were notably more resilient to the impacts of the COVID-19 pandemic compared to traditional hotels due to their more isolated home-like offerings. These studies acknowledge that San Luis Obispo, as well as the State of California, feature relatively small concentrations of STRs as a share of the total housing stock (i.e., less than 0.5 percent in San Luis Obispo County and only one percent across California as a whole). They also compare the characteristics of typical STRs (e.g., larger and more expensive single-family homes) with the needs and ability to pay of low-income households, concluding that the units engaged in short-term renting would make poor candidates for occupancy by low-income households. This perspective fails to acknowledge the growing challenges faced by many moderate- and above moderate-income households in supply-constrained communities who compete directly with second home and STR property owners. These studies also fail to evaluate the localized impacts of STRs in areas with higher concentrations of STRs and second homes, suggesting that additional research is needed.

### Workforce Housing Demand Impacts

Five professional studies reviewed for this research used comparable methodologies to evaluate the relationship between the addition of new STRs to the local market and new induced demand for workforce housing created as a result of new visitor spending. These reports include studies prepared by BAE for the Town of Truckee and Mariposa County, which applied the same methodology used in this report, as well as a study prepared by Economic and Planning Systems (EPS) for the town of Breckenridge in Colorado, and a study prepared by Root Policy Research for the town Pagosa Springs, also in Colorado. The key findings from these studies are summarized in Table 2 and indicate that in many markets, visitor spending associated with creation of 100 new STRs results in creation of demand for between ten and 20 new workforce housing units. In Mariposa and Mono Counties, the analysis found that induced workforce housing demand can be much higher, with the creation of 100 new STRs generating demand for between 60 and 80 new workforce housing units, not including a vacancy allowance. The reasons for the higher impacts in Mariposa and Mono counties may be due to having a tourism oriented economic base, though other factors may also be at play.

**Table 2: Summary of Literature Review Findings of the Impacts of STRs on Induced Workforce Housing Demand and Reduced Long-Term Housing Supply**

Author	Published	Geography	Induced Workforce Housing Demand Per 100 New STRs	Supply Impacts to Long-Term Housing	
				For-Sale	Rental
BAE Urban Economics	2023	Mono County, California	69.8 Units	n.a.	n.a.
PlaceWorks	2023	San Bernardino County, California	n.a.	n.a.	n.a.
BAE Urban Economics	2023	Mariposa County, California	64.9 Units	n.a.	n.a.
Beacon Economics	2023	San Luis Obispo County, California	n.a.	n.a.	n.a.
BAE Urban Economics	2022	Truckee, California	17.2 Units	n.a.	n.a.
Milken Institute	2022	California	n.a.	n.a.	n.a.
Root Policy Research	2022	Estes Park, Colorado	n.a.	-0.011% to -0.022% per 1% increase in STR listings	-0.014% to -0.041% per 1% increase in STR listings
Root Policy Research	2022	Pagosa Springs, Colorado	11.6 Units	-0.012% to -0.023% per 1% increase in STR listings	-0.015% to -0.041% per 1% increase in STR listings
Economic & Planning Systems, Inc.	2021	Breckenridge, Colorado	11.0 Units	n.a.	n.a.
Michael Baker International	2017	South Lake Tahoe, California	n.a.	n.a.	n.a.

Source: BAE, 2023.

### Workforce Housing Supply Impacts

In addition, one study prepared in 2017 by Michael Baker International and two studies prepared more recently by Root Policy Research go a step further to estimate statistical relationships between the STRs and the availability and pricing of housing for long-term occupancy using statistical methods similar to those reflected in the academic literature.

The 2017 study by Michael Baker was prepared for the City of South Lake Tahoe and determined that the average STR with an overnight capacity of nine people was valued around 8.5 percent higher than comparable homes that were not permitted for STR use. The study also determined that the presence of an average number of STRs within one-tenth of a mile increased a home's sale price by 2.9 percent, while the presence of STRs within one quarter mile increased a property's value by 3.6 percent. Interestingly, the study found that the presence of STRs from one-quarter to one-half mile of a home decreased value by 5.3 to 9.1 percent due to negative externalities, such as community-wide traffic and parking issues.

Two other statistical analyses were conducted by Root Policy Research for the communities of Estes Park and Pagosa Springs in Colorado. To conduct their analysis, Root Policy Research first applied the coefficients of impact estimated in the peer reviewed article titled "The effects of home-sharing on house prices and rents: Evidence from Airbnb" published by Barron, Kun, and Proserpio in 2021 to local STR and housing stock data. It is not clear why this article in particular was chosen as the basis for their analysis, as other high-quality research exists which found varying coefficients of impact. In addition, Root Policy Research also prepared alternative statistical models using data for the State of Colorado and for areas within Colorado that have elevated seasonal vacancy rates, estimating that a doubling in the number of STRs resulted in a decrease in the number of long-term rental housing units of 1.4 to 4.1 percent and a decrease in the number of owner-occupied housing units by 1.1 to 2.2 percent. These results were consistent across the two studies prepared for Estes Park and Pagosa Springs, likely due to the use of national and state-level data as the basis for the analysis. BAE anticipates that if the statistical models were more finely specified to align with local economic and housing market conditions, the impact coefficients would more likely vary significantly.<sup>2</sup>

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<sup>2</sup> Economic theory suggests that impact coefficients associated with an increase in the number of STRs should vary based on the size of the local housing stock, the magnitude of demand for second homes, the magnitude of demand for overnight tourist accommodations, the share of the existing housing stock that is held vacant for seasonal and occasional use, and the volume of new residential construction that could absorb new second home and STR demand, among other factors. Estes Park is a much larger community with a total of 4,562 housing units compared to 907 in Pagosa Springs as of the 2020 Decennial Census. While the residential vacancy rate in both communities is quite similar at just over 30 percent, the share of the housing stock held vacant for seasonal use averaged around 30 percent in Estes Park compared to 13 percent in Pagosa Springs. With a smaller housing stock and a smaller share of second homes, theory suggests that the impact coefficients associated with an increase in the number of STRs in Pagosa Springs should be higher than in a much larger community like Estes Park. Therefore, BAE anticipates that the impact coefficient estimates prepared by Root Policy Research may not accurately reflect the true impact of an increase in the number of STRs in these communities, but rather reflect the broader relationships that may be anticipated when analyzed at a regional, statewide, or national level.

## Lodging Industry Occupancy and Rates

### *Findings from the Academic Literature*

Table 3 summarizes the relationship between the STR supply and hotel performance, as documented in recent available literature on the subject. While the research results in the literature are somewhat mixed, there is a general indication that STRs likely do have an impact on the pricing of existing hotel and motel properties (Dogru et al., 2022; O'Neill and Yeon, 2021; Dogru, Hanks, Ozdemir, et al., 2020; Yeon, Song, and Lee 2020; Nguyen, 2019; Zervas, Proserpio, and Byers, 2017), as well as average hotel and motel occupancy in some cases (Dogru, Hanks, Mody, et al., 2020; Dogru, Mody, and Suess, 2019).

While many studies have documented the negative impacts of STRs on the lodging industry, the negative effects have been shown to vary widely across different hotel classes, seasons, types of locations, and regions (Dogru et al., 2022; Dogru, Hanks, Ozdemir, et al., 2020; Dogru, Hanks, Mody, et al., 2020; Nguyen, 2019; Mody and Gomez, 2018). For example, Yeon, Song, and Lee (2020) found that STRs have a limited impact on luxury hotel properties and a greater impact on lower- and mid-tier properties. O'Neill and Yeon (2021) found significant negative impacts for all classes of hotels in the United States, but also determined that STRs tend to have greater negative impacts on the revenues of lower priced hotels relative to higher priced hotels. The research also found that impacts were generally more limited to urban and tourist-oriented hotels compared to more suburban hotels oriented towards business travelers (O'Neill and Yeon, 2021). Zervas et al. (2017) found that independent hotels, hotels that do not cater to business travelers, and lower-end hotels are all more heavily affected by STRs. Overall, the research generally suggests that the impacts from STRs are mainly limited to less aggressive pricing and do not consistently translate to reduced hotel occupancy (Dogru et al., 2022; Dogru, Hanks, Ozdemir, et al., 2020; O'Neill and Yeon, 2021; Yeon, Song, and Lee 2020), though some studies (Dogru, Mody, and Suess, 2019; Dogru, Hanks, Mody, et al., 2020) did identify impacts to average hotel and motel occupancy, in addition to revenue per available room night (RevPAR). Mody, Suess, and Dogru (2017) also found that the early-stage expansion of the STR inventory in Boston had the effect of also inducing an expansion of overnight tourism demand, such that impacts to the hotel industry (i.e., occupancy and rates) were largely moderated over the study period in that case.

Because STR supply is 'instantaneous,' it can readily supplement hotel inventory during peak periods, reducing the need to make significant investments in new hotel inventory that may go underutilized during much of the year (Farronato and Fradkin, 2018). Zervas, Proserpio, and Byers (2017) found that Airbnb supply was 60 percent greater during the South by Southwest Festival (SXSW) in Texas compared the rest of the year, and that the impact on hotel revenues was 1.5 percentage points larger at that time, which they attribute to supply and demand dynamics rather than the "idiosyncratic preferences of the SXSW demographic." The authors further indicate that a ten percent increase in hotel room supply resulted in a 1.6 percent decrease in hotel room revenue, compared to a 0.39 percent decrease in hotel room revenue

resulting from a similar ten percent increase in STR supply. CB Richard Ellis, a major global real estate firm, recommended as early as 2020 that hotel operators and investors conduct detailed analysis on the quantity and quality of STR product offerings in any market where ten percent or more of the supply of tourist accommodations is made up of STR units (CB Richard Ellis, 2020). In more recent years, some hotel operators have begun integrating home sharing-like attributes to compete with STRs more effectively (Mody and Gomez, 2018), such as with the condominium type units recently added to the property at Outbound Mammoth.

**Table 3: Summary of Literature Review Findings of the Impacts of STRs on Revenue and Occupancy within the Permanent Lodging Inventory**

Author	Published	Geography	Effect on RevPAR	Effect on ADR	Effect on Occupancy
Dogru et al.	2022	United States (all states)	-0.009% per 1% increase in STR listings	-0.008% per 1% increase in STR listings	No significant effect on occupancy
O'Neill & Yeon	2021	United States & Europe	-0.05% to -0.08% per 1% increase in STR listings	n.a.	n.a.
Dogru, Hanks, Mody, et al.	2020	London, Paris, Sydney, and Tokyo	-0.016% to -0.031% per 1% increase in STR listings	No significant effect on ADR	-0.016% per 1% increase in STR listings
Dogru, Hanks, Ozdemir, et al.	2020	United States (all locations)	-0.029% to -0.077% per 1% increase in STR listings	-0.043% to -0.089% per 1% increase in STR listings	No significant effect on occupancy
Dogru, Mody, & Suess	2019	United States (10 cities)	-0.02% per 1% increase in STR listings	-0.02% per 1% increase in STR listings	-0.004% per 1% increase in STR listings
Nguyen	2019	New York City	-1.2% per 10% increase in STRs	-1.3% per 10% increase in STRs	n.a.
Zervas, Proserpio, & Byers	2017	Texas (all cities)	n.a.	-0.039% per 1% increase in STR listings	n.a.

Source: BAE, 2023.

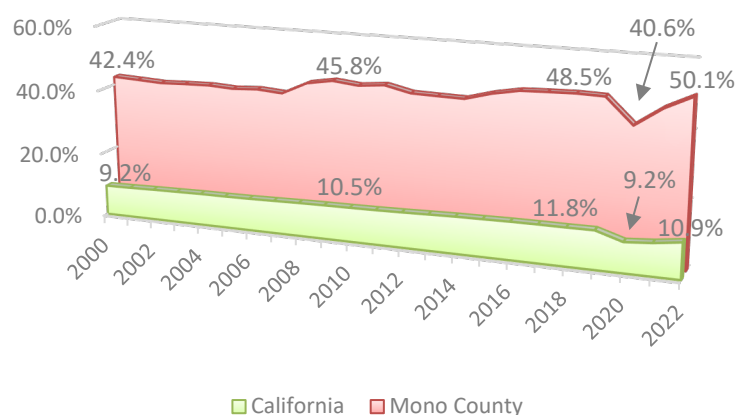
# TOURISM AND OVERNIGHT ACCOMMODATIONS INDUSTRY TRENDS

The following section summarizes characteristics and trends within the tourism and overnight tourism accommodations industries in the Town of Mammoth Lakes and Mono County.

## Tourism's Economic Contribution

Data from the California Employment Development Department (EDD) indicates that the Leisure and Hospitality sector – which includes recreation, accommodations, and food service, among other activities – represents Mono County's single largest employment sector, accounting for nearly half of all jobs. It also represents the only significant growth industry within the county and accounts for an increasing share of countywide employment, as shown in Figure 1.<sup>3</sup> Additional data from the Bureau of Economic Analysis indicates that the sector also represents nearly one quarter of countywide gross domestic product, a share that has increased in recent decades.

**Figure 1: Leisure and Hospitality Jobs as a Share of Total Nonfarm Employment, 2000-2022**



Sources: California Employment Development Department, Industry Employment and Labor Force Data; BAE, 2023.

Additional data from Dean Runyan and Associates, which estimates the economic impacts of travel by county for Visit California, indicates that visitors spent \$580.6 million in Mono County in 2022, which supported more than 6,000 jobs directly and indirectly throughout the county.<sup>4</sup> Tourism spending also generated approximately \$44.2 million in local tax receipts. The Town of Mammoth Lakes estimates 2021-2022 fiscal year transient occupancy tax (TOT) collections at \$16.9 million, which represented 38 percent of total townwide revenue, with the 2023-2024 fiscal year budget projected to include around \$18.25 million in TOT revenue.<sup>5</sup>

<sup>3</sup> Though employment fluctuates significantly on both a seasonal and annual basis.

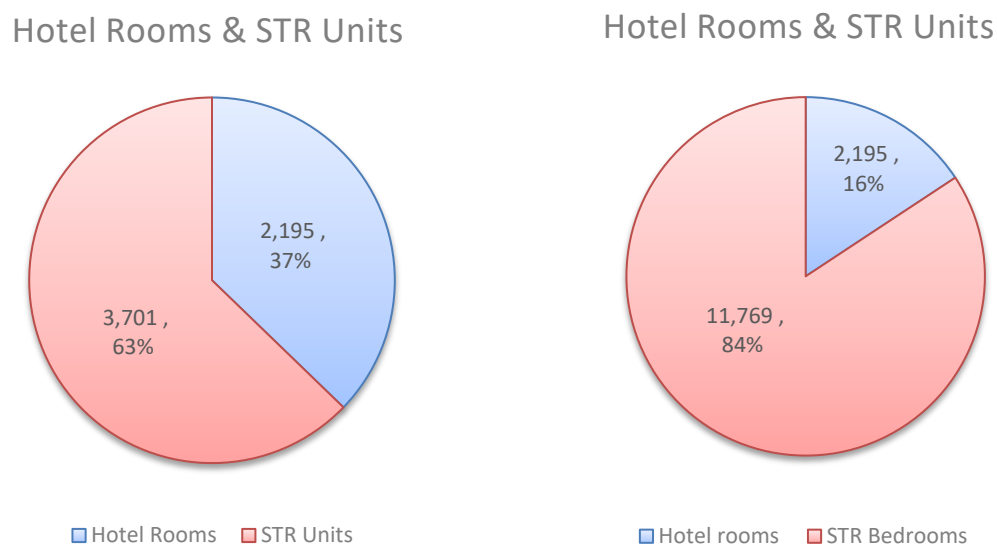
<sup>4</sup> Direct impacts represent the immediate effects of visitor spending, such as jobs supported at the location where the spending occurred (e.g., restaurants, hotels, etc.). Indirect impacts represent the multiplier effect, where dollars spent at the point of sale are then re-spent on the goods and services needed to operate the point-of-sale business (e.g., restaurant produce, retail products, utilities, etc.).

<sup>5</sup> Town of Mammoth Lakes. (2023). Town of Mammoth Lakes Fiscal Year 2023/24 Operating Budget. Available at: <https://www.townofmammothlakes.ca.gov/DocumentCenter/View/13504/Full-Book-Final-Reduced>

## Tourist Accommodations Inventory

Due to its remote location, the Town of Mammoth Lakes relies heavily on overnight tourist visitation to support visitor spending and associated economic activity and tax collections. The inventory of tourist accommodations is diversified with various accommodation types (e.g., hotel/motel, STR, second homes, campgrounds, etc.) across a variety of quality levels (e.g., luxury, upscale, midmarket, economy). Figure 2 illustrates that while the overnight accommodations inventory in the unincorporated county is mostly made up of traditional hotel and motel accommodations, the Mammoth Lakes inventory is heavily skewed towards STRs.

**Figure 2: Overnight Tourist Accommodations Inventory, November 2023**



Note:

(a) The number of STR bedrooms assumes an average of 3.18 bedrooms per STR unit based on a review of AirDNA data.

Sources: Town of Mammoth Lakes; CoStar; AirDNA and Visit Mammoth; BAE, 2023.

### *Hotel/Motel Inventory*

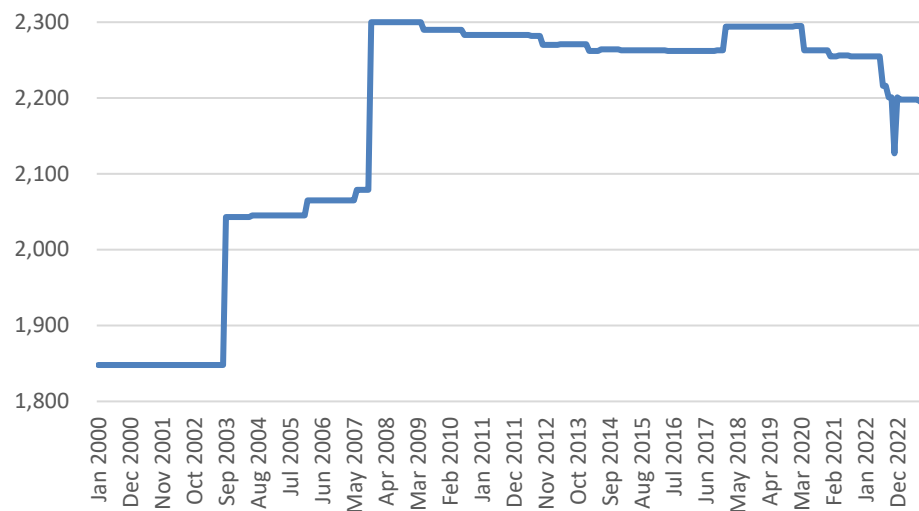
According to data from CoStar, a private data vendor, there are a total of 26 hotel and motel properties located within the Town boundary.<sup>6</sup> Figure 3 illustrates growth in the hotel and motel room inventory from January 2000 through May 2023. The data indicate robust growth in the hotel and motel inventory in the early to mid-2000's. With the onset of the Great Recession in 2008, the hotel room inventory remained relatively static until 2018 with the addition of around 30 new hotel rooms. However, with onset of the global coronavirus pandemic in 2020, the hotel sector experienced significant distress, with a number of hotel properties either converting to other uses or undertaking significant renovations. As of May

<sup>6</sup> There are three properties located in the Town of Mammoth that are outside of the Urban Growth Boundary. These include the Mammoth Mountain Inn, the Mammoth Mountain Chalets, and the Tamarack Lodge and Resort.



