## **Jamie Gray**

From: Sandy Hogan <sandyghogan@gmail.com>
Sent: Thursday, February 8, 2024 10:52 AM

To: Jamie Gray

**Subject:** Email to Town Council

You don't often get email from sandyghogan@gmail.com. Learn why this is important

## [EXTERNAL EMAIL]

Jamie: please forward this to the Town Council, cc Bill Sauser, Dan Holler, Rob Patterson, John Morris, & Cynthia Fleming.

Mayor Protem Bubser & council Members (cc: Mayor Bill Sauser, Dan Holler, Rob Patterson, John Morris, & Cynthia Fleming):

Thanks for your very detailed discussion of the recommendations from the STR Advisory Committee. They did an excellent job in such a short time for the amount of information they covered. Some of the topics, as noted, require a longer amount of time than that allotted to them. I particularly want to thank you for moving to adopt their recommendation #1, that of Certified Properties, as it alone will move our enforcement program to a higher level. Also, by explaining the process to amend the Town ordinance requires 2 hearings plus 30 days, it can be run in parallel with the 2 hearings & 30 days required to end the moratorium for STRs. I know hearing that fact calmed a lot of fears in some members of the public.

However, your discussions after that item seemed driven by an impression that you must resolve the many other STRAC recommendations immediately, or send it on to the staff to research, thus creating an additional workload on them.

I would suggest that you not disband the STRAC, but ask that they continue to meet on their own schedule, to do their own research & come up with a variety of alternatives for further discussion by the TC, including some of the more difficult topics such as zoning, caps, etc. Terry Stehlik commented at the first meeting that a moratorium wasn't needed to institute an advisory committee, & she was correct in that statement. At that same meeting, I supported the moratorium mainly because time was needed to institute the Certified Property program, & that has now been given, with the suggestion that it run parallel with the closing of the moratorium. I hope that process will begin with the next TC meeting.

Thanks for considering my suggestion, & thanks to the time & effort put in by the STRAC, with exemplary leadership by John & Cynthia. Sandy Hogan

## Clerk

From: rperez@lawrhp.com

**Sent:** Wednesday, February 7, 2024 7:05 PM

To: Clerk

**Subject:** Comments for Town Council Meeting February 7, 2024

Attachments: Town Council R Perez Jessen Comments 020724.pdf; STR Advisory Committee

Comments 013024 (stc).pdf; STR Advisory Committee Comments Submitted 012324.pdf;

STR Advisory Committee Comments submitted 011124.pdf

You don't often get email from rperez@lawrhp.com. Learn why this is important

## [EXTERNAL EMAIL]

Please accept the attached comments for the Town Council's consideration of its agenda items 9.2 and 9.3 for its February 7, 2024 meeting.

Also are the comments I filed for the STR Advisory Committee's meetings on January 11, January 23, and on January 30, 2024, which are related to those items.

Thank you,

Rose Perez Jessen

February 7, 2024

Town Council for Town of Mammoth Lakes:

These comments are submitted for your February 7, 2024 meeting, concerning Agenda Items 9.2 and 9.3 (and not in that order).

I submit these comments as an STR owner in Villa de los Pinos (in the area of the RMF-2 Zone that the STR Advisory Committee is recommending be a "Low Priority" work program item to be analyzed and considered at a later date for re-zoning). I serve as President of the Villa de los Pinos Homeowners' Association, and am a lawyer who graduated from UCLA School of Law in 1983. I'm also affiliated with a major California based law firm specializing in HOA law with clients throughout the State of California and in Mammoth. I bought my VDLP unit on an STR basis via a 1031 exchange in 1999, the year after the Town dropped its consideration of using imminent domain to take over our units then for workforce housing.

Workforce housing has been a problem for a long time, everywhere, and not just in Mammoth. It requires solutions involving entire communities, and not just targeted zones (e.g., the "low priority" proposed redlined RMF-2 zone) or classes of people (e.g., STR owners). As stated in the Mammoth Lakes Community Housing Plan ("MLHP"), "it takes a community to build a community. Although the Town will ultimately be accountable, the broader community needs to be involved to ensure the success of its implementation." MLHP page 1, Executive Summary.

The STR Advisory Committee's recommended Ballot Tax Measure to fund housing programs is based on its limited, mandated focus on STRs in Mammoth. The public was specifically told in the Committee's hearings that the Committee did not have the authority to consider or recommend other funding mechanisms such as an increase in property taxes, or sales taxes, or vacant second home taxes, other taxes to fund its proposed down payment assistance and rental subsidies programs ("Proposed Housing Programs"). As such, the Council must disregard the Committee's recommendation to move forward with a ballot measure to either increase TOT by up to 2% or to tax STR gross receipts by up to 1.5%, because neither proposal was properly studied or compared to other potential, better, and fairer funding solutions.

As pointed out in the MLHP, pages 78-82, "Sales, property, lodging, real estate transfer, excise tax(es) can be dedicated sources for community housing efforts", recommending as a call to Action, to "Study a local tax measure, [to] determine correct mechanism (property v sales v TOT), [to] place on ballot [with] Legal analysis necessary." The STR Advisory Committee did not conduct any such sort of study, and therefore its Recommendation on the "Ballot Tax Measure to fund housing programs" is unsupported other than by its expressed desire to suggest some kind of funding mechanism focused on its mandated, targeted STR market to support its Proposed Housing Programs.

Instead of accepting the Committee's Recommendation on the Ballot Tax Measure, the Town Council should commission a study on whether the correct mechanism to fund the Proposed Housing Programs is an increase in property taxes, sales taxes, or other taxes in lieu of further taxes on TOT or STR receipts, for presentation to voters. STR owners bring substantial revenue

to the Town, in terms of taxes and tourist dollars. STRs did not create the housing problem, nor should they be burdened, financially or otherwise, to solve it.<sup>1</sup>

No doubt investor owners of STRs in certain markets "will seek to convert the existing housing stock into STRs, bidding up property prices and making life more difficult for first-time buyers and long-term renters", giving them "a strong economic incentive ... to evict existing long-term tenants or to cash out existing homeowners" which then "convert[] properties to STRs without building anything new". BAE Report, page 5.

But that doesn't apply to Mammoth, as it is not a major urban tourist market.

According to the BAE Report on page 24, the Town estimates that as of 2022, these were the housing statistics:

9,636 total housing units

3,030 full-time occupied housing units (or 31.4% of the total housing stock)

1,444 owner occupied units (15%)

1,586 renter occupied units (16.5%)

5,692 seasonal and occasional use second homes (59.1%)

535 units on the market for rent or sale (5.6%)

As the above statistics show, the majority of the housing market in Mammoth is for seasonable and occasional use second homes. "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 BAE Report's "Findings from the Professional Literature" on pages 7 & 8. (Emphasis added.)

Those "Findings" are based on six studies on housing markets in Placer County, Mariposa County, Town of Truckee, San Luis Obispo County and San Bernardino County. Those studies essentially conclude that the "conversion of long-term housing to STR use ... does not represent a significant market driver".

In fact, it was found that STRs "can be used to facilitate the purchases of residential properties for second home use, leading to increased home prices and an expanded pool of potential second home buyers" and that "STRs are not the primary driver of housing availability and pricing issues in those communities" and that "the STR industry is not taking units out of full-time occupancy." The studies also "clearly acknowledge the importance of tourism spending to the economic and fiscal health of many communities". "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."

Even though the BAE Report offers many recommendations, including "sticks and carrots" within "certain areas", it caveats that their recommendations "[do] not constitute legal advice provided on behalf of BAE Urban Economic, Inc., and that "[a]ny modifications or additions to the Town of Mammoth Lakes Code of Ordinances should be thoroughly reviewed by legal Counsel prior to adoption." See, e.g., BAE Report, page 52. In addition, those recommendations come from a "real estate advisory consulting practice" that markets itself as a consultant for "clients across the US including public agencies, non-profit organizations, universities, and private developers" based in San Francisco, Sacramento, Los Angeles, New York City, and Washington D.C., areas clearly outside of our small Town of Mammoth Lakes.

<sup>&</sup>lt;sup>1</sup> As stated in the BAE\_Town of Mammoth Lakes\_STR Study (Agenda Item 9.3 (4)) ("BAE Report"), based on the studies mentioned on page 5 of that Report, "[t]here is no specific mention of the impact of STRs in the markets dominated by large numbers of second homes", noting on page 4 that 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."

Even though the proposed RMF-2 Zoning Split is stated to be a "Low Priority work program item that will be further analyzed and considered at a later date", it still clouds our titles and impacts the values of our properties in the targeted RMF-2 orange zone as it continues to linger as something that the Town is contemplating for discriminatory, redlining, unfair housing options. Please remove it from further consideration, as it unnecessarily divides our community, clouds our titles, and imposes unnecessary conditions on those otherwise qualifying for benefits under either of the Proposed Housing Programs.

Owners of properties, regardless of their location, who need or want to sell or rent their homes (single family residences, condos, townhomes, etc.) should have the ability to sell or rent to anyone, including the additional pool of lower income workers who qualify for the Proposed Housing Programs. Moreover, those workers should be able to choose where they want to live anywhere in Mammoth, based on what they save to accomplish that, rather than limited to an area that the Town perceives as preferential for them for whatever reason.

To create a targeted, redlined area, will lower property values in that area. Although that may serve the Town's goal to acquire workforce housing at lower prices, that would essentially constitute a discriminatory taking without just compensation on top of taxation without representation, as the vast majority of STR owners are second homeowners who are not registered to vote in Mammoth Lakes. We'd be back to 1998 all over again.

In addition to taxing considerations, the Town Council should require developers to provide housing in lieu of cash, and not permit them to buy themselves out of the burden of building housing for their employees, and thereby making it the burden of STR or other owners.

Regarding Agenda Item 9.2 (Consider Certified Properties Proposal from STR Advisory Committee), I support the STR Advisory Committee's recommendations to establish a Certified Properties program to "provide enhanced security for guests, quality of life for the community and improve visitor experience." I also am not opposed to paying an additional annual fee of \$250 to support the program, provided that it is actively and successfully implemented throughout the Town, and not just in a targeted area. And, provided that the STR Moratorium is terminated by April 22, 2024.

Thank you for your consideration.

Respectfully submitted,

Rose Perez Jessen, Esq.
Townhome Owner and
President, Villa de los Pinos Homeowners' Association, Inc.

rperez@lawrhp.com

### VERBAL COMMENTS

My name is Rose Perez Jessen and I'm an STR owner in Villa de los Pinos (in the proposed low priority targeted RMF-2 sub-Zone). I serve as President of VDLP, and am a lawyer who graduated from UCLA School of Law. I'm also affiliated with a major California based law firm specializing in HOA law. I bought my VDLP unit on an STR basis via a 1031 exchange in 1999, the year after the Town dropped its consideration of using imminent domain to take over our units then for workforce housing.

Workforce housing has been a problem for a long time, everywhere, and not just in Mammoth. It requires solutions involving entire communities, and not just targeted zones or classes of people (e.g., STR owners). As stated in the Mammoth Lakes Community Housing Plan ("MLHP"), "it takes a community to build a community. Although the Town will ultimately be accountable, the broader community needs to be involved to ensure the success of its implementation."

The STR Committee's recommended Ballot Tax Measure is based on its limited, mandated focus on STRs in Mammoth. The public was specifically told in the Committee's hearings that the Committee did not have the authority to consider other funding mechanisms such as an increase in property, sales, or vacant second home taxes, other taxes to fund its Proposed Housing Programs. As such, the Council must disregard the Committee's recommendation to move forward with a ballot measure to either increase TOT or to tax STR gross receipts because neither proposal was properly studied or compared to other potential, better, and fairer funding solutions.