2023, CoStar estimates that there were around 2,260 lodging rooms of varying sizes and qualities in the Town of Mammoth Lakes. With increased tourism demand in the post-pandemic economy, the Town currently has five new hotel

**Figure 3: Hotel/Motel Inventory Trends, January 2000 to May 2023**



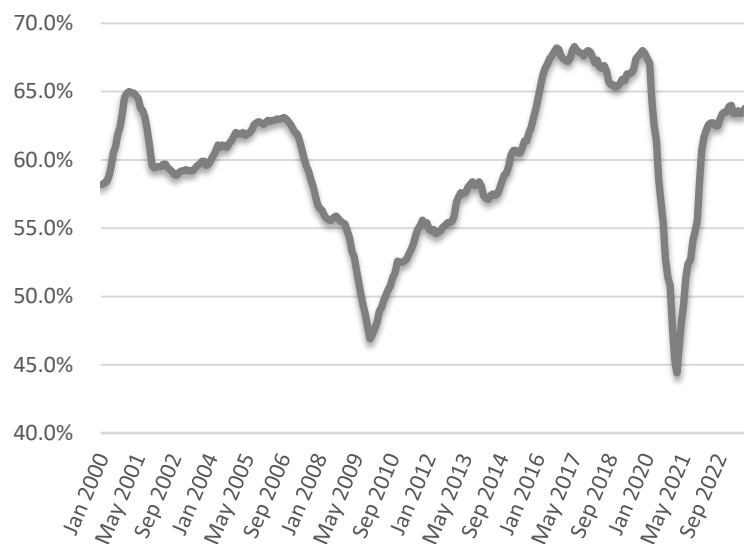
Sources: CoStar; BAE, 2023.

development projects under review which are projected for delivery in the next few years. If delivered as planned, these projects will increase the hotel inventory to 2,714 total tourist accommodation units by 2025-2026, including both hotel rooms and condominiums. For a full inventory of existing and planned hotel properties, see Appendix B.

#### Hotel Occupancy Rates

Most hotel operators target an average occupancy rate of at least 60 to 70 percent in order to sustain operations. Figure 4 illustrates the 12-month running average occupancy rate for hotels in Mammoth Lakes. The data show significant drops in occupancy in the later 2000's, corresponding the Great Recession, as well as in 2020-2021 corresponding with the global coronavirus pandemic and associated stay-at-home orders issued by the Governor's office. As of 2022, occupancy rates had

**Figure 4: 12-Month Average Hotel Occupancy Rate, Town of Mammoth Lakes, Jan 2000 to Oct 2023**



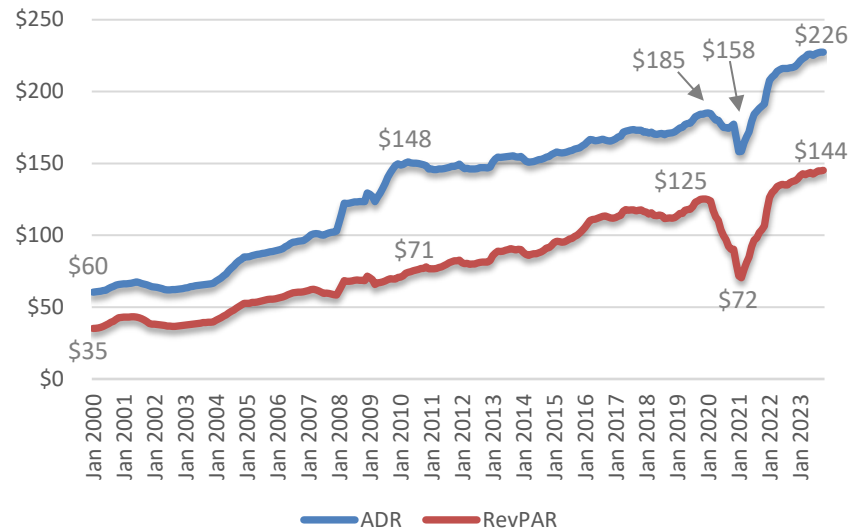
Sources: CoStar; BAE, 2023.

recovered to an average of around 63 percent, which remained somewhat below the high of 68 percent experienced in late 2019. Meanwhile, occupancy rates among STR units spiked in 2020 in line with a shift in consumer preferences towards socially distanced accommodations, with STR occupancy rates remaining elevated from 2020 through 2023 at 50-60 percent.

#### Hotel Nightly Rates

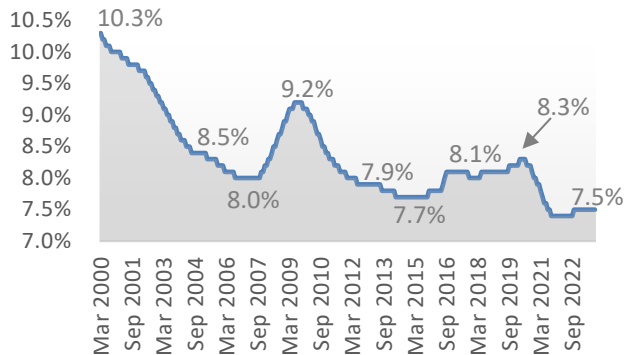
Hotel rates are typically tracked based on the average daily rate (ADR) as well as the average revenue per available room night (RevPAR). Figure 5 illustrates change in the ADR and RevPAR for hotel properties in the Town of Mammoth Lakes. The data indicate that, on average, both ADR and RevPAR have increased steadily over time. The exceptions are brief decreases that occurred as a result of the global Coronavirus pandemic between 2020 and 2021, with rates resuming their prior trajectory as of 2022. CoStar estimates the ADR for the 12-months from November 2022 to October 2023 at \$227, while the monthly average rates ranged from \$182 to \$297. RevPAR for the same period averaged \$145, and ranged from \$106 to \$177, depending on the month.

**Figure 5: 12-Month Average Hotel ADR and RevPAR, Jan 2000-Oct 2023**



Sources: CoStar; BAE, 2023.

**Figure 6: Estimated Market Capitalization Rate, Hotel/Motel Properties, Town of Mammoth Lakes, January 2000 to May 2023**



Sources: CoStar; BAE, 2023.

#### Hotel Capitalization Rates

Capitalization (cap) rates reflect the revenue generating potential of a commercial real estate asset as a share of the property's full market value. In times of economic uncertainty, investors often elect to invest in properties with comparatively high cap rates, as those investments are perceived to be lower risk. Decreasing cap rates generally reflect improving confidence in the future performance of certain investment types. Figure 6 illustrates estimates from CoStar of

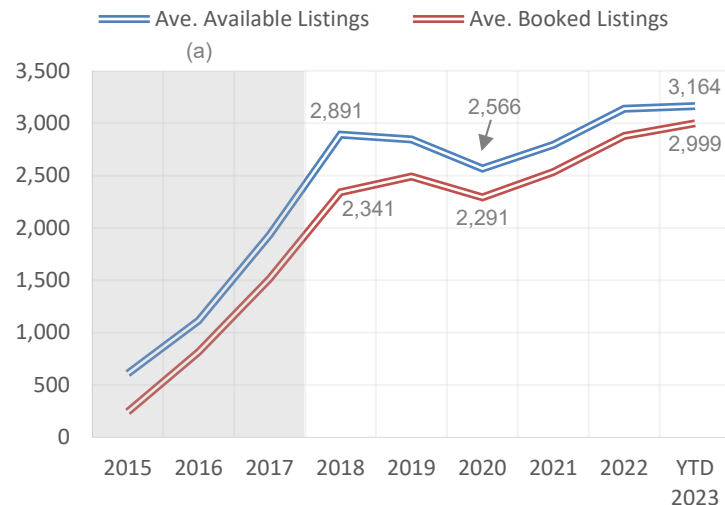
market average cap rates for hotel and motel properties in Mammoth Lakes from January 2000 through May 2023. The data indicate that cap rates for hotel properties decreased steadily from 2000 until the onset of the Great Recession in 2008. This corresponds with the significant increases in hotel inventory observed in Figure 3. Cap rates increased to more than nine percent during the Great Recession, but largely recovered by the mid-2010s when rates began to increase modestly, peaking in 2020 at 8.2 percent. Cap rates recovered fairly quickly in late 2021 and 2022 and stabilized in 2023 at around 7.5 percent on average.

#### ***Short-Term Rental Inventory***

According to data from AirDNA and provided to the Town by Visit Mammoth, there were approximately 3,193 unique STR listings in the Mammoth Lakes market between January and September 2022. Of those, 3,163 listings (99.1 percent) were "entire place" listings, which designates that the entire unit is included in the listing. By comparison, 29 listings were for private or shared rooms within larger units. The Town reports having 3,701 permitted STR units with Schedule F TOT certificates as of November 2023, though not all may be active.

Figure 7 illustrates change in the number of “entire place” listings tracked by AirDNA, which include properties listed on Airbnb and VRBO. Note that the available data extends as far back as 2014-2015, though the initial years of the inventory are likely incomplete, with additional data from VRBO being added only in June 2017. Therefore, the trends data is only reasonably reliable for the years 2018 and later. Based on this data, it appears that the average number of listings decreased by around 325 listings between 2018 and 2020, with the average number of active listings rebounding to above 2018 levels by late 2023.

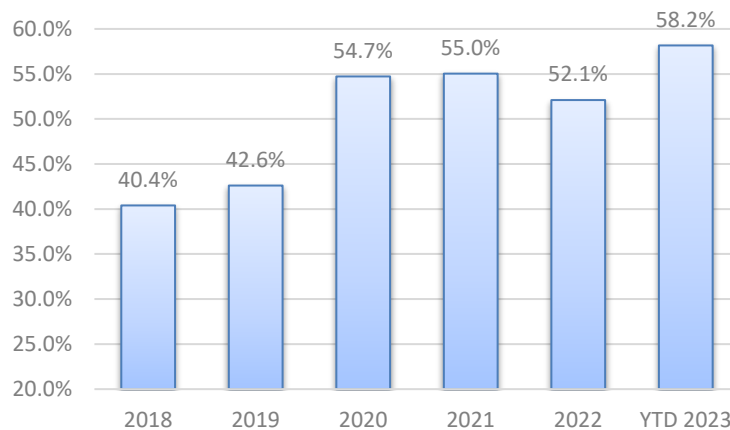
**Figure 7: Average Number of “Entire Place” Listings, with Monthly Min and Max, Oct 2014 to Sept 2023**



Note:  
(a) The available data extends as far back as October 2014, though data for 2014 through 2017 are likely incomplete. Data for VRBO was added only in June 2017. Therefore, data prior to 2018 are likely unreliable.

Sources: AirDNA: Visit Mammoth Lakes; BAE, 2023.

**Figure 8: Average Annual STR Occupancy, Mammoth Lakes, 2018 to Sept 2023**



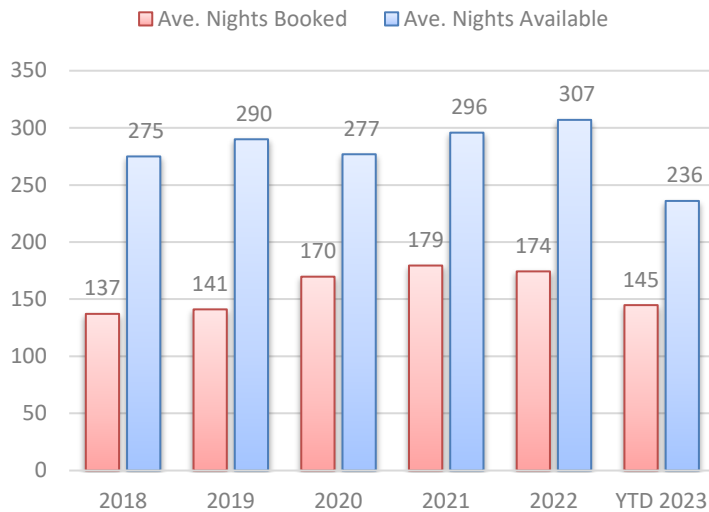
Sources: AirDNA: Visit Mammoth Lakes; BAE, 2023.

### STR Occupancy

Figure 8 illustrates the average annual occupancy rate for STRs in Mammoth Lakes from 2018 through September of 2023, as reported by AirDNA. These data clearly illustrate the significant increase in occupancy experienced within the STR sector with the onset of the pandemic in 2020. This is attributed to consumer preferences during the pandemic for socially distanced

accommodations, though it is notable that occupancy rates have remained elevated. Prior to the pandemic, STR occupancy rates averaged in the low 40 percent range, increasing to around 55 percent or higher post-pandemic.

**Figure 9: Average Nights Available and Occupied Per STR Listing, Mammoth Lakes, 2017 to Sept 2022**



Sources: AirDNA; Visit Mammoth Lakes; BAE, 2023.

Dividing the total number of available unit nights by the total number of listings returns the average number of available nights per listing. Likewise, dividing the total number of booked unit nights by the total number of booked listings returns the average number of booked nights. These figures are reported in Figure 9 and indicate that STR units in Mammoth Lakes were available for booking almost 85 percent of the calendar year in 2022, though units were booked around 50 percent of the year.<sup>7</sup> In 2023 there were 105

weekend days in the calendar. With an average STR being booked around 175 nights per year, the data imply that an average STR in Mammoth Lakes is more or less rented every weekend of the year, plus more than 75 weekdays throughout the year. Depending on the definition used, an average STR in Mammoth Lakes may be considered to be a full-time tourist accommodation unit, with some occasional secondary residential use.

<sup>7</sup> Please note that many STR owners and operators make units available for large portions of the year, book what they can, then use the property during un-booked times as a second home and/or private residence. Therefore the reported availability of STRs within the Mammoth market may be exaggerated in the data.

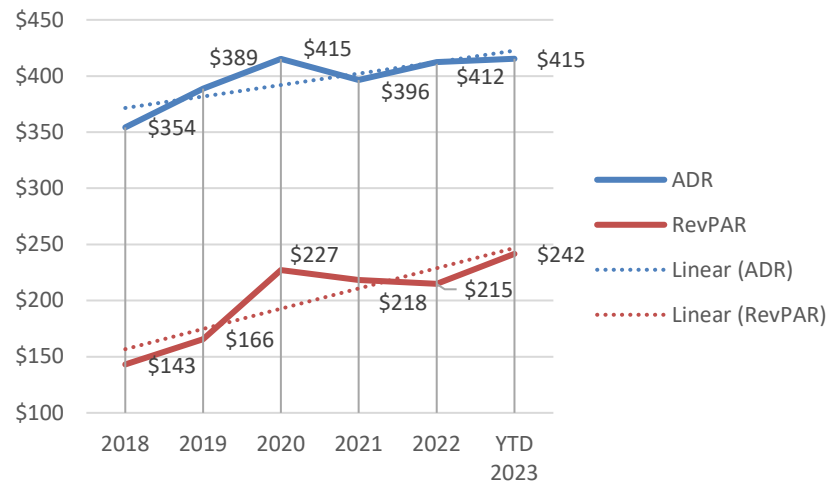
### STR Nightly Rates

Similar to the trend in STR occupancy described above, ADRs and RevPAR for STR units in Mammoth Lakes have increased fairly steadily since 2018, with modest decreases in 2021 and 2022 compared to 2020. As of September 2023, the ADR in Mammoth Lakes was \$415, which was equal to the 2020 peak.

RevPAR shows a similar trend, with 2023 RevPAR averaging \$242

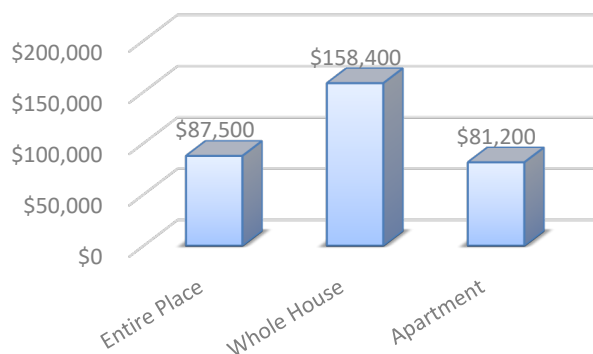
per unit, compared to a high of \$227 observed in 2020. Rates appear to have been relatively resilient in 2020, despite the pandemic, due to a decrease in the number of listings and

**Figure 10: Average Daily Rates (ADR) and Revenue Per Available Room Night (RevPAR), Mammoth Lakes, 2018 to Sept 2023**



Sources: AirDNA; Visit Mammoth Lakes; BAE, 2023.

**Figure 11: Average Gross Revenue per STR by Type, Mammoth Lakes, Nov 202 - Oct 2023**



Sources: AirDNA; BAE, 2023.

increase in occupancy compared to hotel units. According to key stakeholders, the decrease in listings was primarily driven by owners electing to use the units themselves during periods of social distancing. As of October 2023, RevPAR had increased to \$246.50 per available room night.

### Average STR Revenue

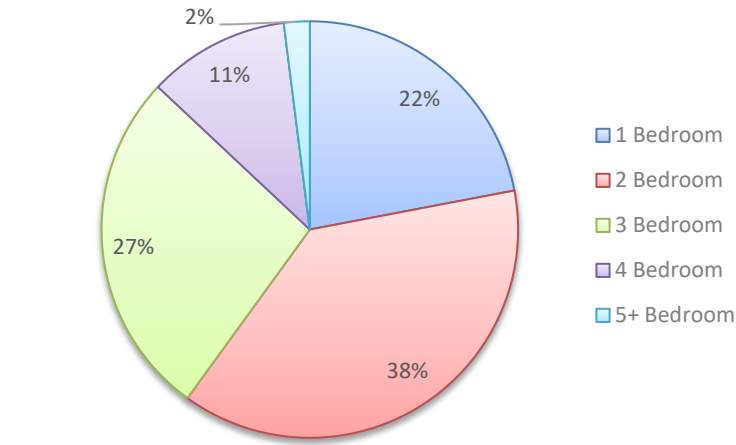
According to more recent estimates from AirDNA, the average STR listing between November 2022 and October

2023 generated \$87,300 in gross revenue over the 12-month period. As shown in Figure 11, whole house rentals averaged significantly greater revenue at \$158,400 in gross revenue compared to apartment units at \$81,200 in gross revenue.

### STR Unit Size

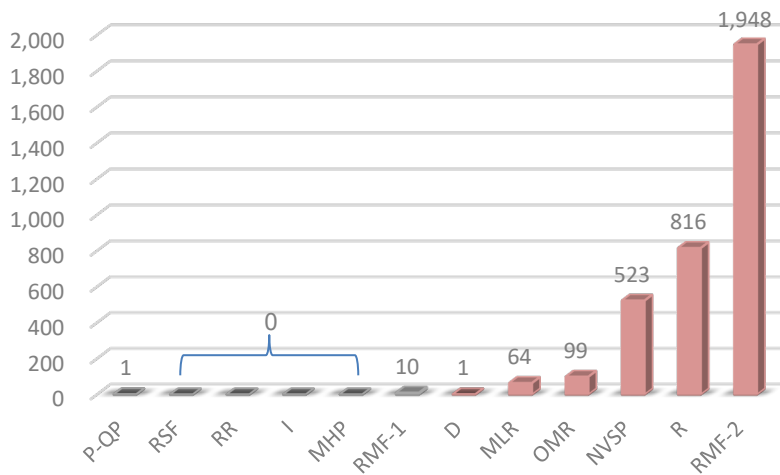
Figure 12 illustrates the distribution of STR listings by unit size. These data indicate that nearly 90 percent of all listings have three or fewer bedrooms. These data indicate that most units engaged in short-term renting would likely be functionally suitable for full-time occupancy by workforce households.

**Figure 12: STR Listings by Size, Mammoth Lakes, Nov 2023**



Sources: AirDNA; BAE, 2023.

**Figure 13: STRs with Schedule F TOT Certificates by Zone**



Sources: Town of Mammoth Lakes; BAE, 2023.