As pointed out in the MLHP, "Sales, property, lodging, real estate transfer, excise tax(es) can be dedicated sources for community housing efforts", recommending as a call to Action, to "Study a local tax measure, [to] determine correct mechanism (property v sales v TOT), [to] place on ballot [with] Legal analysis necessary." The STR Committee did not conduct any such sort of study, and therefore its Recommendation on the "Ballot Tax Measure" is unsupported other than by its expressed desire to suggest some kind of funding mechanism focused on its mandated, targeted STR market.

Instead of accepting the Committee's Recommendation, the Town Council should commission a study on whether the correct mechanism to fund the Proposed Housing Programs is an increase in property taxes, sales taxes, or other taxes in lieu of further taxes on TOT or STR receipts, for presentation to voters. STR owners bring substantial revenue to the Town, in terms of taxes and tourist dollars. STRs did not create the housing problem, nor should they be burdened, financially or otherwise, to solve it.<sup>2</sup>

Mammoth is not a major urban tourist market.

According to the BAE Report, the majority of the housing market in Mammoth is for seasonable and occasional use second homes. "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 studies that essentially conclude that the "conversion of long-term housing to STR use ... does not represent a significant market driver".

<sup>&</sup>lt;sup>2</sup> As stated in the BAE Report in Agenda Item 9.3 (4), "[t]here is no specific mention of the impact of STRs in the markets dominated by large numbers of second homes", noting that the relationships between STRs and long-term housing is mainly focused on impacts within major urban tourist markets."

Even though the proposed Zoning Split is stated to be a "Low Priority", it still clouds our titles and impacts the values of our properties in the targeted orange zone as it continues to linger as something that the Town is contemplating for discriminatory, redlining, unfair housing options. Please remove it from further consideration, as it unnecessarily divides our community, clouds our titles, and imposes unnecessary conditions on those otherwise qualifying for benefits under either of the Proposed Housing Programs.

Owners of properties, regardless of their location, who need or want to sell or rent their homes (single family residences, condos, townhomes, etc.) should have the ability to sell or rent to anyone, including the additional pool of lower income workers who qualify for the Proposed Housing Programs. Moreover, those workers should be able to choose where they want to live anywhere in Mammoth, rather than limited to an area that the Town perceives as preferential for them for whatever reason.

To create a targeted, redlined area, will lower property values in that area. Although that may serve the Town's goal to acquire workforce housing at lower prices, that would essentially constitute a discriminatory taking without just compensation on top of taxation without representation, as the vast majority of STR owners are second homeowners who are not registered to vote in Mammoth Lakes. We'd be back to 1998 all over again.

In addition to taxing considerations, the Town Council should require developers to provide housing in lieu of cash, and not permit them to buy themselves out of the burden of building housing for their employees, and thereby making it the burden of STR or other owners.

Regarding Agenda Item 9.2, I support the Certified Properties program, and am not opposed to paying an additional annual fee of \$250 to support it, provided that it is actively and successfully implemented throughout the Town, and not just in a targeted area. And, provided that the STR Moratorium is terminated by April 22, 2024.

Thank you for your consideration.

In fact, it was found that "STRs are not the primary driver of housing availability and pricing issues in those communities" with large numbers of second homes and that "the STR industry is not taking units out of full-time occupancy." The studies also "clearly acknowledge the importance of tourism spending to the economic and fiscal health of many communities". "STRs can offer a different consumer experience compared to traditional hotels and were notably more resilient to the impacts of COVID-19 compared to traditional hotels."

January 30, 2024

Town of Mammoth Lakes Short-Term Rental Advisory Committee:

Please consider these comments, in addition to the comments I submitted for your meeting on January 11, 2024 and on January 23, 2024, to make less financially impactful decisions on the recommendations you will present to the Town Council for consideration and/or approval at its meeting on February 7, 2024. My January 11<sup>th</sup> and January 23<sup>rd</sup>, 2024 comments are not repeated in these comments, but may be referred to as further support.

First, thank you for the concessions you've made thus far to eliminate the proposed "Sticks and Carrots" from your first list of proposed Recommendations, and for stating in your Item 3.5 RMF-2 Zoning Split that your proposed rezoning of the targeted RMF-2 zone "[a]t this point, is a **Low Priority** work program item that will be further analyzed and considered at a later date."

Both concessions were expressed to have been made (amongst other reasons) because of how divisive they have become in our small Town of Mammoth Lakes, between the perceived "privileged" classes (all zones other than the targeted proposed RMF-2 subregion, including the proposed so-called Ski Portal blue zone, the Resort zones, the mixed lodging zones, and the single family residence zones) and the targeted STR owners that bring substantial revenue to the Town of Mammoth Lakes, in terms of taxes and tourist dollars.

Even though the proposed RMF-2 Zoning Split is stated to be a "Low Priority work program item that will be further analyzed and considered at a later date", it still clouds our titles and impacts the values of our properties in the targeted RMF-2 orange zone as it continues to linger as something that the Committee and/or Town is contemplating. Please remove it as you did with removing your contemplated "Sticks and Carrots" proposals. Neither are necessary to address the long-term lower income housing market needs. See my previous comments.

As speculated in Item 3.6 "Receive BAE Report on Short Term Rentals" ("BAE Report"), based on the studies mentioned on page 5 of that report, "[t]here is no specific mention of the impact of STRs in the markets dominated by large numbers of second homes", noting on page 4 that 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."

No doubt investor owners of STRs in certain markets "will seek to convert the existing housing stock into STRs, bidding up property prices and making life more difficult for first-time buyers and long-term renters", giving them "a strong economic incentive ... to evict existing long-term tenants or to cash out existing homeowners" which then "converted properties to STRs without building anything new". BAE Report, page 5.

But that doesn't apply to Mammoth, as it is not a major urban tourist market.

According to the BAE Report on page 24, the Town estimates that as of 2022, these were the housing statistics:

9,636 total housing units

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5,692 seasonal and occasional use second homes (59.1%)

535 units on the market for rent or sale (5.6%)

As the above statistics show, the majority of the housing market in Mammoth is for seasonable and occasional use second homes. "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 BAE Report's "Findings from the Professional Literature" on pages 7 & 8. (Emphasis added.)