### Geographic

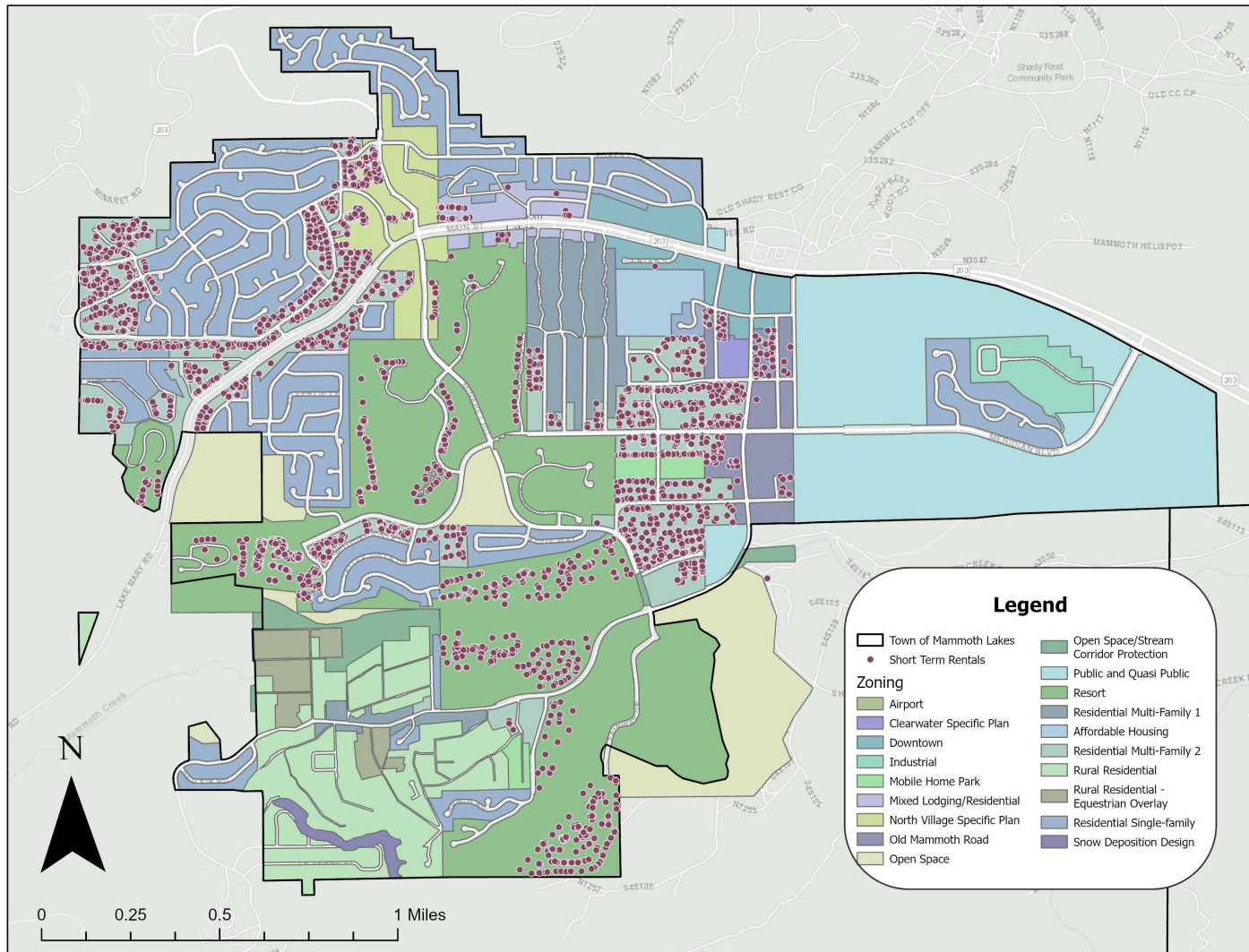
### Distribution

The Town of Mammoth Lakes currently allows new STRs to be established only within certain zoning districts, including the Downtown (D), Mixed Lodging/Residential (MLR), Old Mammoth Road (OMR), North Valley Specific Plan (NVSP), Resort (R), and Residential

Multifamily-2 (RMF-2) zones. There are also a number of existing permitted STRs in the Residential Multifamily-1 (RMF-1) and Public-Quasi Public (P-QP) zones. Figure 13 illustrates the relative concentration of permitted STRs within each zoning district. Figure 14 illustrates the relative concentration and distribution of permitted STRs throughout the community.



**Figure 14: STRs with Schedule F TOT Certificates and Town Zoning Districts, October 2023**



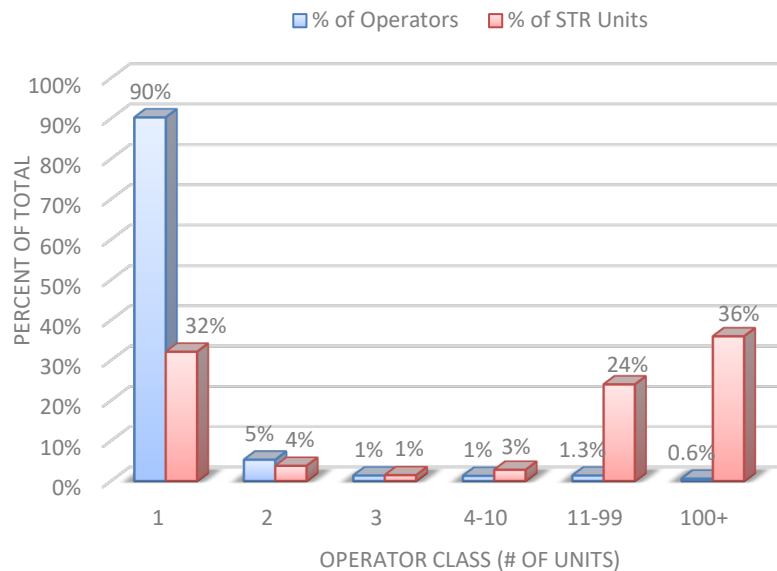
Sources: Town of Mammoth Lakes; BAE, 2023.



### Schedule F Operators

While the currently available data are insufficient to accurately characterize the prevalence of corporate ownership of STRs or the prevalence of owners with multiple STR units, the Town of Mammoth Lakes does maintain records related to Schedule F TOT certificates on the number of units operated by individual filers. Figure 15 illustrates that the STR market in Mammoth Lakes is largely bifurcated between small and large operators. The data indicate that nearly 90 percent of all operators have only one STR unit, though these operators manage only around one-third of the total STR inventory, or around 1,150 units in total. Mid-sized operators with 2-10 units represent only around eight percent of the market. Larger operators with 11-

**Figure 15: Percent of Schedule F TOT Certificate Operators and STRs by Management Class, Dec 2023**



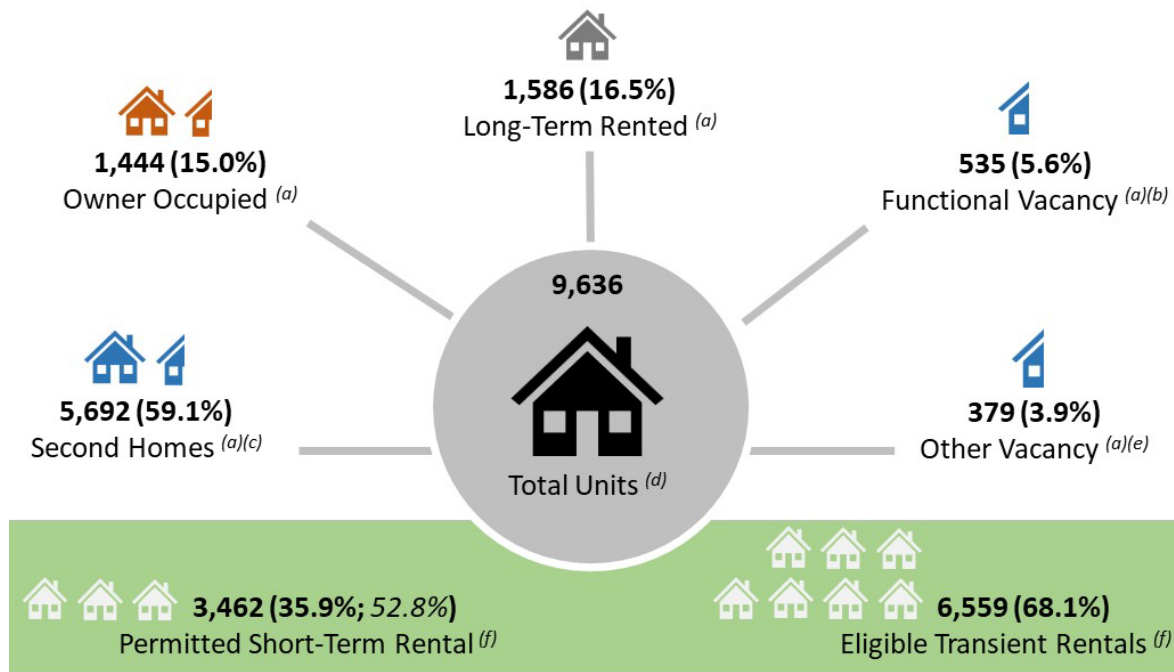
Sources: Town of Mammoth Lakes; BAE, 2023.

99 units meanwhile represent only 1.3 percent of operators, but account for nearly one-quarter of the STR inventory. The data indicate that there are only seven operators with more than 100 STR units, representing only 0.6 percent of operators, though these entities control around 36 percent of all STR units in Mammoth. On average, the largest operators manage almost 185 STR units each.

# HOUSING MARKET CONDITIONS AND TRENDS

The following section summarizes recent conditions and trends within the Mammoth Lakes housing market. The analysis is based primarily on data from the U.S. Census Bureau, the California Department of Finance, the Town of Mammoth Lakes, and local property managers.

**Figure 16: Housing Stock Utilization, Town of Mammoth Lakes**



**Notes:**

- (a) Based on the distribution of vacant housing units by type as reported in the 2020 Decennial Census, multiplied by the total number of housing units, as reported by the Town of Mammoth Lakes for 2022.
- (b) Includes units that are vacant as a result of being available for rent and for sale.
- (c) Includes units that are held vacant for seasonal and occasional use.
- (d) As reported by the Town of Mammoth Lakes for 2022.
- (e) Includes units that are rented or sold, but not yet reoccupied, as well as units held vacant for migrant workers, and units that fall into the Census Bureau's "other vacant" definition.
- (f) As reported by the Town of Mammoth Lakes as of December 2023.

Source: U.S. Census Bureau, 2020 Decennial Census; Town of Mammoth Lakes; BAE, June 2023.

## Housing Stock Utilization

As illustrated in Figure 16, above, the Town estimates that as of 2022, there were 9,636 housing units in Mammoth Lakes. Assuming that the distribution of housing units by tenure has remained the same as in 2020, BAE estimates that as of 2022 there would have been around 3,030 full-time occupied housing units (31.4 percent of the housing stock) in Mammoth Lakes, including 1,444 owner occupied units (15.0 percent) and 1,586 renter occupied units (16.5 percent). Of the remainder, 5,692 units (59.1 percent) were vacant for seasonal and occasional use. Another 535 units (5.6 percent) were vacant as a result of

actively being marketed for rent or for sale. The figure shows 379 units in the “other vacant” category, which includes units identified in the Census Bureau’s “vacant other” category, as well as units that have been sold or rented but not reoccupied and units held vacant for migrant workers. While not a perfect comparison, as of December 2023, the Town of Mammoth Lakes reported having 3,462 permitted short-term rentals, which represent around 35.6 percent of the total housing stock. The Town reports that there are 6,559 units eligible to be short-term rented under regulations, meaning that around 52.8 percent of eligible units were rented and 68.1 percent of the Town’s housing stock were eligible to rent.

**Table 4: Housing Occupancy and Vacancy Status, 2020 and 2020**

	2010		2020		Change 2010-2020	
	Number	Percent	Number	Percent	Number	Percent
<b>Town of Mammoth Lakes</b>						
<b>Occupied units</b>	<b>3,229</b>	<b>33.5%</b>	<b>2,934</b>	<b>31.4%</b>	<b>(295)</b>	<b>-9.1%</b>
Owner-Occupied	1,502	15.6%	1,398	15.0%	(104)	-6.9%
Renter-Occupied	1,727	17.9%	1,536	16.5%	(191)	-11.1%
<b>Vacant units</b>	<b>6,397</b>	<b>66.5%</b>	<b>6,396</b>	<b>68.6%</b>	<b>(1)</b>	<b>0.0%</b>
For rent	1,016	10.6%	487	5.2%	(529)	-52.1%
For sale only	54	0.6%	31	0.3%	(23)	-42.6%
Rented, not occupied	278	2.9%	130	1.4%	(148)	-53.2%
Sold, not occupied	11	0.1%	177	1.9%	166	1509.1%
For seasonal, rec, or occasional use	4,981	51.7%	5,511	59.1%	530	10.6%
For migrant workers	4	0.0%	4	0.0%	0	0.0%
Other vacant	53	0.6%	56	0.6%	3	5.7%
<b>Total Units</b>	<b>9,626</b>	<b>100%</b>	<b>9,330</b>	<b>100%</b>	<b>(296)</b>	<b>-3.1%</b>

	2010		2020		Change 2010-2020	
	Number	Percent	Number	Percent	Number	Percent
<b>Unincorporated Mono County</b>						
<b>Occupied units</b>	<b>2,539</b>	<b>59.2%</b>	<b>2,540</b>	<b>59.6%</b>	<b>1</b>	<b>0.0%</b>
Owner-Occupied	1,726	40.3%	1,719	40.4%	(7)	-0.4%
Renter-Occupied	813	19.0%	821	19.3%	8	1.0%
<b>Vacant units</b>	<b>1,747</b>	<b>40.8%</b>	<b>1,719</b>	<b>40.4%</b>	<b>(28)</b>	<b>-1.6%</b>
For rent	109	2.5%	80	1.9%	(29)	-26.6%
For sale only	64	1.5%	38	0.9%	(26)	-40.6%
Rented, not occupied	11	0.3%	20	0.5%	9	81.8%
Sold, not occupied	9	0.2%	28	0.7%	19	211.1%
For seasonal, rec, or occasional use	1,402	32.7%	1,398	32.8%	(4)	-0.3%
For migrant workers	17	0.4%	16	0.4%	(1)	-5.9%
Other vacant	135	3.1%	139	3.3%	4	3.0%
<b>Total Units</b>	<b>4,286</b>	<b>100%</b>	<b>4,259</b>	<b>100%</b>	<b>(27)</b>	<b>-0.6%</b>

Sources: U.S. Census Bureau, Decennial Census 2010 and 2020; BAE, 2023.

## Housing Vacancy Characteristics

Table 4 reports the distribution of housing units in the Town of Mammoth Lakes and unincorporated Mono County by occupancy and vacancy status, as reported by the 2010 and 2020 Decennial Census’. According to this data, the Town of Mammoth Lakes lost a net total of just under 300 housing units over the decade. The data also illustrate a notable shift away from full-time occupancy towards seasonal vacancy. More specifically, the Town added around 530 seasonally vacant housing units over the decade, which represents growth of around 10 percent. At the same time, the number of full-time occupied housing units decreased by almost 300, and the number of units available for rent and for sale also decreased. The number of owner-occupied housing units decreased by more than 100 and

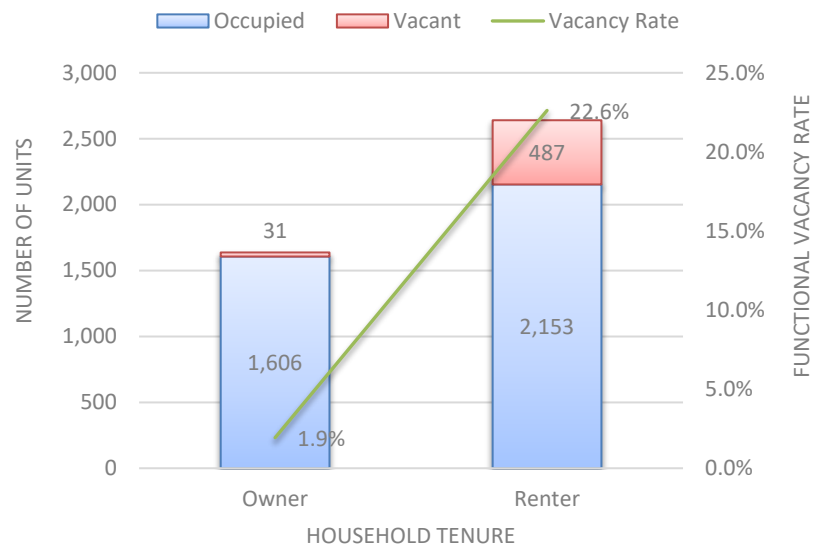
the number of units that were vacant because they were for sale also decreased. Meanwhile, the number of renter-occupied housing units decreased by more than 190, the number of units that were vacant for rent decreased by almost 530, and the number of units that were rented but not yet reoccupied decreased by almost 150. This implies that the inventory of housing available for rent decreased by almost 870 units over the decade.

### ***Functional Housing Vacancy Rate***

The functional housing vacancy rate is the percentage of the housing stock that is available for full-time occupancy. It is calculated by dividing the number of housing units that are available for sale or for rent by the total number of housing units that are occupied, available for rent or for sale, or

rented/sold but not yet occupied. Figure 17 illustrates the estimated functional vacancy rate according to the 2020 Decennial Census. This data indicates that within the ownership housing market, the functional vacancy rate was only around 1.9 percent in 2020. The functional vacancy rate within the rental market, by comparison, was closer to 22.6

**Figure 17: Occupied and Vacant Housing Units by Tenure with Functional Vacancy Rates, 2020**



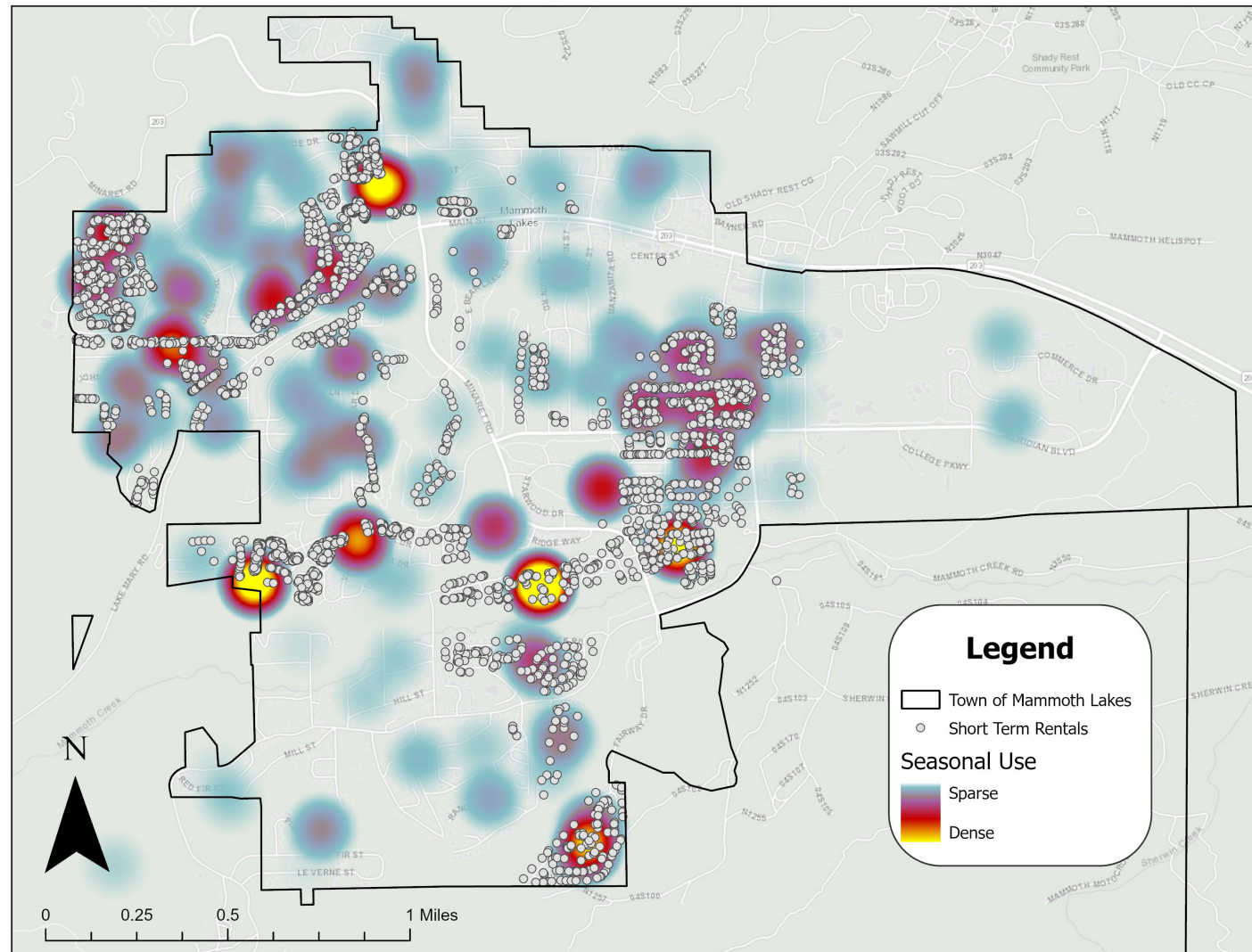
Sources: U.S. Census Bureau, 2020 Decennial Census; BAE, 2023.

percent, according to the Decennial Census, which included a total of 487 vacant rental units compared to a long-term rental inventory of 2,153 units. Discussions with local property managers indicates that the reported vacancy is likely a result of near-term changes in employment that occurred in 2020 as a result of the Governor's public health orders which resulted in the closure of Mammoth Mountain and many other businesses for much of 2020. Property managers indicated that the 2020 rental vacancy rate, therefore, is likely not representative of the of the current functional vacancy rate within the long-term rental market, which managers indicate is likely in the low single digits.

### ***Seasonal Vacancy Rate***

According to the U.S. Census Bureau, seasonal vacancy includes housing units that are vacant to allow for seasonal, recreational, or otherwise occasional use. As reported in Table 4, the

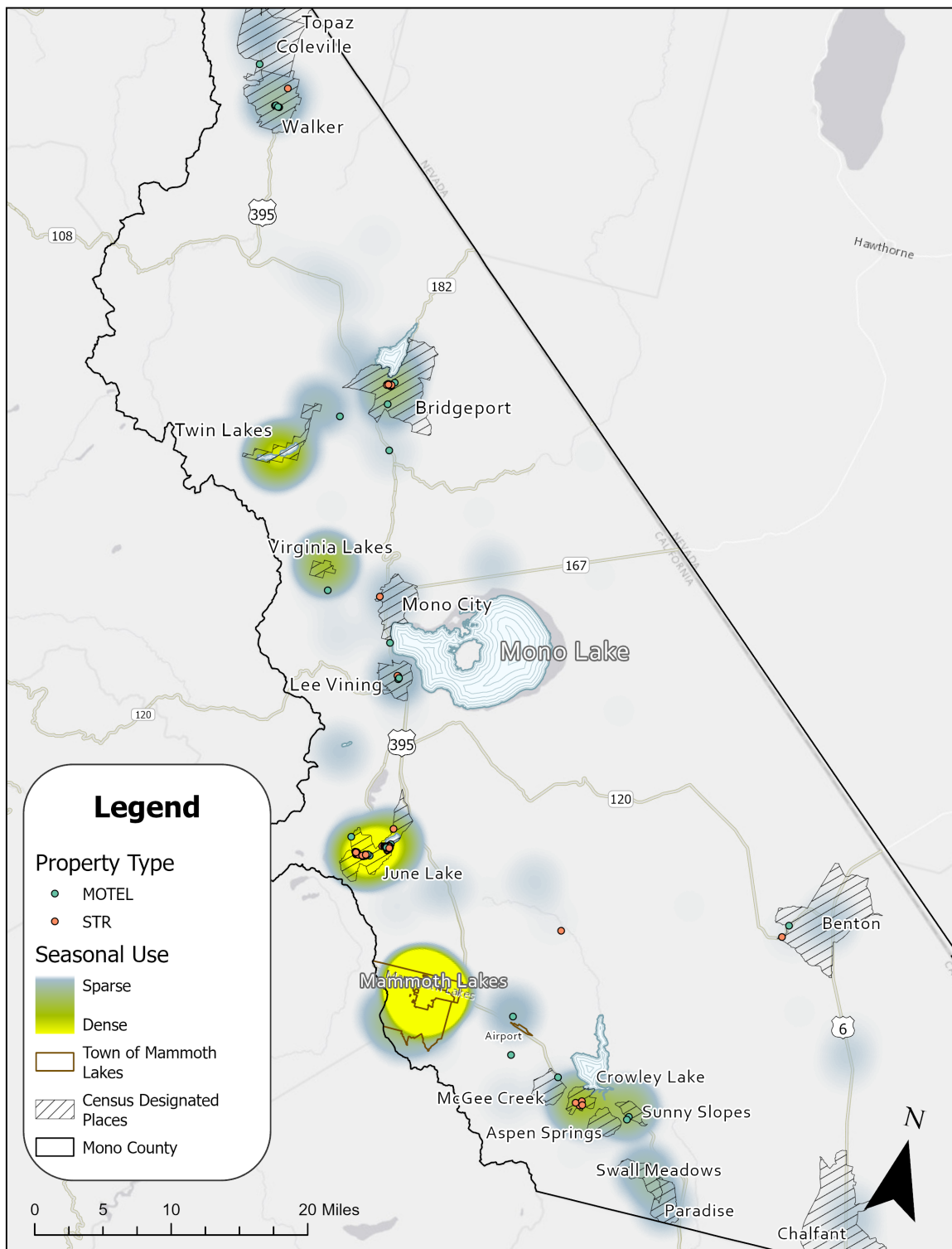
**Figure 18: Seasonal Vacant Housing Units, Town of Mammoth Lakes, 2020**



Sources: U.S. Census Bureau, 2020 Decennial Census; Town of Mammoth Lakes; BAE, 2023.



**Figure 19: Seasonal Vacant Housing Units, Mono County, 2020**



Sources: U.S. Census Bureau, 2020 Decennial Census; Mono County; BAE, 2023.

Town of Mammoth Lakes added 530 seasonally vacant units between 2010 and 2020, during a time when the total number of housing units decreased, resulting in an increase in the seasonal vacancy rate from 51.7 percent in 2010 to 59.1 percent in 2020. Over the same period, seasonal vacancy in unincorporated Mono County remained virtually unchanged. Though there are a variety of functional differences between housing in Mammoth Lakes compared to unincorporated Mono County, one of the key differences is the County's more burdensome approvals process for STRs, which requires dual discretionary approvals.

Figure 18 and Figure 19, above on pages 27 and 28, illustrate areas with relatively high concentrations of seasonally vacant housing, as reported by the 2020 Decennial Census at the Census Block level. According to this data, within the Town of Mammoth Lakes, the areas with the highest concentrations of seasonal vacancy include areas on the west side of Old Mammoth Road, parts of Meridian Boulevard, and the area to the north of Lake Mary Road. Throughout Mono County more broadly, the areas of highest seasonal vacancy include the Town of Mammoth Lakes and June Lake, as well as Virginia Lakes and Twin Lakes. There is also some seasonal vacancy concentrated near Crowley Lake and small amounts illustrated in Bridgeport and Walker. These areas also correspond with areas of higher STR concentration, though both second home and STR demand are correlated with proximity to tourist nodes.

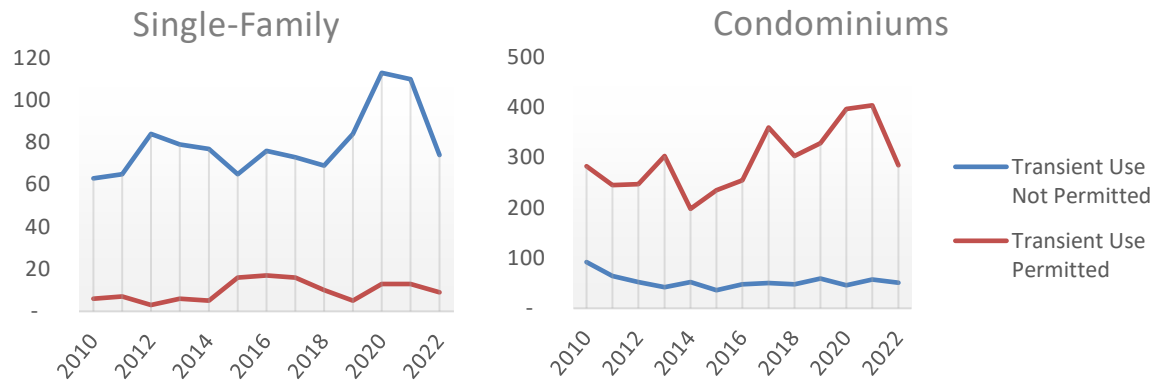
## **For-Sale Housing Prices**

Figures 20 through 22 illustrate for-sale home prices in Mammoth Lakes. The figures differentiate between homes sold in zoning districts that allow transient uses (i.e., STRs) versus those that do not. For a list of the zoning districts that allow and do not allow transient uses, please see Appendix C. Detailed tables on home sales are provided in Appendix D.

Detailed data on both single-family and condominium home sales from 2010 through 2022 indicate that units located within zones that allow transient uses consistently sold for more than units in areas that do not allow transient use. Though sales prices vary from year to year, single-family homes in transient use areas sold for an average of \$955,000 more than units in non-transient use zones between 2010 and 2019, which increased to a premium of \$1.6 million between 2020 and 2022. On a per square foot basis, single-family homes in transient use zones sold for an average of \$123 more than in non-transient zones, which increased to \$179 between 2020 and 2022 (the premium in 2022 was \$257 per square foot).

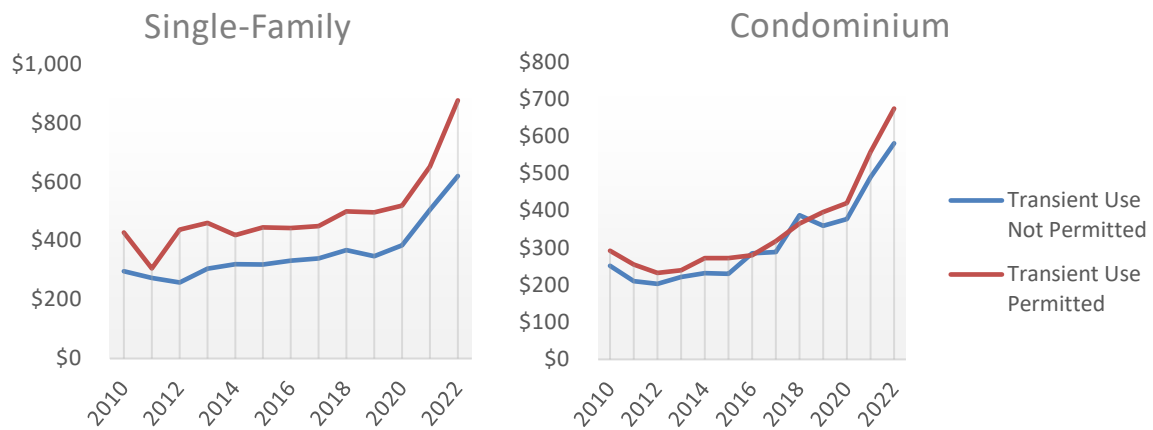
Condominium sales in transient use zones also sold for an average of \$20,550 more compared to non-transient use zones between 2010 and 2019, which increased to an average premium of around \$100,000 between 2020 and 2022. On a per square foot basis, condominium units in transient use zones sold for around \$25 more per square foot between 2010 and 2019, which increased to \$68 per square foot between 2020 and 2022 (the premium in 2022 was \$93 per square foot, with preliminary data \$112 in 2023).

**Figure 20: Single-Family and Condominium Sales Volumes (Units), 2010-2022**



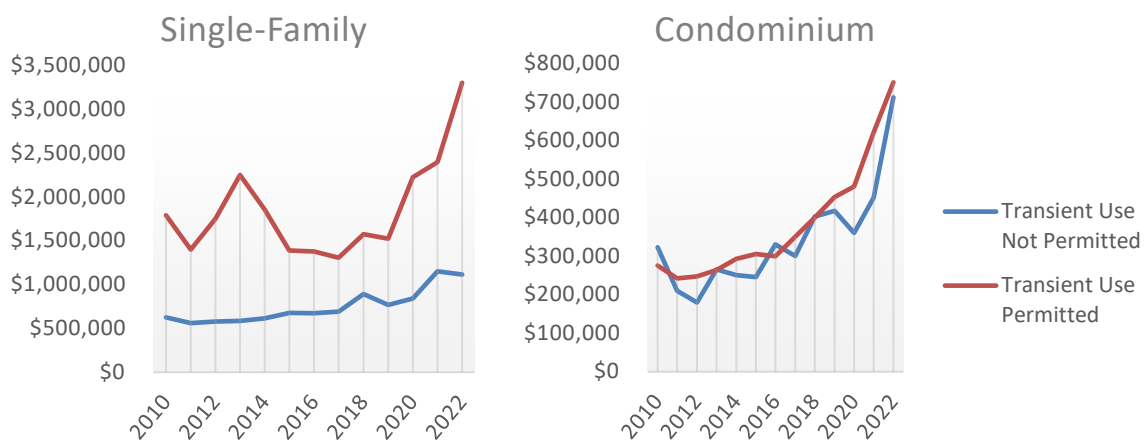
Sources: Town of Mammoth Lakes; BAE, 2023.

**Figure 21: Single-Family and Condominium Per Sq. Ft. Sales Prices, 2010-2022**



Sources: Town of Mammoth Lakes; BAE, 2023.

**Figure 22: Single-Family and Condominium Sales Prices, 2010-2022**



Sources: Town of Mammoth Lakes; BAE, 2023.



**Table 5: Affordable Home Purchase Prices, Town of Mammoth Lakes, 2023 (Page 1 of 2)**

2023 Income Limits (a)	Persons Per Household								
	One	Two	Three	Four	Five				
Acutely Low -Income (15% MFI)	\$10,050	\$11,500	\$12,900	\$14,350	\$15,500				
Extremely Low -Income (30% MFI)	\$17,850	\$20,400	\$24,860	\$30,000	\$35,140				
Very Low -Income (50% MFI)	\$29,750	\$34,000	\$38,250	\$42,500	\$45,900				
Low -Income (80% MFI)	\$47,600	\$54,400	\$61,200	\$68,000	\$73,450				
<b>Median Income (100% MFI)</b>	<b>\$67,050</b>	<b>\$76,650</b>	<b>\$86,200</b>	<b>\$95,800</b>	<b>\$103,450</b>				
Moderate-Income (120% MFI)	\$80,450	\$91,950	\$103,450	\$114,950	\$124,150				
MF Achievable (200% MFI)(b)	\$134,100	\$153,300	\$172,400	\$191,600	\$206,900				

<b>1-Person Household</b>	<b>Amount Avail. for Housing</b>	<b>Principal &amp; Interest</b>	<b>Property Insurance</b>	<b>Property Taxes</b>	<b>Mortgage Insurance</b>	<b>Total Monthly Payment</b>	<b>Down- Payment</b>	<b>Affordable Home Price</b>
Acutely Low -Income (15% MFI)	\$251	\$206	\$9	\$36	\$0	\$251	\$7,907	\$39,534
Extremely Low -Income (30% MFI)	\$446	\$366	\$15	\$64	\$0	\$446	\$14,050	\$70,248
Very Low -Income (50% MFI)	\$744	\$611	\$25	\$107	\$0	\$744	\$23,437	\$117,184
Low -Income (80% MFI)	\$1,190	\$978	\$41	\$172	\$0	\$1,190	\$37,486	\$187,432
Moderate-Income (120% MFI)	\$2,011	\$1,652	\$69	\$290	\$0	\$2,011	\$63,349	\$316,744
MF Achievable (200% MFI)	\$3,353	\$2,754	\$115	\$484	\$0	\$3,353	\$105,623	\$528,117

<b>2-Person Household</b>	<b>Amount Avail. for Housing</b>	<b>Principal &amp; Interest</b>	<b>Property Insurance</b>	<b>Property Taxes</b>	<b>Mortgage Insurance</b>	<b>Total Monthly Payment</b>	<b>Down- Payment</b>	<b>Affordable Home Price</b>
Acutely Low -Income (15% MFI)	\$288	\$237	\$10	\$42	\$0	\$288	\$9,072	\$45,362
Extremely Low -Income (30% MFI)	\$510	\$419	\$17	\$74	\$0	\$510	\$16,066	\$80,328
Very Low -Income (50% MFI)	\$850	\$698	\$29	\$123	\$0	\$850	\$26,776	\$133,880
Low -Income (80% MFI)	\$1,360	\$1,117	\$46	\$196	\$0	\$1,360	\$42,842	\$214,208
Moderate-Income (120% MFI)	\$2,299	\$1,889	\$79	\$332	\$0	\$2,299	\$72,421	\$362,106
MF Achievable (200% MFI)	\$3,833	\$3,149	\$131	\$553	\$0	\$3,833	\$120,744	\$603,720

<b>3-Person Household</b>	<b>Amount Avail. for Housing</b>	<b>Principal &amp; Interest</b>	<b>Property Insurance</b>	<b>Property Taxes</b>	<b>Mortgage Insurance</b>	<b>Total Monthly Payment</b>	<b>Down- Payment</b>	<b>Affordable Home Price</b>
Acutely Low -Income (15% MFI)	\$323	\$265	\$11	\$47	\$0	\$323	\$10,175	\$50,874
Extremely Low -Income (30% MFI)	\$622	\$511	\$21	\$90	\$0	\$622	\$19,594	\$97,969
Very Low -Income (50% MFI)	\$956	\$785	\$33	\$138	\$0	\$956	\$30,115	\$150,576
Low -Income (80% MFI)	\$1,530	\$1,257	\$52	\$221	\$0	\$1,530	\$48,197	\$240,984
Moderate-Income (120% MFI)	\$2,586	\$2,124	\$88	\$373	\$0	\$2,586	\$81,462	\$407,310
MF Achievable (200% MFI)	\$4,310	\$3,540	\$147	\$622	\$0	\$4,310	\$135,770	\$678,850

Sources: HCD; California Department of Insurance, Homeowners Premium Survey; BAE, 2023.

**Table 5: Affordable Home Purchase Prices, Town of Mammoth Lakes, 2023 (Page 2 of 2)**

<b>4-Person Household</b>	<b>Amount Avail. for Housing</b>	<b>Principal &amp; Interest</b>	<b>Property Insurance</b>	<b>Property Taxes</b>	<b>Mortgage Insurance</b>	<b>Total Monthly Payment</b>	<b>Down- Payment</b>	<b>Affordable Home Price</b>
Acutely Low -Income (15% MFI)	\$359	\$295	\$12	\$52	\$0	\$359	\$11,309	\$56,545
Extremely Low -Income (30% MFI)	\$750	\$616	\$26	\$108	\$0	\$750	\$23,626	\$118,129
Very Low -Income (50% MFI)	\$1,063	\$873	\$36	\$153	\$0	\$1,063	\$33,486	\$167,429
Low -Income (80% MFI)	\$1,700	\$1,396	\$58	\$245	\$0	\$1,700	\$53,552	\$267,760
Moderate-Income (120% MFI)	\$2,874	\$2,361	\$98	\$415	\$0	\$2,874	\$90,534	\$452,672
MF Achievable (200% MFI)	\$4,790	\$3,935	\$164	\$692	\$0	\$4,790	\$150,891	\$754,453

<b>5-Person Household</b>	<b>Amount Avail. for Housing</b>	<b>Principal &amp; Interest</b>	<b>Property Insurance</b>	<b>Property Taxes</b>	<b>Mortgage Insurance</b>	<b>Total Monthly Payment</b>	<b>Down- Payment</b>	<b>Affordable Home Price</b>
Acutely Low -Income (15% MFI)	\$388	\$319	\$13	\$56	\$0	\$388	\$12,222	\$61,112
Extremely Low -Income (30% MFI)	\$879	\$722	\$30	\$127	\$0	\$879	\$27,690	\$138,448
Very Low -Income (50% MFI)	\$1,148	\$943	\$39	\$166	\$0	\$1,148	\$36,163	\$180,817
Low -Income (80% MFI)	\$1,836	\$1,508	\$63	\$265	\$0	\$1,836	\$57,836	\$289,181
Moderate-Income (120% MFI)	\$3,104	\$2,550	\$106	\$448	\$0	\$3,104	\$97,780	\$488,898
MF Achievable (200% MFI)	\$5,173	\$4,249	\$177	\$747	\$0	\$5,173	\$162,955	\$814,777

<b>Ownership Cost Assumptions</b>	
% of Income for Housing Costs	30% of gross annual income
<b>Mortgage Terms</b>	
Down payment	20% of home value
Annual interest rate (b)	6.8% fixed
Loan term	30 years
Annual property tax rate (c)	1.10% of home value
Annual homeowners insurance (d)	0.26% of home value

**Notes:**

- (a) Income limits are based on the CA Department of Housing and Community Development-adjusted median family income of \$95,800 (\$2023).  
(b) Based on an average interest rate in November 2023.  
(c) Based on the tax rate area 051-027.  
(d) Based on an average of quoted insurance premiums from the Homeowners Premium Survey.