Those "Findings" are based on six studies on housing markets in Placer County, Mariposa County, Town of Truckee, San Luis Obispo County and San Bernardino County. Those studies essentially conclude that the "conversion of long-term housing to STR use ... does not represent a significant market driver".

In fact, it was found that STRs "can be used to facilitate the purchases of residential properties for second home use, leading to increased home prices and an expanded pool of potential second home buyers" and that "STRs are not the primary driver of housing availability and pricing issues in those communities" and that "the STR industry is not taking units out of full-time occupancy." The studies also "clearly acknowledge the importance of tourism spending to the economic and fiscal health of many communities". "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."

Even though the BAE Report offers many recommendations, including "sticks and carrots" within "certain areas", it caveats that their recommendations "[do] not constitute legal advice provided on behalf of BAE Urban Economic, Inc., and that "[a]ny modifications or additions to the Town of Mammoth Lakes Code of Ordinances should be thoroughly reviewed by legal Counsel prior to adoption." See, e.g., BAE Report, page 52. In addition, those recommendations come from a "real estate advisory consulting practice" that markets itself as a consultant for "clients across the US including public agencies, non-profit organizations, universities, and private developers" based in San Francisco, Sacramento, Los Angeles, New York City, and Washington D.C., areas clearly outside of our small Town of Mammoth Lakes.

Regarding your agenda Items 3.2 (Rental Subsidy Program Options) and 3.3 (Home Purchase Down Payment Assistance Program), as I've stated in my prior comments, please consider those items for applicability across the entire Town of Mammoth Lakes, and not just limited / targeted to a subregion of the RMF-2 Zone (or any other Zone for that matter). Property owners needing or wanting to sell or rent their homes (single family residences, condos, townhomes, etc.) should have the ability to sell or rent to the additional pool of lower income workers who qualify for a DPA or rental subsidy. And, those workers should be able to choose where they want to live anywhere in Mammoth, based on what they save to accomplish that, rather than limited to an area that the Town perceives as preferential for them for whatever reason.

Item 3.1, Funding Alternatives for Housing Programs, should apply across the entire Town of Mammoth Lakes, as an increase in property taxes or the like. It should not be the burden of STR owners to fund housing. In addition, the Town should require developers to provide housing in lieu of cash, and not permit them to buy themselves out of the burden of providing housing for their employees, and making it the burden of STR owners. See my prior comments.

Finally, regarding Item 3.4, Certified Properties Program, please reconsider publishing (and do not publish) personal information of owners who live within 60 minutes of Town, or any other personal information for that matter (see Emergency Contact proposal), for the sake of safety, security, and peace of mind.

Thank you for your consideration.

Respectfully submitted,

Rose Perez Jessen, Esq.
Townhome Owner and
President, Villa de los Pinos Homeowners' Association, Inc.
rperez@lawrhp.com

# VERBAL COMMENTS TO BE SUBMITTED AT 1/30/24 MEETING

Thank you for the concessions you've made thus far to eliminate the proposed "Sticks and Carrots", and for stating that your Zoning Split "[a]t this point, is a **Low Priority**".

Both concessions were expressed to have been made because of how divisive they have become in our small Town, targeting STR owners that bring substantial revenue to the Town, in terms of taxes and tourist dollars.

Even though the proposed Zoning Split is stated to be a "Low Priority", it still clouds our titles and impacts the values of our properties as it continues to linger as something that the Committee and/or Town is contemplating. Please remove it as you did with removing your "Sticks and Carrots" proposals. Neither are necessary to address the long-term lower income housing market needs.

The BAE Report on Short Term Rentals is mainly focused on impacts within major urban tourist markets, and thus it doesn't specifically apply to Mammoth.

According to that Report, 59% of the Town's housing market is for seasonal and occasional use second homes.

Per that Report, "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 report's "Findings".

Those "Findings" are based on six studies on housing markets in Placer, Mariposa, Truckee, San Luis Obispo and San Bernardino County. Those studies essentially conclude that the "conversion of long-term housing to STR use ... does not represent a significant market driver".

In fact, it was found that STRs "can be used to facilitate the purchases of residential properties for second home use, leading to increased home prices and an expanded pool of potential second home buyers" and that "STRs are not the primary driver of housing availability and pricing issues in those communities" and that "the STR industry is not taking units out of full-time occupancy." The studies also "clearly acknowledge the importance of tourism spending to the economic and fiscal health of many communities". "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."

Regarding your Rental Subsidy and DPA Programs, please consider those items for applicability across the entire Town, and not just limited to a subregion of the RMF-2 Zone. Property owners needing or wanting to sell or rent their homes (whether single family residences, or otherwise) should have the ability to sell or rent to the additional pool of lower income workers who qualify for a DPA or rental subsidy. And, those workers should be able to choose where they want to live anywhere in Mammoth, based on what they save to accomplish that, rather than limited to an area that the Town perceives as preferential for them for whatever reason.

Regarding your Funding Alternatives, those should apply across the entire Town, as an increase in property taxes or the like. It should not be the burden of STR owners to fund housing. In addition, the Town should require developers to provide housing in lieu of cash, and not permit them to buy themselves out of the burden of building housing for their employees, and making it the burden of STR owners.

Finally, regarding the Certified Properties Program, please reconsider publishing (and do not publish) personal information of owners, or any other personal information for that matter for the sake of safety, security, and peace of mind.

Thank you for your consideration.

January 23, 2024

Town of Mammoth Lakes Short-Term Rental Advisory Committee:

Please consider these comments, in addition to the comments I submitted for your meeting on January 11, 2024, to make less financially impactful decisions on the recommendations you will present to the Town Council for consideration and/or approval at its meeting on February 7, 2024. My January 11, 2024 comments are not repeated in these comments, but may be referred to as further support.

These comments come from an STR Owner in the now targeted RMF-2 orange zone ("Targeted RMF-2 Zone") for conversion of STRs to long term housing for lower income workers in Mono (and possibly Inyo) County. I am a member of that group of 1,796 STR Unit owners in the Targeted RMF-2 Zone with apparently no meaningful representation on this Committee.