Sources: HCD; California Department of Insurance, Homeowners Premium Survey; BAE, 2023.

### ***Affordable Home Purchase Price***

Table 5, above, reports affordable home purchase prices in Mammoth Lakes based on data from the California Department of Housing and Community Development (HCD) and area mortgage brokers. Assuming a 20 percent downpayment and an interest rate of 6.8 percent, the estimated income needed to afford condominium unit priced around the median (\$711,200 in 2022) would be around \$180,000 per year, which is equal to almost 190 percent of the area median family income (MFI) as estimated by the California Department of Housing and Community Development. Notably, at this pricing level, the median condominium unit would fall under the 2023 conforming loan limits for Mono County.

The calculations reported in the table assume a 20 percent downpayment, which would require the purchaser to provide \$142,240 up front. This is likely to be a challenge for many workforce households. Decreasing the downpayment amount to five percent of the purchase price would decrease the downpayment requirement to only \$35,560, but would increase the monthly payment to nearly \$5,200, which would require an income of nearly \$208,500 per year, or 218 percent of the area MFI. Downpayment assistance programs are available, though many are associated with State and Federal funding sources which can have strict eligibility requirements that often preclude middle-income households from participating.

Homeowners' association (HOA) dues and special assessments are also an important factor in the relative affordability of multifamily condominium units. According to local property managers and HOA representatives, typical HOA dues can range from \$300 to \$600 per month. Also, as many of the condominium properties in Mammoth are quite old, many condominium property owners are also subject to additional special assessments that were imposed to help cover costs associated with significant repairs, such as roof replacements, that were not fully covered by the association's replacement reserve.

Single-family for-sale housing is largely out of reach of area workforce households, with an income of more than 290 percent of the area MFI needed to afford a median priced home.

### **Rental Housing Prices**

Based on outreach conducted with area property management companies, BAE identified 236 rental housing listings, with only eight vacancies, which represents a vacancy rate of 3.8 percent. Table 6 reports a total of four available rentals in units with two or fewer bedrooms,

**Table 6: Market Rate Rental Listings, Town of Mammoth Lakes, December 2023**

Unit Size	Count	Average \$/Month		Vacancy	
		Per Unit	Per Bdrm	Number	Rate
Studio	39	\$1,091	\$1,091	1	2.6%
One Bedroom	54	\$1,506	\$1,506	1	1.9%
Two Bedroom	71	\$1,976	\$988	2	2.8%
Three Bedroom	19	\$2,694	\$898	1	5.3%
Four Bedroom	6	\$4,725	\$1,181	2	33.3%
Five Bedroom	1	\$4,250	\$850	0	0.0%
Unknown	46	n.a.	n.a.	1	2.2%
<b>All Units</b>	<b>236</b>	<b>\$1,633</b>	<b>\$1,084</b>	<b>8</b>	<b>3.4%</b>

Sources: Mammoth Lakes Area Property Managers; BAE, 2023.

which equals a vacancy rate of less than 2.5 percent. Due to limited inventory, the three vacancies identified in units with three or more bedrooms result in exaggerated vacancy rates. Table 6, above, further reports that the average monthly rent in Mammoth Lakes is \$1,633 per month, or just under \$1,100 per bedroom per month. Per bedroom rents in larger shared rental units are generally lower than for studio or one-bedroom units.

### ***Affordable Rental Rates***

Table 7, on the following page, reports the rental rates that may reasonably be considered affordable at different income levels. Compared to the data provided in Table 6, the average market rate rental in Mammoth Lakes could be considered affordable to low-income households, though the larger the unit the less affordable the unit becomes on average.

### ***HUD Defined Housing Problems***

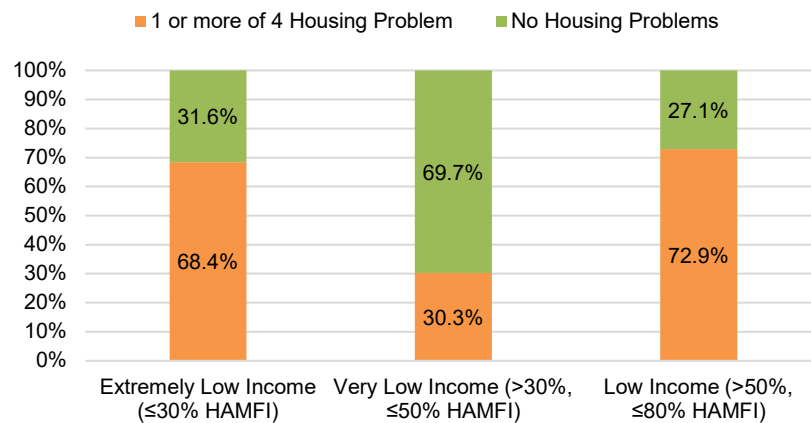
Although market rate rental rates appear to be relatively affordable at lower-income levels, data published by the U.S. Department of Housing and Urban Development (HUD) indicate that almost three-quarters of low-income households in Mammoth Lakes experience at least one of the four HUD defined housing problems, which include overpayment, overcrowding, and/or inadequate kitchen or bathroom facilities. Given the community's reliance on service sector employment,

overpayment represents the most common of the four

HUD defined housing problems.

Interestingly, the data show a relatively low prevalence of housing problems among very low-income households, which is explained by the presence of income-restricted housing complexes in Mammoth Lakes.

**Figure 23: Prevalence of HUD Defined Housing Problems, 2016-2020 Five-Year Sample**



Note: HAMFI stands for HUD Area Median Family Income.

Sources: U.S. Department of Housing and Urban Development, 2016-2020 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2023.

**Table 7: Affordable Rental Rates, Town of Mammoth Lakes, 2023**

<b>2023 Income Limits (a)</b>	<b>Persons Per Household</b>				
	<b>One</b>	<b>Two</b>	<b>Three</b>	<b>Four</b>	<b>Five</b>
Acutely Low -Income (15% MFI)	\$10,050	\$11,500	\$12,900	\$14,350	\$15,500
Extremely Low -Income (30% MFI)	\$17,850	\$20,400	\$24,860	\$30,000	\$35,140
Very Low -Income (50% MFI)	\$29,750	\$34,000	\$38,250	\$42,500	\$45,900
Low -Income (80% MFI)	\$47,600	\$54,400	\$61,200	\$68,000	\$73,450
<b>Median Income (100% MFI)</b>	<b>\$67,050</b>	<b>\$76,650</b>	<b>\$86,200</b>	<b>\$95,800</b>	<b>\$103,450</b>
Moderate-Income (120% MFI)	\$80,450	\$91,950	\$103,450	\$114,950	\$124,150

<b>Affordable Rents (b)</b>	<b>Unit Size</b>				
	<b>Studio</b>	<b>1-Bedroom</b>	<b>2-Bedroom</b>	<b>3-Bedroom</b>	<b>4-Bedroom</b>
<b>Acutely Low Income</b>					
1-Person	\$110	\$87			
2-Person		\$124	\$77		
3-Person			\$112	\$67	
4-Person			\$148	\$103	\$52
5-Person				\$132	\$81
<b>Extremely Low Income</b>					
1-Person	\$305	\$282			
2-Person		\$346	\$299		
3-Person			\$411	\$366	
4-Person			\$539	\$494	\$443
5-Person				\$623	\$572
<b>Very Low Income</b>					
1-Person	\$603	\$580			
2-Person		\$686	\$639		
3-Person			\$745	\$700	
4-Person			\$852	\$807	\$756
5-Person				\$892	\$841
<b>Low</b>					
1-Person	\$1,049	\$1,026			
2-Person		\$1,196	\$1,149		
3-Person			\$1,319	\$1,274	
4-Person			\$1,489	\$1,444	\$1,393
5-Person				\$1,580	\$1,529
<b>Moderate</b>					
1-Person	\$1,870	\$1,847			
2-Person		\$2,135	\$2,088		
3-Person			\$2,375	\$2,330	
4-Person			\$2,663	\$2,618	\$2,567
5-Person				\$2,848	\$2,797

**Notes:**

(a) Income limits are based on the CA Department of Housing and Community Development-adjusted median family income of \$95,800 (\$2023).

(b) Affordable rents equal to 30 percent of gross monthly income, minus a utility allowance. The utility allowance is published by Stanislaus Regional Housing Authority (as referred to by Eastern Sierra Community Housing) in 2023. Utility allowance estimated assume that all heating, cooking, and water heating would be done using propane. Other electricity usage is also included, accounting for lighting, refrigeration, and small appliances.

Sources: CA Department of Housing and Community Development; Eastern Sierra Community Housing and Stanislaus Regional Housing Authority; BAE, 2023.

# Near-Term Migration Trends

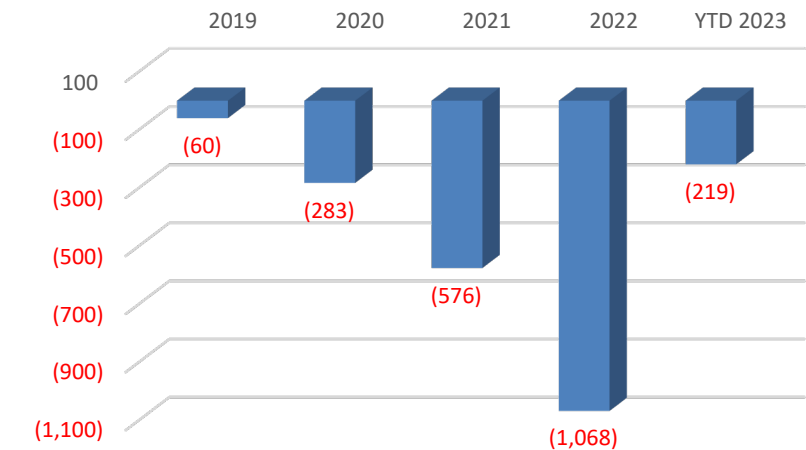
The following section summarizes the available information regarding population and household migration trends, with a focus on the period from 2020 and 2023.

## Household Relocation Trends

To provide a more thorough evaluation of recent in- and out-migration patterns in Mammoth Lakes, BAE downloaded publicly available data published by the U.S. Postal Service (USPS) regarding change of address requests by ZIP Code. BAE then sorted the data to highlight records for individuals, households, and businesses that filed change of address requests for moves either into, or out of, area ZIP Codes areas between 2019 and October 2023. The data include breakouts for temporary and permanent change of address requests filed by businesses, households, and individuals.

Recognizing the purpose of this analysis, which is to assess pandemic induced population and household change, BAE made the assumption that business change of address requests are most likely associated with permanent moves. Therefore, BAE then subtracted the reported number of business change of address requests from the total number of permanent change of address requests to estimate the total number of permanent residential change of address requests. BAE then subtracted the total number of residential requests for those moving out of the study area ZIP Codes from those moving in to estimate the net change.

**Figure 24: U.S. Postal Service Change of Address Requests for ZIP Code 93546, 2019 to July 2022**



Sources: U.S. Postal Service, National Change of Address Dataset; BAE, 2023.

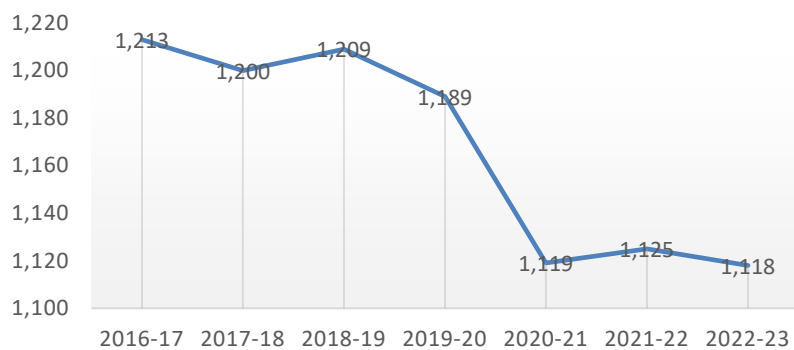
relocations, which increased further in 2021 to 576 outgoing households and to nearly 1,070 outgoing households in 2022. The outflow slowed as of late 2023, with a net outflow of 219 permanent relocations (see Appendix E for more information).

Figure 24 illustrates that the 93546 ZIP Code, which represents the broader Mammoth Lakes area, experienced a net outflow of 60 permanent relocations in 2019. The pace of migration increased with onset of the pandemic in 2020, with a net outflow of 283 permanent

### Countywide School Enrollment

Data collected from the California Department of Education (CDE) indicates that enrollment in the Mammoth Unified School District decreased sharply during the 2019-2020 and 2020-2021 academic years, with a cumulative loss of around 90 students, who have not returned.

**Figure 25: K-12 School Enrollment, Mammoth Unified School District, 2016-17 to 2022-23**



Sources: California Department of Education, DataQuest, Enrollment Multi-Year Summary by Grade: BAE, 2023.

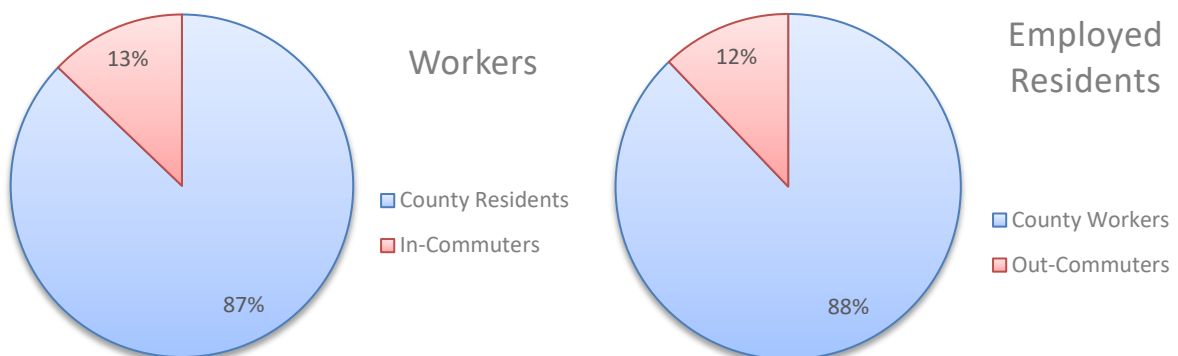
Additional data for the Eastern Sierra Unified School District, as well as the Jan Work and Sawtooth Ridge Community Schools indicate that the county as a whole experienced a net loss of just over 100 K-12 students with the pandemic, with enrollment having yet to fully recover.

### Labor Force Trends

#### *In- and Out-Commuting*

Due to its comparatively remote location, communities in Mono County must predominantly rely on the existing resident labor force to meet workforce needs. Data from the 2020 five-year American Community Survey (ACS), the most recent data available, indicate that there were 8,162 persons on average employed in Mono County, with 87 percent also living within the county, and only 13 percent commuting into the county from outside. In-commuters primarily originate from the neighboring communities of Inyo County in California and Douglas County in Nevada. By comparison, the County had an average of 8,095 employed residents, again with around 88 percent working within the community and 12 percent commuting out.

**Figure 26: In- and Out-Commuter Rates, Mono County, 2016-2020 ACS**

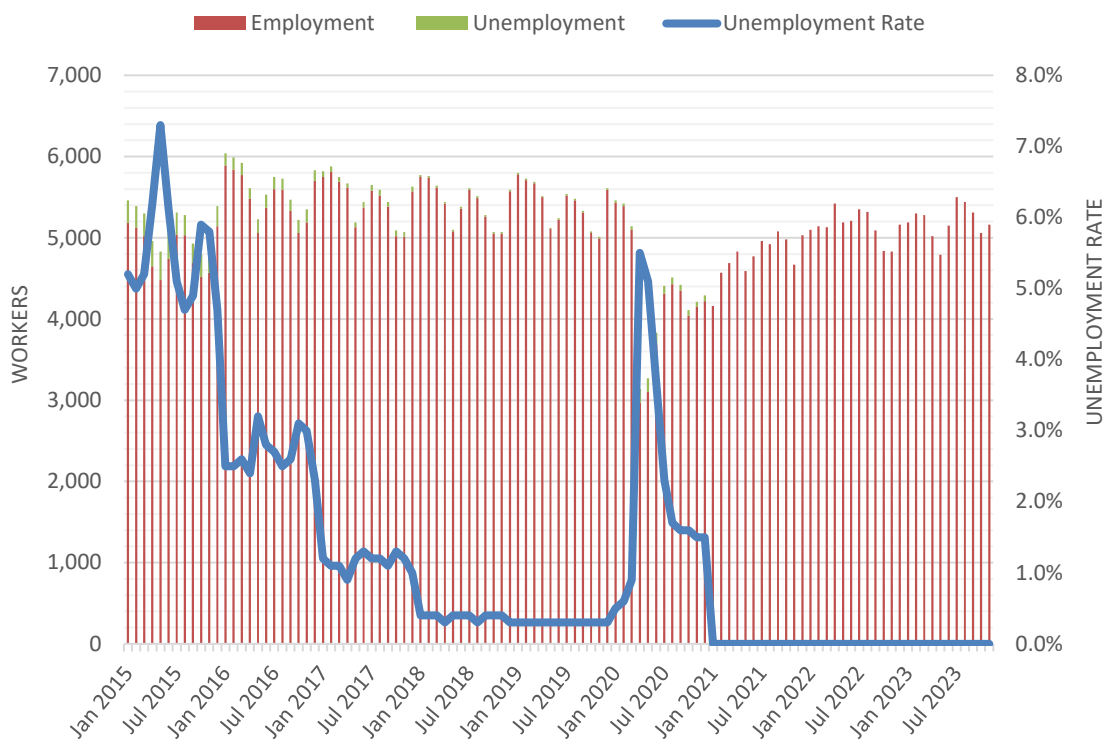


Sources: U.S. Census Bureau, 2016-2020 American Community Survey (ACS); BAE, 2023.

### ***Labor Force Availability***

Due to their remote location and increasing cost of living, both the Town of Mammoth Lakes and Mono County have experienced significant declines in labor force availability in recent years. Figure 26 illustrates monthly employment and unemployment trends, including the unemployment rate, in Mammoth Lakes from January 2015 through October 2023. The data indicate that total labor force availability remained relatively stable at 5,000 to 6,000 workers between 2015 and 2019, though the unemployment rate decreased significantly from six to seven percent in 2015 to three percent in 2017 to less than 0.5 percent in 2018. Between April and May of 2020, corresponding with the Governor's pandemic-era public health orders and closure of Mammoth Mountain, the total labor force in Mammoth Lakes dropped to only 3,140 workers. While the total labor force recovered to between 4,000 and 5,000 workers in 2020 and 2021, the reported number of unemployed workers remained quite low and, as of January 2021, declined to zero, where it has reportedly remained through October 2023.

**Figure 27: Employment and Unemployment Trends, Town of Mammoth Lakes, Jan 2015 through Oct 2023**



Sources: California Employment Development Department (EDD); BAE, 2023.



## INDUCED WORKFORCE HOUSING DEMAND

The following section estimates demand for workforce housing created as a result of STR occupancy and associated visitor spending. Data for this analysis were primarily collected from the 2022 *The Economic Impact of Travel: California* report prepared by Dean Runyan and Associates on behalf of Visit California.<sup>8</sup> Additional data regarding average occupancy for STRs located in the Town of Mammoth Lakes were collected from AirDNA and *Visit Mammoth*.