Addressing each STR Committee recommendation/proposal in Items 1-4 linked to your agenda to be considered at your January 23, 2024 meeting, in that order:

# Item 1: Proposal Section: Re-Zone of Ski Portal Areas (RMF-2 ◊ RMF-R)

#### Goals

- (1) To identify areas near the ski portals (Canyon Lodge, Eagle Lodge) where transient occupancy (STRs) is emphasized.
- (2) To maintain the allowance of transient occupancy use (STRs) throughout the RMF-2 zone, while also emphasizing long-term occupancy of units through the implementation of an incentive program TARGETING these areas. (emphasis added)

## "Key Attributes":

RMF-R: "Transient Rentals emphasized in this [ski portal] zone as a result of historically low full-time resident population." This point is not supported by the numbers stated in this Item 1, including at the end of Item 1. Instead, it leads to the purpose driven, stated conclusion that "This could indicate that a greater number of residents live full-time in the proposed RMF-2 area." (Emphasis added.) That's pure speculation based on those numbers, which instead could and do support the fact that many units in the Targeted RMF-2 Zone are used as second homes for vacation getaways, and not for full-time resident population, as in my complex Villa de los Pinos ("VDLP"), for which I serve as President. In fact, VDLP has only 5 full time resident owners and 2 full time renters out of 48 townhomes, with only one rental occupied by a family of 4. Converting many of the remaining 40 townhomes to low income workforce housing, with "sticks" or "carrots", will lead to lower property values, financial difficulties to get assessments passed for maintenance and improvements, deferred maintenance and foreclosures, and a lower quality of life experienced with our vacation properties being burdened to support more workforce households. Our complex was not built for that, nor did we buy into our complex with those burdens in place. We set aside one townhome for our on-site property manager to live in. We should not be forced, intentionally or consequentially, to set aside other units and pay greater taxes for employees or workers who we do not employ.

"Many of those complexes in these areas were developed as visitor-oriented developments". VDLP was developed exactly as a visitor-oriented development, for families and others to be able to enjoy VDLP while visiting Mammoth. I bought my VDLP unit in 1999 by way of a 1031 exchange and was able to do that, because it had been maintained by the original owners as an STR throughout their period of ownership since the unit was built in the early '80s. With the now proposed 1 year moratorium on new STR certificates issued to new buyers, you are proposing to cut out of the list of potential buyers who want to exchange investment property elsewhere for investment property in Mammoth, as well as all others who look forward to STR income to offset their costs of owning and buying in Mammoth, while having the option to use their units as they so choose.

"Not eligible for incentives that aim to convert existing short-term (STR) units to long-term occupancy uses (rentals and ownership)." The proposed RMF-R blue zone should NOT be excluded from "benefiting" from those "incentives". For that matter, THE "INCENTIVES" SHOULD BE MADE AVAILABLE FOR EVERY RESIDENTIAL PROPERTY OWNER IN MAMMOTH. And the funding for those "incentives" should be by way of a General Tax on EVERY owner in Mammoth, as opposed to the targeted STR owners who already support the businesses in this Town by renting their homes to visitors who shop and dine and otherwise spend money in Town, including the ski area.

There are owners in other parts of Town that are dealing with financial burdens, resulting from loss of fire insurance, high mortgage interest rates, high monthly and special assessments, electricity costs, cost of living expenses, etc. They SHOULD NOT be deprived of the "opportunity" to be "eligible for [those] incentives" if they determine that selling or renting is a better option for them financially.

In addition, any potential buyer or renter who qualifies for DPA or rent subsidies should be able to choose where they want to live, and can afford, anywhere in the County. They should not be limited to concentrated workforce housing in the Targeted RMF-2 Zone.

Redlining the Targeted RMF-2 Zone as the only area "eligible for incentives" is unfair, based on poor and discriminatory assumptions, and unlawfully burdens a subset of owners, STR or otherwise, without fair representation and without just compensation for the loss in property value and enjoyment of our properties now tainted with the prospect of more burdensome, concentrated lower income workforce housing.

EVERY owner in Mammoth should be entitled to benefit from the proposed rental subsidies, as well as the additional pool of buyers who may be able to afford their home with DPA from the Town of Mammoth Lakes. Spreading those "incentives" around the entire Town, if not County, will be far less impactful, if at all, than redlining and burdening the Targeted RMF-2 Zone.

# Item 2: Down Payment Assistance (DPA) Program

Recommendations (Summarized and Addressed):

1) "Consider creating DPA program as part of the Town's Housing NOW! Initiatives."

The Town's Housing NOW! Initiatives are "focused on expanding the availability of affordable housing workforce housing THOUGHOUT THE COMMUNITY" and is not targeted to specific subsets of residential housing zones. (emphasis added)

California already has a down payment assistance program in place called "California Dream For All Shared Appreciation Loans" and it is not targeted to specific neighborhoods or communities. See <a href="https://calmatters.org/california-divide/2024/01/dream-for-all-california/">https://calmatters.org/california-divide/2024/01/dream-for-all-california/</a> See also <a href="https://enewspaper.latimes.com/desktop/latimes/default.aspx?token=42e23962a5d74614be16bae3d62d13e7&sfmc\_id=6528244b24b2ea18e69a8287&utm\_id=34074897&skey\_id=cbabe85dc0c3e418dff8dc5621e4d42e56dcaabc346051de60daeffdae689ca2&utm\_source=Sailthru&utm\_medium=email&utm\_campaign=ENP-email-Subs-eNewspaper-2024122&utm\_term=eNewspaper+Daily+Notify&edid=9f944022-40a0-4d73-9edf-e7ebe9e9e784</a>

Likewise, Colorado similarly has a down payment assistance program, CHFA, which is not limited to specific zones. <a href="https://www.chfainfo.com/homeownership/down-payment-assistance">https://www.chfainfo.com/homeownership/down-payment-assistance</a>

Vail, CO, for example, has a DPA program as part of its InDEED program, that is available to qualified buyers throughout the community, and is not targeted to a specific redlined zone. <a href="https://www.vail.gov/government/departments/housing/vailindeed">https://www.vail.gov/government/departments/housing/vailindeed</a>

I have not found one State, County, or Municipality that has limited DPA incentives to one redlined area to solve their workforce housing issues, other than what this Committee is now considering for Mammoth.

As with the California Dream For All program, Colorado's CHFA, and Vail's InDEED program, any DPA program adopted by the Town should be across the entire county (including Inyo if their workers are included), and not limited to the Targeted RMF-2 Zone.

"Recommend a voter approved funding source which may include gross receipts tax on short term rental residential units." Stop targeting STR owners to fund the Town's housing initiatives. STRs didn't create the problem, and they should not be saddled with it. As the Housing NOW! Initiatives state, it is for expanding workforce housing THROUGHOUT THE COMMUNITY. Funding measures implemented to pay for that housing should be THROUGHOUT THE COMMUNITY, by way of a General Tax or similar tax applicable across the community. STR owners do not have adequate representation to make a measurable difference on whether a gross receipt tax on STRs should be passed or not. Fairness dictates that this Town should only focus on a General Tax (or similar tax) initiative, and let the voters decide if the problem is large enough for them to vote yes in favor of being taxed to solve it. As such, please remove the suggestion of putting on the November 2024 ballot the proposal to increase STR taxes, as that further

unfairly lowers our property values for the next 10 months minimally, and unfairly and discriminatorily targets STR owners to solve the Town's housing issues.

- 2) "Recommend the development of program guidelines for a longer-term workforce rental housing subsidy" As with any DPA program, it should be available COUNTY WIDE, and not targeted to a specific subset of a residential zone for concentrated lower income workforce housing, lowering property values and quality of life in those communities. See above and my January 11, 2023 comments.
- 3) "Provide direction on the development of a STR cap program for a designated subregion within the Town and to develop guidelines." It is so unfair and damaging to impose STR caps anywhere, and especially on only the Targeted RMF-2 Zone, in addition to the DPA and rent subsidy "initiatives" to increase and concentrate lower income workforce housing in that area, on top of taxing it to fund such initiatives.

If a cap is imposed on the Targeted RMF-2 Zone, property values will sink, and homes will not be able to sell. Home sales in Palm Springs have come to a halt since STR caps were imposed, and home values have dropped 30 to 40%. See today's LA Times article "Home Sales in Desert Dry Up; Palm Springs capped short-term Airbnb rentals. Now owners are watching their property values drop."

https://enewspaper.latimes.com/desktop/latimes/default.aspx?token=42e23962a5d74614be16bae3d62d13e7&sfmc\_id=6528244b24b2ea18e69a8287&utm\_id=34087635&skey\_id=cbabe85dc0c3e418dff8dc5621e4d42e56dcaabc346051de60daeffdae689ca2&utm\_source=Sailthru&utm\_medium=email&utm\_campaign=ENP-email-Subs-eNewspaper-2024123&utm\_term=eNewspaper+Daily+Notify&edid=4db3c218-c2cf-44e6-99fa-b3123839e866

Instead, demand that the developers provide adequate housing for the employees that will be needed to work in their developments, instead of allowing them to pay the Town money (at a ridiculously, insulting rate of \$750,000 for Aspen Hospitality) in lieu of providing adequate housing for the number of employees needed for the development's ongoing business. Take a look at Vail, Colorado, which demands housing in lieu of money from developers. Developers have experienced contractors and machinery/tools and better access to materials at a lower cost to build workforce housing whether on their development lands or elsewhere in Town or in the County. Essentially taking over our properties in the Targeted RMF-2 Zone with carrots and sticks to satisfy housing needs is an outrageously unfair and costly solution, if it remains in place.

Altera is no exception. Hopefully, the Town will require Altera to set aside a small portion of the contemplated redevelopment for the Main Lodge, for workforce housing. That will enable workers with on-site housing to be available 24/7 to assist people who are stranded there when excessive snow or other weather issues make it difficult for them to get down the mountain. Like the Oasis in Death Valley -- they figured out how to build and house a happy workforce at the Oasis to help guests as needed or desired on a 24/7 basis. Altera should be required to do the same.

## Item 3: Proposal Section: Transient Occupancy Tax Increase of 2%

Recommendation: Council consider a 2% increase in TOT to be placed on the November 2024 ballot, in lieu of a General Tax initiative that requires 50%+1 to pass or a special tax dedicated to housing that requires a 2/3 majority vote to pass. In either case, the less than 2,000 TOT certificate holders won't be able to generate enough votes to turn down the 2% increase in TOT measure. And now the titles to our properties are clouded until at last November 2024 if this proposal remains on the table.

As stated above, the entire Town/County should be taxed to support the workforce housing issues, not just a targeted subset with no adequate representation, who did not create the problem. Taxation without representation is unlawful. So is the taking of property without just compensation.

# Item 4: Proposal Section: Rental Subsidy for conversion from STR to LTR in permitted zone

"The basic premise of the program is to set an annual subsidy of \$20,000 for a current STR, in RMF-2 zone, that commits to renting long-term." "While this is not a business proposition that many STR owners would engage in, a small subset may find the program attractive." The "small subset" appears to be the Targeted RMF-2 Zone. As stated above, the Town's Housing NOW! Program is for expanding workforce housing THROUGHOUT THE COMMUNITY. Any such "initiatives" should be offered THROUGHOUT THE COMMUNITY, and not just "made available" in the Targeted RMF-2 Zone.

In closing (for now), please slow down this highly impactful and potentially costly process. Take the time to look at the California Dream Act, Vail's InDEED program, and Aspen's no money in lieu of housing development, to come up with better, fairer solutions. The STR moratorium should be lifted as workforce housing is not an STR issue. STRs should not be penalized and burdened to house employees who we don't employ, nor did we create the workforce housing dilemma. No one wants this in the now Targeted RMF-2 Zone, nor those who support the STR market. It will also have an effect on local businesses with less transient housing in the nearby neighborhoods. The STR moratorium has essentially killed the sales market and now especially in the Targeted RMF-2 Zone. Please take both off the table and come up with better solutions. To the extent I can help you in finding better solutions, my contact information is below.