According to Dean Runyan, out-of-town visitors to Mono County spent approximately \$580.6 million within the county in 2022. This spending supported an estimated 5,990 jobs, including direct, indirect, and induced employment.<sup>9</sup> This equals an average of nearly \$96,928 in visitor spending per supported job. Dean Runyan estimates that visitor spending associated with travelers staying overnight in hotel, motel, and vacation rental accommodations in Mono County totaled roughly \$424.8 million in 2022. Applying the jobs multiplier derived from all visitor spending, BAE estimates that visitor spending associated with people staying in hotel, motel, and vacation rental accommodations supported around 4,380 jobs, or around 73 percent of all jobs supported by destination visitor spending in Mono County. Dean Runyan further reports that the 2022 visitor spending and employment impact figures were based on an estimate of 662,159 total occupied room nights in hotel, motel, and vacation rental properties.<sup>10</sup> This implies a multiplier of 151 occupied room nights per supported job.

According to AirDNA, a private data vendor, the average STR in Mammoth Lakes was rented for 174 nights during calendar year 2023. BAE estimates that the average STR therefore supports around 1.2 jobs across the economy. Assuming 1.65 workers per household, based on data from the U.S. Census Bureau's Public Use Microdata Sample (PUMS), BAE estimates that the Town of Mammoth Lakes may experience demand for 0.7 new workforce housing units for each new STR that enters the market on average, as reported in Table 8.

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<sup>8</sup> Dean Runyan and Associates. (April 2023). *The Economic Impact of Travel: California, 2022p (Preliminary)*. Prepared for Visit California. Available at: <https://industry.visitcalifornia.com/research/economic-impact>

<sup>9</sup> Direct employment represents jobs that are immediately supported by visitor spending, such as the hotel concierge and restaurant servers. Indirect employment represents jobs that are secondarily supported by visitor spending, such as grocery store suppliers, maintenance professionals, and other local area goods producers and service providers. Induced impacts are generated by households with earned income re-spending those dollars within the community on everyday goods and services.

<sup>10</sup> This figure is not reported in the 2022 travel impacts report, but was provided by Dean Runyan in an interview with BAE staff.

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**Table 8: Workforce Housing Demand Induced by New STRs, Town of Mammoth Lakes, 2022**

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**Visitor Spending Per Job Supported**

Destination Spending, Total (a)	\$580,600,000
Supported Jobs, Total (b)	5,990
<b>Spending Per Job Supported</b>	<b>\$96,928</b>

**Visitor Spending by Accommodation Type**

Hotel, Motel, Vacation Rental (c)	\$424,800,000
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**Jobs Supported by Accommodation Type**

Hotel, Motel, Vacation Rental (d)	4,383
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**Visitor Nights by Accommodation Type**

Hotel, Motel, Vacation Rental (e)	662,159
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**Visitor Nights Per Job Supported**

Hotel, Motel, Vacation Rental (f)	151
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**STRs Per Workforce Unit Demanded**

Ave. Occ. Nights Per Year (g)	174
Jobs Per Average STR (h)	1.2
Workers Per Workforce Household (i)	1.65
Workforce Units Demanded per STR (j)	0.70

**Notes:**

- (a) Includes all types of spending that occur at the destination, excluding spending for ground transportation and air travel impacts that accrue to other California visitor destinations, travel arrangement services and convention/trade show services.
- (b) Excludes employment impacts associated with other Travel, such as ground transportation and air travel impacts for travel to other California visitor destinations, travel arrangement services and convention/trade shows services.
- (c) Includes all destination spending associated with visitors staying in hotel, motel, and vacation rental accommodations
- (d) Equal to the total destination spending for travelers staying in hotel, motel, and vacation rental accommodations divided by the average visitor spending per job supported for the tourism industry in Mono County.
- (e) Equal to the total visitor nights for travelers staying in hotel, motel, and vacation rental accommodations, as reported by Dean Runyan through personal communication with BAE Urban Economics.
- (f) Equal to the total visitor nights for travelers staying in hotel, motel, and vacation rental accommodations divided by the total number of jobs supported by destination spending for travelers staying in said accommodations.
- (g) As reported by AirDNA, a private data vendor, in data provide to Visit Mammoth and the Town of Mammoth Lakes.
- (h) Equal to the average occupied nights per year for STRs in the Town of Mammoth Lakes divided by the average visitor nights per supported job in Mono County.
- (i) Equal to the average number of workers per household as reported in the U.S. Census Bureau's Public Use Microdata Sample (PUMS) for the Public Use Microdata Area (PUMA) covering Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne counties.
- (j) Equal to the average number of STRs per unit of workforce housing demanded.

Source: Dean Runyan, The Economic Impact of Travel - California 2022p; Dean Runyan, Personal Communication; AirDNA and Visit Mammoth; BAE, 2023.

# PEER COMMUNITY REGULATORY APPROACHES

To provide additional insight into some of the ways that the Town of Mammoth Lakes could approach the possible updates to the existing STR regulatory framework, this study includes an overview of the Town's current regulations pertaining to STRs, as well as the regulatory approaches enacted by 17 peer communities. The peer communities reviewed for this research include ten jurisdictions in California, including:

- City of Morro Bay
- City of Santa Cruz
- City of South Lake Tahoe
- Town of Truckee
- El Dorado County
- Mariposa County
- Mono County
- Placer County
- Santa Cruz County
- Sonoma County

The analysis also considers seven out-of-state jurisdictions, including:

- Crested Butte, Colorado
- Durango, Colorado
- Steamboat Springs, Colorado
- Moab, Utah
- Park City, Utah
- Washington County, Utah
- Bar Harbor, Maine

This section provides a summary of the approaches that these jurisdictions have taken to addressing several key regulatory issues related to STRs. The discussion is organized by main theme, including a review of jurisdictions that implement:

- Various definitions of short-term or vacation rentals;
- Caps on the number of STRs that may be permitted;
- Geographic carve-outs and STR density limitations;
- Exemptions for owner occupied housing and hosted rentals;
- Variations in the local application processes and procedures;
- Initial and ongoing inspection requirements;
- Nuisance mitigation programs and enforcement penalties;
- Policies limiting fractional ownership;
- Ties to complementary policies and programs.

## Existing Mammoth Lakes Regulations

STRs are primarily regulated under Chapter 5.40 of the Town of Mammoth Lakes Code of Ordinances. The chapter is primarily intended to mitigate nuisance issues, such as traffic, noise, and trash, as well as ensure that adequate health and safety precautions are taken. The chapter refers to the Title 17 – Zoning Code which regulates the zoning districts in which transient uses, including short-term renting, are permitted, as well as Sections 5.04 and 3.12, which regulate issuance of Business Tax Certificates and Transient Occupancy Tax Certificates. The following is a brief description of key themes within the existing regulatory framework.

### ***Definition of a Short-Term Rental or Vacation Rental***

Under Section 5.40.030, the Town of Mammoth Lakes provides the following definitions:

#### *“Transient Rental”*

Means a residential structure, which is occupied, or intended or designed for occupancy for a period of thirty consecutive days or less in exchange for a fee or other consideration.

#### *“Transient Occupancy Facility”*

This definition includes all places or structures intended or designed for occupancy by transients, including hotel, hotel-motel, lodge, inn, apartment, condominium, triplex or duplex, single-family residence, mobile home, etc., but excludes most forms of group quarters accommodations, such as hospitals and convalescent homes.

#### *“Operator”*

The operator of a property includes the legal owner of the transient occupancy facility, but also includes any person with a legal right to receive or collect money, as for rent for the occupancy of the transient occupancy facility by transients, including any person acting on the authority of the owner by reason of lease, mortgage, contract, license, or similar legal right to receive or collect rent.

#### *“Residential Property”*

Means any single- or multiple-family dwelling units, duplexes, guesthouses, caretaker units, or other dwelling unit or structure located on one or more contiguous lots of record in any of the zoning districts in Title 17 which allow residential uses, but explicitly does not include condominium properties that specifically designed to function as hotels (i.e., condotels) with centralized management.

### ***Caps on the Number of STRs That May Be Permitted***

The Town of Mammoth Lakes does not restrict the number of STRs that may be established beyond restrictions on which zoning districts allow transient use, as discussed below.

### ***Geographic Carve-Outs and STR Density Limitations***

Measure Z, passed in 2008, amended the Town of Mammoth Lakes General Plan to prohibit transient use of single-family homes in the Residential Single-Family (RSF), Rural Residential (RR), and Residential Multi-Family-1 (RMF-1) zoning districts and imposed a voter approval requirement for changes to those provisions. Chapter 17 of the Municipal Code also prohibits transient use of residential property in the Affordable Housing Overlay (AH) and Mobile Home Park (AHP) zones, but does allow transient use within other more tourism-oriented zones.

**Table 9: Transient Use Allowances by Zoning District**

Zoning District (Title 17)	Transient Use Allowed	Transient Use Prohibited
RR Rural Residential		X
RSF Residential Single Family		X
RMF-1 Residential Multi-Family-1		X
AH Affordable Housing Overlay		X
MHP Mobile Home Park		X
RMF-2 Residential Multi-Family-2	X	
D Downtown	X	
OMR Old Mammoth Road	X	
MLR Mixed Lodging/Residential	X	
R Resort	X	
SP Specific Plan	X	
A Airport	X	

### ***Exemptions for Owner Occupied Housing and Hosted Rentals***

The Town of Mammoth Lakes Municipal Code does not currently distinguish between hosted or un-hosted vacation rentals or STRs.

### ***Application Processes and Procedures***

To establish new transient use within the Town of Mammoth Lakes, a two-page business tax certificate application and another two-page transient occupancy tax certificate application must be completed. Both applications, as well as other pertinent documents, such as the transient rental inspection checklist and a list of approved transient rental inspectors, are available on the Town's website at <https://www.townofmammothlakes.ca.gov/182/Business-Tax-and-Registration>. Applications can be mailed or submitted in-person.

### ***Initial and Ongoing Inspection Requirements***

The Municipal Code (5.40.060) requires that all new business tax or transient occupancy tax certificates within residential structures must be inspected prior to the start of business for compliance with all operating standards and public safety requirements. The operator bears the cost of the inspection, plus any administrative charges. The code limits reinspection to no more than once every three years.

### ***Recertification or Renewal Requirements***

The Municipal Code limits reinspection of transient occupancy facilities to no more than once every three years. Unless an infraction occurs which results in revocation of applicable tax certificates, there is no clear renewal requirement.

### ***Nuisance Mitigation Provisions and Enforcement Penalties***

As noted earlier, the expressed intent of Chapter 5.40 of the Municipal Code is to prevent and mitigate adverse neighborhood impacts, including common nuisance issues like traffic, noise, and trash, among other issues. The chapter includes a variety of signage and noticing requirements, including both interior and exterior noticing intended to inform the tenants and the community regarding the operating parameters for the transient rental, like permitted occupancy, parking arrangements, trash disposal procedures, evacuation plans, and emergency contact information. The code requires that each operator must have a local contact person who is required to be available at all times by telephone during the rental to respond to issues as they arise. All advertisements must also include reference to the rentals Transient Occupancy Tax Certificate number.

The Town maintains a TOT hotline and an anonymous TOT complaint email address where community members can submit complaints. While the Town directs concerned persons to the online County parcel map for information on whether a particular parcel or property is zoned for transient use, the interface does not readily identify the location of permitted STRs and may be difficult to use for the average resident.

Non-compliance with registration and operation requirements may result in revocation of the business tax certificate authorizing the use for a period of 12 months. Operating any transient occupancy facility without a valid business tax certificate or in violation of zoning requirements is subject to a fine of \$500 for the first violation and \$1,000 for all subsequent violations within three years. The operator may also be liable for other taxes, penalties, interest, and enforcement charges as outlined under Chapter 3.12 of the Municipal Code pertaining to remittance of TOT and other business taxes. If the tax collector determines that remittances were not made due to fraud, the Town may levy a penalty of 25 percent in addition to other penalties.

### ***Policies Related to Fractional Ownership Models***

Section 17.52.120 of the Municipal Code pertains to fractional and timeshare developments. The existing code primarily regulates the design, permitting, and financing of new fractional and timeshare developments, but also requires that the conversion of and existing long-term rental property or condominium property be subject to the Town's condominium conversion requirements (Section 17.52.110). These requirements, however, do not appear to apply to single-family residential properties that are converted to fractional ownership.

### ***Ties to Complementary Policies and Programs***

The Town of Mammoth Lakes does not currently tie administration of the transient use regulations to the implementation of other housing and related programs.

## **STR Regulations in Peer Communities**

The following section provides a brief thematic summary of STR regulations in other peer communities.

### ***Definition of a short-term rental or vacation rental***

STRs are typically defined to include residential real estate that is used to house transient individuals or households on short-term basis with a maximum duration of 30 and 90 days.<sup>11</sup> Many jurisdictions define STRs to include only single-family homes and duplexes, though some communities also include condominiums and other multifamily housing types, like apartments. A number of jurisdictions, including the Town of Truckee and Placer County, explicitly prohibit the short-term renting of multifamily housing, intending to protect naturally occurring affordable housing from conversion to vacation home and tourist accommodations use.

### ***Caps on the Number of STRs That May Be Permitted***

Among the 17 peer jurisdictions, 12 have enacted limitations or “caps” on the number of STRs that may be legally established, either throughout the jurisdiction or in one or more subareas within the jurisdiction. The City of Santa Cruz and the Town of Truckee have relatively straightforward caps, totaling 250 STRs in Santa Cruz (approximately one percent of the City’s housing stock) and 1,255 STRs in Truckee (approximately seven percent of the Town’s housing stock). Bar Harbor, Maine, sets the cap at nine percent of the housing stock, with the total adjusted over time in accordance with changes in the overall housing inventory. The cap in Bar Harbor does not apply to owner-occupied units.

Many other jurisdictions have caps that differ by subarea, or only apply to specific areas of the jurisdiction. For example, El Dorado County has a cap of 900 non-hosted STRs within the Tahoe Basin portion of the unincorporated county (approximately ten percent of the housing stock in this area). Morro Bay has a cap of 175 full-home, non-hosted STRs (three percent of the City’s housing stock), which applies to residential zones only. Santa Cruz County has three designated areas, each with specific caps for both non-hosted and hosted STRs. Hosted and non-hosted STRs are also allowed outside of the designated areas, with a cap of 250 hosted STRs (0.4 percent of the housing stock in the unincorporated county) throughout the unincorporated county. Sonoma County has capped STRs at five percent of the single-family home inventory within specific areas with high concentrations of STRs. Steamboat Springs,

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<sup>11</sup> California Revenue and Taxation Code, section 7280, authorizes cities and counties to levy a tax on the “privilege” of occupying a room, or rooms, in a hotel, inn, tourist home or house, motel, or other lodging establishment for less than 30 days, excluding the right of an owner of a time-share or membership camping contract to occupy their respective unit or space.

Colorado, has three zones, including one with no STR caps, one with six subzones that each have individual caps, and one where STRs are not permitted. Hosted and temporary STRs in Steamboat Springs are exempt from caps and allowed in the zone where STRs are prohibited.

Many jurisdictions exempt hosted or owner-occupied STRs from the cap(s), or apply a different cap to hosted or owner-occupied STRs. These policies are often combined with variations in the cap(s) by subarea, as in Bar Harbor, El Dorado County, Morro Bay, Santa Cruz, and Steamboat Boat Springs, as described above, as well as in other peer jurisdictions.

### ***Geographic Carve-Outs and STR Density Limitations***

Among the 17 peer jurisdictions reviewed for this research, 13 currently have some form of geographic restrictions on where STRs may be established, and/or limitations on how close an STR can be to another similar use. In many jurisdictions, STRs are allowed only in specific zoning districts or geographic subareas. Other jurisdictions restrict certain types of STRs (e.g., non-hosted or owner-occupied) in specific zoning districts or subareas. For example, South Lake Tahoe does not allow whole-home STRs in residential areas, while Crested Butte allows unlimited licenses (i.e., licenses that allow rentals more than 90 days per year and/or rentals in homes not occupied by primary owners or long-term renters) in select zones only. As discussed above, many jurisdictions also differentiate between subareas or zones in terms of the caps that apply to the number of STR units that are allowed to operate at any given time.

Five of the peer jurisdictions have specific limits on the geographic spacing or concentration between units in any particular area. El Dorado County requires a 500-foot distance between STRs, though hosted STRs (i.e., rentals where a primary owner resides at the property during the rental period) are exempt. Morro Bay requires a 175-foot distance between full home, non-hosted STRs in residential zones. In commercial zones, Morro Bay allows no more than one eighth of units in a multifamily property to be STRs. In Santa Cruz County, STRs cannot total more than 20 percent of residential parcels on a block, while in Crested Butte a maximum of two STRs per block are allowed. In Durango, there are two subareas in which the second STR on a block requires Planning Commission approval and must be the owner's primary residence, which are not requirements for the first STR on a block. In these areas, a third STR would not be allowed on the same block.

In addition, seven of the peer jurisdictions have regulations that limit the number of STRs per property or per owner, with most allowing only one STR per parcel. These regulations are often combined with other geographic or density limitations, such as those described above.

### ***Exemptions for Owner Occupied Housing and Hosted Rentals***

Twelve of the 17 peer jurisdictions differentiate between hosted or owner-occupied STRs and other STRs in terms of STRs regulations. While the definitions vary slightly by jurisdiction, hosted STRs are generally those in which the property owner or a representative is present on the property during the period that the units is rented. Owner-occupied STRs are generally



those that are the owner's primary residence, though the owner may or may not be required to be present on the property while it is being short-term rented.

Some peer jurisdictions only allow hosted or owner-occupied STRs, with all other types of STR being prohibited. The City of Santa Cruz does not permit any new non-hosted STRs, while Washington County, Utah, allows STRs at a property owner's primary residence only.

Many jurisdictions allow hosted or owner-occupied STRs in areas where other STRs are not allowed, exempt hosted or owner-occupied STRs from caps, or both. Hosted or owner-occupied STRs are exempt from STR caps in El Dorado County, Morro Bay, Placer County, Sonoma County, Crested Butte, Steamboat Springs, and Bar Harbor. Some of the jurisdictions with concentration limitations on STRs, including El Dorado County and Morro Bay, provide an exemption for hosted or owner-occupied STRs. South Lake Tahoe provides more limited exemptions for owner-occupied STRs, exempting homes from prohibitions in residential areas only if the owner is the permanent resident of the property and uses their property as an STR no more than 30 days per year. In Crested Butte, primary owners or long-term renters are exempt from caps and geographic restrictions if they rent their homes as STRs for no more than 90 days per year. Crested Butte is the only peer jurisdiction that provides the same exemptions to long-term renters as are available to full-time owner occupants.

On June 20, 2023, the California Court of Appeal for the Third District issued a decision in the case of a South Lake Tahoe Property Owners Group versus the City of South Lake Tahoe which upheld the City's authority to regulate and restrict the operation of STRs in residential zones, but questioned the constitutionality of imposing lesser restrictions on owner occupied STRs under what is known as the "dormant commerce clause" of the United States Constitution. The dormant commerce clause prohibits states from discriminating against out-of-state actors in interstate commerce. The argument is that allowing STRs only in units that are otherwise occupied full-time by the owners infringes on the rights of property owners that live out of state. While the appellate court sent the case back to the lower court for further review on the dormant commerce clause issue, this research recommends that the Town of Mammoth Lakes avoid differential requirements based on owner occupancy and instead consider differentiating regulation based on full-time occupancy (either by the owner or an authorized full-time renter) or whether a rental is hosted or non-hosted.<sup>12</sup> Nonetheless, BAE cannot attest to whether either of these approaches would meet applicable legal standards.

### ***Local Application Processes and Procedures***

Most of the peer jurisdictions approve applications and issue permits or licenses for STRs through an administrative process, though some require public notice or a public hearing. Jurisdictions in which permits or licenses are approved administratively include El Dorado

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<sup>12</sup> Please note that this does not constitute legal advice and that BAE Urban Economics is not qualified to provide direction on the legality of differentiating between hosted and non-hosted STRs as a matter of public policy.

County, Mariposa County, Morro Bay, Placer County, South Lake Tahoe, Truckee, Steamboat Springs, Moab, Park City, and Washington County.

In Truckee, there is a one-year waiting period after a house is sold before the owner is eligible to sign up for the STR waiting list. The purpose of the waiting period is to create uncertainty for second home buyers regarding their ability to generate rental income in a way that aligns with the requirements of 1031 exchange transactions.<sup>13</sup>

Crested Butte and Durango approve permits or licenses administratively but require noticing to all property owners within a certain radius (100 to 300 feet) and take public comment prior to permit issuance, while Bar Harbor approves permits administratively and subsequently issues notices to property owners within 50 feet. In Santa Cruz (City), units with four or fewer bedrooms are approved administratively, while units with five or more bedrooms require a public hearing. Santa Cruz County allows for administrative approvals for STRs with three or fewer bedrooms, with a requirement to provide notices to property owners within 300 feet and the possibility of a public hearing if an appeal is filed. STRs with four or more bedrooms in Santa Cruz County require a public hearing. Similarly, Sonoma County allows for administrative approvals for units with five or fewer bedrooms and requires a use permit for larger units. Mono County requires a public hearing and noticing to all property owners within 500 feet prior to issuance of any STR permit.

As most in the Town of Mammoth Lakes are already aware, Mono County uses a two-step discretionary approvals process for STRs in the unincorporated area. New STR applications first require approval of a Conditional Use Permit following completion of a mandatory hearing with the County Planning Commission. If approved, the Conditional Use Permit allowing the STR use subsequently runs with the land through the addition to the Transient Rental Overlay District (TROD). The property owner, or their agent, is then required to apply for a Short-Term Rental Activity Permit, which requires a hearing before the Board of Supervisors. The Activity Permit does not run with the land and can, therefore, be revoked as a result of an enforcement action and automatically expires when the property changes ownership.

### ***Initial and Ongoing Inspection Requirements***

Twelve of the 17 peer jurisdictions have inspection requirements for STRs. In jurisdictions with ongoing inspection requirements, inspections are generally required prior to issuance of the STR permit or license. Some jurisdictions also require recurring inspections either annually or every three or four years. Some jurisdictions rely on a self-inspection process, either as the only inspection requirement or on an annual basis between less frequent inspections by departmental staff. Inspections generally focus on health and safety, often with an emphasis on fire safety and defensible space.

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<sup>13</sup> According to the Internal Revenue Code, a Section 1031 exchange is a swap of one real estate investment property for another that allows capital gains taxes to be deferred.

### ***Recertification or Renewal Requirements***

Twelve of the 17 peer jurisdictions require periodic recertification or renewal of permits or licenses. Eleven of the jurisdictions require annual renewal, while permits in Santa Cruz County remain effective for five years. In four of the jurisdictions with renewal requirements, the STR must be active (i.e., actively remitting TOT) to be eligible for renewal. The City of Santa Cruz does not require annual renewal, but STR permits lapse if not used (i.e., not-actively remitting TOT) for two years. The jurisdictions in which an STR must remain active to be eligible to continue to be permitted are all jurisdictions with caps on the total number of STRs, which ensures that limited STR permits are allocated to units that actively contribute to the inventory of overnight tourist or visitor accommodations.

### ***Nuisance Mitigation Provisions and Enforcement Penalties***

Thirteen of the 17 peer jurisdictions have a requirement for a local contact person who can be reached by phone and/or other means 24 hours per day during all times when an STR is rented. These jurisdictions typically have specific requirements regarding the time-frame within which the local contact person must be able to respond when contacted, with many requiring that the local contact person is able to be present at the property and initiate corrective action within 30 to 60 minutes. The property owner is generally required to provide the local contact person's information to the jurisdiction as well as on a sign posted on the exterior of the property that is visible from the street. Sonoma County and Durango post information for the local property manager on the local jurisdiction's website. El Dorado County requires that the local contact person complete a training course and exam, while Sonoma County requires that the local contact person just passes a certification exam. Some jurisdictions – including El Dorado County, Mono County, Placer County, Sonoma County, Truckee, and Crested Butte – also operate a phone hotline and/or email address that is dedicated for the public to be able to report complaints about STRs.

Possible penalties for non-compliance with STR regulations typically consist of fines and suspension or revocation of the STR permit, with the possibility of misdemeanor charges in some cases. Several jurisdictions have lower fines for an initial violation, followed by higher fines for subsequent violations and revocation after three to four violations within a given time period. Many jurisdictions have a waiting period of a year or more before a property owner can apply for a new STR permit following a revocation. In jurisdictions with waiting lists for STR permits, the property owner is typically unable to sign up for the waiting list until the waiting period following a revocation has ended.

### ***Policies Related to Fractional Ownership Models***

In addition to policies related to STRs, two of the peer jurisdictions had policies related to fractional home ownership. These fractional ownership models typically consist of the purchase of a property by a limited liability corporation (LLC), with ownership split between two to eight buyers that then use the property as a shared vacation home. These types of ownership models are often facilitated by third-party companies, like Pacaso, that help with

the sale of shares, manage the property, provide furnishings, assist with scheduling, and/or manage cleaning. Jurisdictions that have adopted or considered regulations on fractional ownership homes have cited some of the same concerns related to these properties as with STRs, including impacts on residential neighborhoods and the removal of homes from the housing stock that might otherwise be available to full-time occupancy.

In April 2023, the Sonoma County Board of Supervisors approved changes to the County Code to define fractional ownership properties as time shares, thereby limiting these homes to areas of the County that are zoned for lodging and tourism. Park City similarly limited fractional ownership to zones that allow timeshares and private residence clubs starting in 2022. However, a Utah State law passed in March 2023 has since prohibited local jurisdictions from treating properties held under fractional ownership differently from other properties. Prior to the passage of the State law, Moab was considering similar regulations.

### ***Ties to Complementary Policies and Programs***

The STR policies enacted by peer communities are generally stand-alone ordinances that direct the approval and administration of STRs within the community. The Town of Truckee, however, recently coupled the STR permit ordinance and administrative process with another local housing program. The Short-Term Rental Workforce Housing Token Program (STR Token Program) was established in early 2023 to incentivize the creation of workforce housing by offering in-kind payment for Deed Restrictions in the form of STR “Tokens” which are redeemable for Transient Occupancy Registration Certificates.

Participants in the STR Token Program are required to deed-restrict housing units for a mandatory term of 15 years in exchange for tokens. The units must be occupied full-time by households where at least 50 percent of the adult tenants are employed a minimum of 20 hours per week within the boundaries of the Tahoe Truckee Unified School District. Annual gross incomes for occupant households cannot exceed 150 percent of the countywide area median income (AMI). The minimum lease term is 12 months for rental units.

Participants are selected through a request for proposals process and ranked.<sup>14</sup> Participants can offer a certain number of housing units and specify the number of tokens they would like in return. Program participants can redeem a Token for a Transient Occupancy Registration Certificate to use on their own or can sell, trade, or transfer the Token to another recipient who becomes the Token Holder. The Token Holder can cancel the Certificate associated with a short-term rental property and can apply to re-use that Token for a different eligible property.

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<sup>14</sup> The program is currently in the pilot phase and is accepting rolling submissions until June 2024. For more information visit: <https://www.townoftruckee.com/government/housing/short-term-rental-workforce-housing-token-program>

# RECOMMENDATIONS

Based on the research summarized above, BAE offers the following recommendations for consideration by the Mammoth Lakes STR Advisory Committee and Town Council.

## Administrative and Process Updates

To reduce the cost of administering the STR program, streamline the applications process, and improve data collection, BAE recommends that the Town consider enacting the following:

### 1) **Update the Definition of an STR**

Update the definitions for an STR and other related uses to better reflect the functional differences between different forms of transient visitor accommodations. For example, the Town should consider updating the definition of an STR to differentiate between hosted and un-hosted STRs, and STRs in condotel projects, as well as the short-term rental of individual rooms within a larger full-time occupied housing unit.

### 2) **Maintain Records to Allow Ongoing Analysis**

The Town of Mammoth Lakes already collects a variety of data points using the business tax certificate and transient occupancy tax certificate applications processes. The Town may consider updating the data collection and management workflow to provide data that can be used for ongoing monitoring and analysis, such as:

#### a. Property Characteristics

Collect additional information on the number of residential units present on the property, as well as the number of bedrooms and beds being used for visitor accommodations. Use the inspection process and comparison to the County parcel database to periodically confirm the accuracy of this data. This may allow better comparison with the hotel inventory and ongoing management of the broader tourist and visitor accommodations inventory.

#### b. Availability

Collect information on the number of days per month that the property was made available for occupancy by visitors. This would allow the Town to rely on a comprehensive database versus using web-scraped data from AirDNA.

#### c. Occupancy

Collect information on the number of days per month that the property was booked for occupancy by visitors. This should identify, at a minimum, the number of days the unit is occupied, but may also include the number of persons reported to be in the visiting party, which may provide useful information on tourist visitation. This would allow the Town to rely on a comprehensive database versus on web-scraped data from AirDNA to assess statistics like occupancy rates, ADR, and RevPAR.

d. TOT Remittance

Continue to collect information on TOT remittances in a format that allows authorized Town staff to identify whether a property and/or unit was actively engaged in visitor accommodations activity (i.e., submitting TOT and for what amount) during a given month. Note, however, that any public distribution of this data must be done in a format that protects against the disclosure of proprietary information.

3) **Update Code Language on Vested Interests**

The Town should update the Code of Ordinances to address the relationship between STR permits and the conveyance of vested interests and entitlements. The Town may want to consider language similar to that used in the El Dorado County Code of Ordinances, which was upheld in recent court proceedings and is provided below:

*“Vacation home rental permits shall not be construed as providing property rights or vested interests and entitlements in continued operation of a vacation home rental. Vacation home rental permits are revocable licenses which expire annually. Vacation home rental permits shall not run with the land.”<sup>15</sup>*

4) **Require STR Platforms to Submit Data**

As a matter of policy, the Town of Mammoth Lakes should adopt code language that requires STR platforms to regularly disclose information to the Town regarding each home sharing and/or vacation rental listing within community, the names of the persons responsible for each listing, and any associated attribute data necessary for the Town to assess compliance with applicable local regulations. While it is unclear whether the major platforms will comply with these requirements, having the requirements incorporated in the Municipal Code will provide a tool that may help to further the Town’s interests over the long-term.

5) **Update TOT Property Search Tool**

The current TOT Property Search Tool leverages the County’s parcel lookup interface to provide information on a property’s zoning. Consider updating the TOT Property Search Tool to improve the user experience and make it easier to find relevant information. For example, the Town might pursue grant funding to create a new standalone interface that provides information on permitted STRs, such as owner and emergency contact information, allowable occupancy, parking procedures, etc., in addition to information on areas where short-term renting is allowed versus prohibited.

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<sup>15</sup> This recommendation does not constitute legal advice provided on behalf of BAE Urban Economic, Inc. The code language is provided only as an example. Any modifications or additions to the Town of Mammoth Lakes Code of Ordinances should be thoroughly reviewed by legal Counsel prior to adoption.

## **Update Eligibility Standards**

To improve program administration and address the influence of STRs on the availability and pricing of long-term housing, BAE recommends that the Town consider the following:

**6) Prohibit Short-Term Renting of Properties Recently Subject to Eviction**

To reduce the incentive for property owners to evict existing tenants in order to convert the property to an STR, consider prohibiting units that have recently been subject to an eviction from being registered as an STR for a specified period. The Town may also consider prohibiting short-term renting of properties that were recently used as long-term rentals, though identifying such properties may be challenging in many cases.

**7) Establish a Waiting Period for New Home Purchases**

Establish a waiting period of at least one year following the purchase of a residential property before that property is eligible to apply for an STR permit and be added to a potential wait list. This creates uncertainty regarding the ability to generate revenue through short-term renting and may reduce the price premium that investors are willing to pay for housing that is not intended to be a primary residence or second home.

**8) Update Fractional/Timeshare Code**

The Town should consider updating the fractional ownership/timeshare portions of the Municipal Code to apply to all residential land uses and restricting new fractional ownership conversion and acquisitions to specific areas.

## **Update Enforcement Penalties**

To encourage owners and managers of STRs to engage with the Town's permitting process in good faith, BAE recommends that the Town consider updating the enforcement penalties to better align with the economics of short-term renting.

**9) Increase Enforcement Penalties**

Consider increasing the flat-fee penalty from \$500 for the first violation and \$1,000 for all subsequent violations within three years to something more substantial. For example, the Town of Truckee applies fines of \$1,500 per day for the first violation, up to \$3,000 per day for the second violation, and \$5,000 per day for each additional violation, though the structure that is right for Mammoth Lakes may differ.

**10) Register Rentals of 90 Days or Less**

Consider requiring property owners and managers to declare long-term rentals of 90 days or less and to notify the Town in the event that the rental is cancelled, or the lease broken, within 30 days after the start date. The intent is to discourage the illegal avoidance of STR regulation. In the event that a rental is cancelled within 30 days of the start date, require the property owner or manager to pay applicable TOT. Consider applying strict penalties for chronic repeat offenders.

## **Limit the Number and Type of STRs**

To facilitate managing the inventory of tourist accommodations available in the Town of Mammoth Lakes and to address concerns regarding impacts to the availability and pricing of long-term housing, BAE recommends that the Town consider the following:

### **11) Establish a Cap or Caps on the Number of Permitted STRs**

Consider limiting the total number of STRs that may be permitted within certain areas, including within the Residential Multi-Family-2 (RMF-2) zone or portions thereof. The cap may be set at or near the existing level, and may be adjusted over time as needed.

### **12) Create a Mechanism to Reduce Allowed Permits When Needed**

If the Town of Mammoth Lakes elects to limit the number of STRs allowed in certain areas, it will be important to also establish a mechanism or process for decreasing the number of permits that may be issued. Increasing the number of allowable STRs is relatively easy and involves simply updating the threshold. To decrease the number the number of permits, the Town would decrease the cap through a legislative process. BAE recommends that the number of active permits then be allowed to decrease through attrition, with units falling out of use and the permits not being reissued. This approach is less heavy-handed compared to revoking active permits which might otherwise be in use, which could disrupt ongoing business operations.

### **13) Consider Fewer Restrictions on Hosted STRs**

Due to the nature of real estate, households and business entities with greater wealth have a greater likelihood of purchasing housing units for the purposes of short-term renting, which puts upward pressure on housing prices. Nonetheless, short-term renting can represent an important income source that can facilitate homeownership, provide support for lower- and middle-income households, and provide much needed tourist accommodations. While it is unclear whether jurisdictions have the authority to income test STR owners, the Town may consider using differential regulations for hosted and non-hosted STRs to limit the prevalence of absentee landlords and corporate ownership within the STR market. The impact of such provisions on the market will depend on the details of the policy.

### **14) Consider a Cap on Nights Rented in Non-Hosted STRs**

To discourage the further proliferation of non-hosted STRs, consider establishing a maximum number of nights per year that a non-hosted STR may be rented in certain areas where full-time resident occupancy is the preferred use. This provision, if implemented, should be dovetailed with any potential cap or unit restrictions.



## **Geographic Targeting and Density Limits**

To discourage the overconcentration of STRs while ensuring the availability of tourist accommodations in desirable locations, BAE recommends that the Town consider:

### **15) Consider Further Geographic Targeting of STR Regulations**

Recognizing the concentration of tourism demand in certain parts of Town, consider applying different standards within specific geographic areas to ensure the availability of visitor accommodations in areas appropriate for such activity (e.g., resort portals).

### **16) Consider STR Density Limits**

As an alternative, or in addition, to geographic carve-outs, the Town may consider establishing STR density standards that establish a minimum distance between permitted STR units or a maximum share of units within a certain defined area that may be short-term rented. These requirements should be applied in areas where the current density of STRs is lower, or where the existing concentration of STRs has resulted in an over concentration of nuisance and community character concerns.

## **Related Policies and Programs**

The Town should also consider actions that better dovetail sustainable tourism management, land use policy, economic development strategy, and community housing resources.

### **17) Update Analysis of Workforce Housing Need**

Prepare an updated analysis of workforce housing needs in Mammoth Lakes that characterizes the order of magnitude of workforce housing needs and which includes a survey of both worker and employer needs and perceptions.

### **18) Strongly Oppose Legislation Similar to SB 584**

Although Senate Bill (SB) 584 was not advanced during the last legislative session, the Town should continue to monitor new legislative proposals and should strongly oppose consideration of any new state legislation that would be similar to SB 584, which proposed the imposition of a 15 percent statewide TOT on STRs.

### **19) Encourage Development of Other Accommodation Types**

The Town of Mammoth Lakes should take steps to encourage development of new tourist accommodations other than STRs that do not impact how the housing stock is utilized. This may include construction of new, and renovation of existing, hotel and motel properties, among other types of accommodations. Projects should be directed towards areas that can support such development (i.e., have required infrastructure and proximity to tourism destinations and amenities).

### **20) Lobby for Tenants Rights Reform**

Work with other jurisdictions to lobby state lawmakers to advance tenants' rights reform which strikes a better balance between tenant protections and property owner

interests to lessen the disincentive to long-term rent existing housing units.

**21) Expand and Diversify the Housing Supply**

To better manage/mitigate the impact of STRs on the housing market, the Town of Mammoth Lakes should take steps to encourage and facilitate construction of a diversity of housing types that meet the needs of a wider array of workforce households, including smaller single-family units (both detached and attached) on smaller lots, as well as townhomes, condominiums, and apartments, in locations that support such development (i.e., have required infrastructure and proximity to employment and residential amenities), similar to development at The Parcel.

**22) Establish Additional Dedicated Local Funding Sources for Housing Programs**

Successful implementation of local housing programs requires consistent and adequate funding. To achieve this, many communities are establishing new locally controlled funding sources that generate revenue that is then dedicated for the sole purpose of furthering affordable and workforce housing objectives. There are a variety of options commonly considered by local governments, ranging from TOT and sales tax measures to real estate transfer taxes, vacancy taxes, and inclusionary housing and commercial linkage fee programs, among others. BAE Recommends that Mammoth Lakes consider options for creating more local funding sources for housing programs.

**23) Aggressively Expand Inventory of Deed Restricted Housing**

To better address the ongoing consumption of existing housing resources by the second home and tourism accommodations markets, the Town should continue to aggressively pursue acquisition of affordable and workforce housing deed restrictions on new and existing housing units within the community. This should leverage the establishment of new local funding sources for housing programs and include both programs to acquire restrictions on existing housing units as well as incentives to developers for the construction of new affordable and workforce restricted housing. Any incentives or financial remuneration should be dovetailed with caps or restrictions on STRs to encourage the conversion of some of the community's existing second home and tourist accommodations inventory back into workforce housing.

**24) Pursue Economic Development Initiatives**

One primary contributor to the shortage of affordable housing in the Town of Mammoth Lakes is the difference between income growth and housing costs over time. Where STR regulation and new home construction are intended to increase the supply of housing available for full-time occupancy, the Town should also consider prioritizing efforts aimed at increasing the local wage levels and the number of living wage jobs that are available in the community. The Town should also continue to engage with large landowners (e.g., USFS) and employers to provide additional developable land and housing resources for workers and for the community at large.