Attached as Attachment 1 are my verbal comments I intend to present in the meeting today.

Respectfully submitted,

Rose Perez Jessen, Esq. Townhome Owner in Villa de los Pinos rperez@lawrhp.com

## Attachment A

### **Intended Verbal Comments**

January 23, 2024

Town of Mammoth Lakes Short-Term Rental Advisory Committee:

Please consider these comments, in addition to the comments I submitted for your meeting on January 11, 2024, to make less financially impactful decisions on the recommendations you will present to the Town Council for consideration and/or approval at its meeting on February 7, 2024. My January 11, 2024 comments are not repeated in these comments.

My name is Rose Perez Jessen. I am lawyer and I serve as President for the Villa de los Pinos HOA in the now targeted RMF-2 orange zone. I am the registered owner of a TOT certificate, and rent my VDLP unit on an STR basis.

Your proposals call for the creation of a new RMF-R privileged ski portal zone with virtually unfettered rights to offer STR housing without the proposed sticks and carrots, and redlining the now targeted subset of the RMF-2 zone with STR caps and "incentives" as a land grab for long-term lower income workforce housing.

These proposals are grounded on pure purpose driven speculation that it is better to direct financial incentives for housing subsidies away from the ski portal areas because they allegedly have fewer full time residents than in the targeted Orange Zone. We're talking about a difference of 141 units out of 3,495 units. That number alone does not suggest that a "greater number of residents live full time in the proposed RMF-2 zone". Many units in the proposed RMF-2 Zone are used as second homes for vacation getaways, and **not** for full-time resident population, as in my VDLP complex. VDLP has only 8 full time residents (with 5 of those being locally owned) out of 48 townhomes, with only one unit rented by a family of 4. Using sticks and carrots to convert many of the remaining 40 townhomes to lower income workforce housing, with STR caps and otherwise, will lead to lower property values with more concentrated LT lower income housing, financial

difficulties to get assessments passed, deferred maintenance and foreclosures, and a lower quality of life experienced with our vacation properties being burdened to support more workforce households. Our complex was not built for that, nor did we buy into our complex with those burdens in place. We own one townhome for our on-site property manager to live in. We should not be forced, intentionally or consequentially, to have other units set aside with greater taxes to house workers who we do not employ.

Your recommendation to consider the creation of a DPA program as part of the Town's Housing NOW! Initiatives, but focused on the Targeted Orange Zone, is mischaracterized. The Town's Housing NOW! Initiatives are "focused on expanding the availability of affordable workforce housing THOUGHOUT THE COMMUNITY", and not in one targeted redlined zone.

Consistent with the Housing Now! Initiatives, the proposed DPA and rental subsidies programs should be available to every owner in Mammoth in the event they need or want to sell or rent full time. Spreading those "incentives" around the entire Town, if not County, will be far less impactful on property values, if at all, than redlining and burdening the Targeted RMF-2 Zone.

In addition, any potential buyer or renter who qualifies for DPA or rent subsidies should be able to choose where they want to live, and what they can afford, anywhere in the Town and/or County. The Town should not limit their choices on where to live to areas the Town wants to redline for workforce housing.

There are thousands of types of DPA assistance programs nationwide, and I have not found one, in California or nearby states with ski areas like Oregon, Colorado or Utah, or elsewhere, that is limited to specific redlined zones as what this Committee is now considering for Mammoth.

For example, California and Colorado have down payment assistance programs called "California Dream For All" and through Colorado's Housing and Finance Authority, respectively, that are not targeted to specific zones.

Vail, CO, in particular, has a DPA program as part of its InDEED program, that is available to qualified buyers throughout the community, and is not targeted to specific zones.

Please work on making DPA and rental subsidies available throughout the Town and/or County to qualified buyers and renters. That will be far less impactful on property values, and will be far more desirable to your missing middle lower income workforce who want to live where they can and so choose in Mammoth.

Also, please stop targeting STR owners to further the Town's housing initiatives or to fund them. STRs didn't create the problem, and they should not be financially burdened with it.

The STR moratorium should be lifted everywhere, including in the targeted Orange Zone, and the unfair sticks of 1 year moratoriums and the like should be eliminated. Sales have already come to a halt and property values have plummeted in the targeted Orange Zone as a result of the STR moratorium, and now coupled with this sticks and carrots program, will essentially bankrupt people's investments in Mammoth. Take a look at Palm Springs, as reported in the LA Times today, where sales have come to a halt and property values have dropped at least 40 percent.

Funding measures implemented to pay for affordable housing should be throughout the community, by way of a General Tax or similar tax. Fairness dictates that this Town should only focus on a General or similar tax initiative, and let the voters decide if the problem is large enough for them to vote yes in favor of being taxed to solve it.

Also, the Town should demand that the developers provide adequate housing for the employees that will be needed to work in their developments, instead of allowing them to pay the Town money in lieu of providing adequate housing for their employees. Take a look at Vail, for example, which demands housing in lieu of money from developers. Developers have experienced contractors, machinery and tools, and better access to materials at a lower cost to build workforce housing whether on their development lands or elsewhere in Town or in the County. Essentially taking over our properties in the Targeted RMF-2 Zone with sticks and carrots to satisfy housing needs in this Town is an outrageously unfair and costly solution, if it remains in place.

In closing, please slow down this highly impactful and potentially costly process. Take the time to look at the California Dream Act, Vail's InDEED program, and Aspen's no money in lieu of housing development, to name a few, to come up with better, fairer solutions. And please remove your considerations to target redlined areas and STR owners to solve the Town's housing problems. We didn't create the problem, and we should not have to pay with our dreams and livelihoods to solve it. To the extent I can help you in finding better solutions, I'm happy to do that. Hopefully these comments will help.

January 11, 2024

Town of Mammoth Lakes Short-Term Rental Advisory Committee:

Please consider these comments, as well as all others received, at your January 11, 2024 meeting to make an informed decision on what "Recommendations" you will present to the Town Council for approval at its next meeting on STRs.