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# APPENDIX B: HOTEL/MOTEL INVENTORY DETAIL

## Appendix B: Hotel/Motel Inventory, Town of Mammoth Lakes, December 2023

Property Name	Class	Rooms	Restaurant	Built/ Reno'd	UGB (a)
<b>Existing Properties</b>					
The Village Lodge	Luxury	205	Yes	2003	IN
Westin Monache Resort, Mammoth	Upper Upscale	194	Yes	2007	IN
Outbound Mammoth	Upper Upscale	180	Yes	2023	IN
Seasons 4	Upper Upscale	100	No	2010	IN
Mountainback Condominiums	Upper Upscale	60	No	1981	IN
Empeiria High Sierra Hotel	Upper Upscale	73	Yes	1999	IN
Mammoth Creek Condos	Upper Upscale	42	No	1980	IN
Juniper Springs Resort	Upper Upscale	180	No	2000	IN
Mammoth Mountain Inn	Upper Upscale	215	Yes	2005	OUT
Mammoth Mountain Chalets	Upper Upscale	20	No	1992	OUT
Mammoth Creek Inn	Upper Upscale	25	No	1970	IN
Tamarack Lodge & Resort	Upper Upscale	46	Yes	1924	OUT
Cinnamon Bear Inn	Upscale	16	No	1963	IN
Alpenhof Lodge	Upscale	58	Yes	1972	IN
Snow creek Resort	Upscale	200	No	1975	IN
Shilo Inn Mammoth Lakes	Upper Midscale	71	No	1988	IN
Austria Hof Lodge	Upper Midscale	23	Yes	1972	IN
Holiday Haus Motel	Upper Midscale	16	No	1958	IN
Mammoth Ski Resort	Upper Midscale	133	No	1978	IN
Snow flow er Resort	Upper Midscale	88	No	1983	IN
Quality Inn Mammoth Mountain	Midscale	59	No	1988	IN
Royal Pines Resort	Midscale	21	No	1960	IN
Edelw eiss Lodge	Economy	10	No	1957	IN
Rodew ay Inn/Wildw ood Inn	Economy	32	No	1968	IN
SureStay Plus by Best Western	Economy	40	No	1983	IN
Motel 6 Mammoth Lakes	Economy	151	No	1980	IN
<b>Under Development</b>					
Outbound	Upscale	30	Yes	2024	IN
Mammoth Creek Inn	Upscale	12	No	2024	IN
Residence Inn by Marriott	Upscale	101	No	2024	IN
Sierra Center Mall	n.a.	164	No	2026	IN
Limelight Hotel Mammoth	Luxury	149	Yes	2025	IN

Sources: CoStar; Town of Mammoth Lakes; BAE, 2023.

## APPENDIX C: TOWN OF MAMMOTH LAKES GUIDE TO ZONING FOR TRANSIENT USE



## Town of Mammoth Lakes: Guide to Zoning for Transient Use

This table summarizes the Zones in which transient rental or occupancy is permitted within Mammoth Lakes. Transient rental or occupancy is defined as the occupation of a structure, or portion of a structure, intended or designed for occupancy by persons for purposes of sleeping, lodging, or similar reasons for a period of 30 consecutive days or less in exchange for a fee or similar consideration. (Municipal Code 17.148.020). Renting a property for transient use requires a Town of Mammoth Lakes business license and registration and remittance of Transient Occupancy Tax.

<b>Zone<sup>1</sup></b> <b>(Municipal Code - Title 17)</b>	<b>Transient Use Allowed<sup>2</sup></b>	<b>Transient Use Prohibited</b>	<b>Not Applicable</b>
<b>RR</b> (Rural Residential)		<b>X</b>	
<b>RSF</b> (Residential Single Family)		<b>X</b>	
<b>RMF-1</b> (Residential Multi-Family-1)		<b>X</b>	
<b>AH</b> (Affordable Housing Overlay)		<b>X</b>	
<b>MHP</b> (Mobile Home Park)		<b>X<sup>3</sup></b>	
<b>RMF-2</b> (Residential Multi-Family-2)	<b>X</b>		
<b>D</b> (Downtown)	<b>X</b>		
<b>OMR</b> (Old Mammoth Road)	<b>X</b>		
<b>MLR</b> (Mixed Lodging/Residential)	<b>X</b>		
<b>R</b> (Resort)	<b>X<sup>4</sup></b>		
<b>SP</b> (Specific Plan)	<b>X</b>		
<b>A</b> (Airport)	<b>X</b>		
<b>M</b> (Industrial)			<b>X</b>
<b>PS</b> (Public and Quasi-Public)			<b>X<sup>5</sup></b>
<b>OS</b> (Open Space)			<b>X</b>
<b>OSSC</b> (Open Space Stream Corridor Overlay)			<b>X</b>
<b>E</b> (Equestrian Overlay)			<b>X</b>

Please note that this table is intended as a guide only; although some zones permit transient use generally, other regulations, such as those found in master plans, CC&Rs, or project conditions of approval may prohibit transient rental within a particular development. It is recommended that you contact the Town's Community Development Department for verification of zoning and transient rental regulations for any particular property at (760) 965-3630.

<sup>1</sup> Please refer to the [Town of Mammoth Lakes Zoning Map](#) available on the Town's website by entering 1524 in the search bar.

<sup>2</sup> These Zones permit transient use unless project-specific regulations, such as CC&Rs or conditions of approval, prohibit. Please contact the Town of Mammoth Lakes Community Development Department for project-specific information. The Town does not regulate or enforce CC&Rs.

<sup>3</sup> The transient use of mobile home parks is prohibited by individual mobile home park regulations. The State regulates mobile home parks.

<sup>4</sup> The R Zone permits transient use, unless project-specific regulations, such as CC&Rs or conditions of approval, prohibit such use (the Town does not regulate or enforce CC&Rs). For example:

- Fairway Ranch (Woodcrest Trail and Hidden Lake Circle) – Subdivision map condition of approval states that the RSF Zone standards apply; therefore, transient use prohibited.
- Greyhawk Master Plan (single family lots west of Lake Mary Road and Camp High Sierra) – Master Plan states that transient use is prohibited.
- Lodestar Master Plan – Master plan does not permit transient rentals in Development Area(s) 3 (Starwood) and 4.

<sup>5</sup> Transient use is permitted within designated campgrounds/RV parks only.

Updated Oct-2023

## APPENDIX D: SINGLE-FAMILY AND CONDOMINIUM HOME SALES TABLES

Appendix D1: Single-Family Home Sales Volumes, Median Sale Price, and Median Price Per Sq. Ft. by Zoning District, Town of Mammoth Lakes, 2010-2022
  
(Page 1 of 2)

<u>Sales</u>	<u>Transient Permitted?</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>All</u>
ALL		69	72	87	85	82	81	93	89	79	89	126	123	83	1,158
RMF-1	No	4	4	2	0	4	1	5	3	0	6	5	3	7	44
RR	No	13	7	13	12	6	9	8	9	7	12	10	19	16	141
RR-E	No	0	2	2	1	0	1	0	2	1	0	0	3	2	14
RSF	No	46	52	67	66	67	54	63	59	61	66	98	85	49	833
MLR	Yes	0	2	0	0	0	0	0	0	0	1	0	1	0	4
R	Yes	6	5	3	6	5	15	17	15	9	4	12	11	9	117
RMF-2	Yes	0	0	0	0	0	1	0	1	1	0	1	1	0	5
Transient Use Not Permitted		63	65	84	79	77	65	76	73	69	84	113	110	74	1,032
Transient Use Permitted		6	7	3	6	5	16	17	16	10	5	13	13	9	126

<u>Median \$/SF</u>	<u>Transient Permitted?</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
ALL		\$304	\$278	\$261	\$306	\$328	\$336	\$350	\$357	\$382	\$349	\$398	\$513	\$654
RMF-1	No	\$257	\$160	\$182	\$0	\$313	\$201	\$350	\$253	\$0	\$286	\$439	\$564	\$664
RR	No	\$360	\$302	\$291	\$340	\$363	\$334	\$384	\$397	\$411	\$330	\$416	\$585	\$654
RR-E	No	\$0	\$157	\$218	\$459	\$0	\$456	\$0	\$316	\$216	\$0	\$0	\$494	\$738
RSF	No	\$282	\$278	\$255	\$288	\$317	\$317	\$324	\$344	\$362	\$354	\$383	\$490	\$595
MLR	Yes	\$0	\$297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$488	\$0	\$902	\$0
R	Yes	\$428	\$306	\$438	\$461	\$419	\$447	\$443	\$452	\$504	\$500	\$569	\$652	\$876
RMF-2	Yes	\$0	\$0	\$0	\$0	\$0	\$309	\$0	\$425	\$487	\$0	\$403	\$413	\$0
Transient Use Not Permitted		\$296	\$273	\$258	\$305	\$321	\$319	\$332	\$339	\$368	\$348	\$385	\$505	\$620
Transient Use Permitted		\$428	\$306	\$438	\$461	\$419	\$445	\$443	\$450	\$499	\$496	\$519	\$652	\$876

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Sources: Town of Mammoth Lakes; BAE, 2023.

Appendix D1: Single-Family Home Sales Volumes, Median Sale Price, and Median Price Per Sq. Ft. by Zoning District, Town of Mammoth Lakes, 2010-2022
  
(Page 2 of 2)

Median \$	Transient Permitted?	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
ALL		\$645,000	\$580,000	\$615,000	\$600,000	\$623,500	\$860,000	\$730,000	\$775,000	\$920,000	\$785,000	\$885,000	\$1,190,000	\$1,225,000
RMF-1	No	\$323,995	\$251,000	\$231,500	\$0	\$352,500	\$470,000	\$412,500	\$549,900	\$0	\$585,000	\$710,000	\$760,000	\$755,000
RR	No	\$1,255,000	\$375,000	\$735,000	\$580,000	\$565,000	\$1,200,000	\$507,500	\$1,220,000	\$1,550,000	\$1,038,750	\$857,500	\$1,600,000	\$1,135,000
RR-E	No	\$0	\$497,500	\$577,500	\$459,000	\$0	\$995,000	\$0	\$636,000	\$599,900	\$0	\$0	\$1,570,000	\$1,562,500
RSF	No	\$615,000	\$590,000	\$575,000	\$600,000	\$622,000	\$675,000	\$685,500	\$660,000	\$890,000	\$767,625	\$850,000	\$1,135,000	\$1,230,000
MLR	Yes	\$0	\$237,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$439,000	\$0	\$1,443,000	\$0
R	Yes	\$1,790,000	\$1,405,000	\$1,750,000	\$2,250,000	\$1,855,000	\$1,450,000	\$1,375,000	\$1,315,850	\$1,650,000	\$1,598,058	\$2,360,000	\$2,600,000	\$3,300,000
RMF-2	Yes	\$0	\$0	\$0	\$0	\$0	\$620,000	\$0	\$1,099,000	\$805,000	\$0	\$1,200,000	\$515,000	\$0
Transient Use Not Permitted		\$625,000	\$560,000	\$578,750	\$585,000	\$615,000	\$677,500	\$671,250	\$690,000	\$890,000	\$767,625	\$839,000	\$1,150,000	\$1,112,500
Transient Use Permitted		\$1,790,000	\$1,400,000	\$1,750,000	\$2,250,000	\$1,855,000	\$1,387,500	\$1,375,000	\$1,305,425	\$1,573,500	\$1,521,115	\$2,225,000	\$2,395,000	\$3,300,000

Sources: Town of Mammoth Lakes; BAE, 2023.

Appendix D2: Condominium Home Sales Volumes, Median Sale Price, and Median Price Per Sq. Ft. by Zoning District, Town of Mammoth Lakes, 2010-2022
  
(Page 1 of 2)

	Transient														
<u>Sales</u>	<u>Permitted?</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>All</u>
ALL		375	309	299	345	250	271	303	410	351	388	443	461	336	4,541
RMF-1	No	6	11	8	9	4	6	5	5	6	12	8	8	5	93
MLR	Yes	10	6	4	4	13	7	10	9	9	12	6	9	7	106
NVSP	Yes	76	47	40	29	35	23	33	36	33	35	32	40	39	498
OMR	Yes	17	29	17	18	13	17	13	19	24	10	17	27	15	236
R	Yes	113	80	88	93	68	76	100	125	84	108	139	144	104	1,322
RMF-2	Yes	153	136	142	192	117	142	142	216	195	211	241	233	166	2,286
Transient Use Not Permitted		92	64	52	42	52	36	48	50	48	59	46	57	51	697
Transient Use Permitted		283	245	247	303	198	235	255	360	303	329	397	404	285	3,844

	Transient														
<u>Median \$/SF</u>	<u>Permitted?</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
ALL		\$289	\$245	\$230	\$239	\$272	\$271	\$280	\$318	\$366	\$396	\$420	\$555	\$673	
RMF-1	No	\$252	\$210	\$203	\$222	\$232	\$230	\$285	\$289	\$388	\$360	\$377	\$490	\$581	
MLR	Yes	\$260	\$217	\$137	\$203	\$250	\$259	\$294	\$330	\$375	\$395	\$458	\$495	\$657	
NVSP	Yes	\$400	\$394	\$344	\$403	\$451	\$472	\$461	\$519	\$582	\$648	\$700	\$750	\$1,006	
OMR	Yes	\$189	\$139	\$150	\$166	\$208	\$209	\$212	\$250	\$332	\$346	\$381	\$493	\$522	
R	Yes	\$353	\$323	\$290	\$299	\$321	\$324	\$311	\$349	\$398	\$402	\$439	\$569	\$676	
RMF-2	Yes	\$243	\$209	\$201	\$210	\$240	\$250	\$251	\$302	\$347	\$389	\$405	\$546	\$648	
Transient Use Not Permitted		\$252	\$210	\$203	\$222	\$232	\$230	\$285	\$289	\$388	\$360	\$377	\$490	\$581	
Transient Use Permitted		\$292	\$255	\$232	\$240	\$272	\$273	\$280	\$318	\$365	\$396	\$421	\$558	\$674	

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Sources: Town of Mammoth Lakes; BAE, 2023.

Appendix D2: Condominium Home Sales Volumes, Median Sale Price, and Median Price Per Sq. Ft. by Zoning District, Town of Mammoth Lakes, 2010-2022
  
(Page 2 of 2)

	Transient													
Median \$	Permitted?	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
ALL		\$280,000	\$242,000	\$244,000	\$265,000	\$292,500	\$305,000	\$300,000	\$350,000	\$400,000	\$450,000	\$475,000	\$614,000	\$750,000
RMF-1	No	\$322,500	\$210,000	\$179,500	\$265,000	\$250,750	\$245,000	\$330,000	\$300,000	\$402,000	\$417,500	\$359,500	\$450,900	\$711,200
MLR	Yes	\$320,000	\$235,000	\$108,000	\$227,000	\$190,000	\$367,500	\$237,500	\$305,000	\$398,000	\$425,000	\$477,500	\$580,000	\$650,000
NVSP	Yes	\$221,200	\$310,000	\$210,000	\$300,000	\$380,000	\$380,000	\$319,000	\$411,250	\$549,250	\$441,000	\$479,500	\$545,000	\$700,000
OMR	Yes	\$180,000	\$122,000	\$109,500	\$116,250	\$172,000	\$142,500	\$189,500	\$193,000	\$269,500	\$315,750	\$299,000	\$525,000	\$431,750
R	Yes	\$470,000	\$391,500	\$394,000	\$445,000	\$422,500	\$450,000	\$416,000	\$477,000	\$517,500	\$645,500	\$640,000	\$884,987	\$1,100,000
RMF-2	Yes	\$255,000	\$212,750	\$219,000	\$235,000	\$243,000	\$270,000	\$253,750	\$316,600	\$375,000	\$425,000	\$430,000	\$566,000	\$687,150
Transient Use Not Permitted		\$322,500	\$210,000	\$179,500	\$265,000	\$250,750	\$245,000	\$330,000	\$300,000	\$402,000	\$417,500	\$359,500	\$450,900	\$711,200
Transient Use Permitted		\$275,000	\$242,000	\$247,000	\$264,000	\$292,500	\$305,000	\$299,250	\$350,000	\$400,000	\$453,000	\$480,000	\$620,000	\$750,000

Sources: Town of Mammoth Lakes; BAE, 2023.



## APPENDIX E: U.S. POSTAL SERVICE CHANGE OF ADDRESS DETAILED TABLE

## Appendix E1: U.S. Postal Service, National Change of Address (NCOA) Dataset, Town of Mammoth Lakes, Unincorporated Mono County, Mono County As a Whole, 2019-2022

Town of Mammoth Lakes (a)					Unincorporated County (b)					Mono County (c)				
	2019	2020	2021	2022		2019	2020	2021	2022		2019	2020	2021	2022
<b>Total Out</b>	<b>440</b>	<b>1,200</b>	<b>1,346</b>	<b>1,719</b>	<b>Total Out</b>	<b>865</b>	<b>1,534</b>	<b>1,484</b>	<b>1,477</b>	<b>Total Out</b>	<b>1,305</b>	<b>2,734</b>	<b>2,830</b>	<b>3,196</b>
Permanent	306	876	1,032	1,443	Permanent	675	1,287	1,263	1,215	Permanent	981	2,163	2,295	2,658
<i>Net of Business</i>	<i>306</i>	<i>839</i>	<i>989</i>	<i>1,354</i>	<i>Net of Business</i>	<i>675</i>	<i>1,276</i>	<i>1,249</i>	<i>1,215</i>	<i>Net of Business</i>	<i>981</i>	<i>2,115</i>	<i>2,238</i>	<i>2,569</i>
Temporary	134	324	704	563	Temporary	116	118	1,321	1,265	Temporary	250	442	427	367
Business	0	37	43	89	Business	0	11	14	0	Business	0	48	57	89
Family	177	488	711	1,082	Family	271	533	531	507	Family	448	1,021	1,242	1,589
Individual	235	624	545	504	Individual	443	789	711	774	Individual	678	1,413	1,256	1,278
<b>Total In</b>	<b>348</b>	<b>855</b>	<b>704</b>	<b>563</b>	<b>Total In</b>	<b>731</b>	<b>1,624</b>	<b>1,321</b>	<b>1,265</b>	<b>Total In</b>	<b>1,079</b>	<b>2,479</b>	<b>2,025</b>	<b>1,828</b>
Permanent	246	593	456	375	Permanent	634	1,262	998	1,012	Permanent	880	1,855	1,454	1,387
<i>Net of Business</i>	<i>246</i>	<i>575</i>	<i>439</i>	<i>375</i>	<i>Net of Business</i>	<i>634</i>	<i>1,237</i>	<i>982</i>	<i>986</i>	<i>Net of Business</i>	<i>880</i>	<i>1,812</i>	<i>1,421</i>	<i>1,361</i>
Temporary	87	247	219	157	Temporary	28	250	257	168	Temporary	115	497	476	325
Business	0	18	17	0	Business	0	25	16	26	Business	0	43	33	26
Family	106	277	247	168	Family	212	454	378	316	Family	318	731	625	484
Individual	214	526	417	327	Individual	404	918	730	764	Individual	618	1,444	1,147	1,091
<b>Net Change</b>	<b>(92)</b>	<b>(345)</b>	<b>(642)</b>	<b>(1,156)</b>	<b>Net Change</b>	<b>(134)</b>	<b>90</b>	<b>(163)</b>	<b>(212)</b>	<b>Net Change</b>	<b>(226)</b>	<b>(255)</b>	<b>(805)</b>	<b>(1,368)</b>
Permanent	(60)	(283)	(576)	(1,068)	Permanent	(41)	(25)	(265)	(203)	Permanent	(101)	(308)	(841)	(1,271)
<i>Net of Business</i>	<i>(60)</i>	<i>(264)</i>	<i>(550)</i>	<i>(979)</i>	<i>Net of Business</i>	<i>(41)</i>	<i>(39)</i>	<i>(267)</i>	<i>(229)</i>	<i>Net of Business</i>	<i>(101)</i>	<i>(303)</i>	<i>(817)</i>	<i>(1,208)</i>
Temporary	(47)	(77)	(485)	(406)	Temporary	(88)	132	(1,064)	(1,097)	Temporary	(135)	55	49	(42)
Business	0	(19)	(26)	(89)	Business	0	14	2	26	Business	0	(5)	(24)	(63)
Family	(71)	(211)	(464)	(914)	Family	(59)	(79)	(153)	(191)	Family	(130)	(290)	(617)	(1,105)
Individual	(21)	(98)	(128)	(177)	Individual	(39)	129	19	(10)	Individual	(60)	31	(109)	(187)

### Notes:

(a) Town of Mammoth Lakes includes the Zip Code 93546.

(b) Unincorporated Mono County includes ZIP Codes 93514, 93517, 93529, and 96107.

(c) Mono County includes Zip Codes 93514, 93517, 93529, 93546, and 96107.

Sources: U.S. Postal Service, National Change of Address; BAE, 2023.