I moved to Mammoth in 1980, to work for MMSA for a ski season. Because I enjoyed coming to Mammoth so much, in 1999, I bought a unit in Villa de los Pinos ("VDLP"). I chose my unit because of its amenities as a rental property, in a great location with easy access to the ski area and Town facilities, and great recreational amenities, including an on-site property manager, which VDLP maintains to this day. I currently serve as VDLP's President and have been on its Board of Directors much since 2005.

When I bought my unit in 1999, it was disclosed that the Town in 1998 had been considering moving forward with imminent domain to take over units at VDLP and surrounding HOAs, presumably for workforce housing as the Village was underway and completed in 1999. The Town's Mayor was our HOA President, and after the matter was dropped by the Town, he sold his unit in 1999. If the matter were still pending, I would not have bought my unit in VDLP.

I bought my unit not only as a short-term rental property with income to help offset the costs, but also to be able to come to Mammoth when it isn't rented, as I consider Mammoth my second home. Renting my unit on a short-term basis also allows me to share the beauty and joy of Mammoth with others, while also allowing me to offset the costs of homeownership. Over the years, I've hosted families from around the world, from different types of backgrounds, who have enjoyed being able to experience Mammoth from the comfort of a home like mine. And, for a period, I also helped in supporting workforce housing.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Typical comments from my guests include:

<sup>&</sup>quot;We had a great time here. It was a very cozy home with everything we needed to prepare meals, rest and refresh after a long day of hiking, and in general just feel at home."

<sup>&</sup>quot;Very comfortable condo, great location, able to walk to a lot of the area restaurants, grocery store, etc. The best part about this place was that all of the buildings circled around a peaceful shared green space that was perfect for games, cookouts, and especially our dog. Friendly neighbors, the whole complex has a great community feel. I would definitely stay here again."

<sup>&</sup>lt;sup>2</sup> For all but 2 years, I've rented my VDLP home as a short-term rental. From about 2017 to 2019, I rented it full time to my friend's son who got a job working for MMSA. on the condition that I could use it as his "guest" for about 2 weeks per year (I was working full time then). After the 2 years, he chose to move out to live in his camper van, as he did not want to pay the modest monthly rent of \$1500 for my 2-bedroom unit, even with a roommate. Last I heard, he still lives in his camper van by his own choosing, and works full-time for a well-regarded retail store on Main Street. I don't know where he parks his camper van, but I think it sure would be nice if the Town maintained a campsite or two for folks like him who wish to live an alternative lifestyle, but who could enjoy a hot shower and electricity for heating.

It's troubling that the Town, through this Committee, is now considering re-zoning the neighborhood around VDLP. It reminds me of 1998 all over again. It is unfair and discriminatory to homeowners and residents in these areas, as it will significantly affect our ability to rent and sell our units at a fair market value compared to those in the now, so-called Ski Portal "Blue Zone".<sup>3</sup>

While I wholeheartedly agree that the Town needs to address workforce housing, there are other ways to do this. Vail, for example, has implemented optional deed restrictions available throughout the town, instead of targeting specific neighborhoods. In their case, property owners can agree to be compensated in exchange for a deed restriction, whereby the property must always be available for occupancy by at least one person working at least 30 hours a week in the town. This option appears to be available to all owners, and isn't limited to certain zoning areas. In fact, single family residences in Mammoth should also be considered if deed restriction options are initiated.

Deed restrictions are also something that should be incorporated into building developers' plans when they build new hotels, developments, and recreational areas, instead of allowing them to shirk

<sup>3</sup> Stated reasons to exclude the new RMF-2 "Orange Zone" from the "Ski Portal" Blue Zone include the called out facts that the Ski Portal HOAs include "visitor-oriented developments and include features such as, a central front-desk, on-site property management, and recreation facilities, thereby making the properties function more as a condominium-hotel, rather than a standard multi-family development. In this style of development, the units are privately owned and they have the option to rent their units short-term through the on-site property management. They also have the option to rent through other rental platforms or management companies."

Everything that the Ski Portal HOAs are supposed to have which are bolded above are amenities that VDLP and the surrounding HOA communities already have and have enjoyed over the years. The proposed "Recommendations" fail to justify why our communities in the Orange Zone should be excluded from the Blue Zone, which would be free of STR restrictions (other than those for safety and taxation), thereby essentially devaluing our Orange Zone properties as compared to those everywhere else in Mammoth.

Mammoth is more than just skiing. The Orange Zone, including VDLP, is close to the Mammoth Loop for wonderful biking year-round (except when it's covered in snow), it's close to the Bowling Alley, it's close to restaurants, laundry facilities, specialty spots, grocery stores, etc. It's also close to the Town's new Ice Skating Rink, which begs the question -- why wasn't workforce housing put there instead, or in the now little used "pickleball court" area?

<sup>4</sup> "Although [Vail's deed restrictions do] not limit the resale price or rent that the owner may seek, the [requirement that it be occupied by at least one person who works 30 hours per week in a local business] effectively shrinks the market of buyers by tying the asking price to local wages — in other words, the deed restrictions separate the local housing market and the out-of-town market, insulating locals from competition with wealthier buyers and renters." George Ruther, director of the Vail Department of Housing, explaining Vail's deed restriction agreements. See <a href="https://www.huduser.gov/portal/casestudies/study-081121.html">https://www.huduser.gov/portal/casestudies/study-081121.html</a> "Because Vail merely changes the covenants of a deed, the city does not need to adopt an ordinance to increase zoning density or wrestle with "not-in-my-back-yard" sentiments, and town housing policy can be implemented outside of municipal boundaries." <a href="https://www.huduser.gov/portal/casestudies/study-081121.html">https://www.huduser.gov/portal/casestudies/study-081121.html</a> "Because Vail merely changes the covenants of a deed, the city does not need to adopt an ordinance to increase zoning density or wrestle with "not-in-my-back-yard" sentiments, and town housing policy can be implemented outside of municipal boundaries." <a href="https://www.huduser.gov/portal/casestudies/study-081121.html">https://www.huduser.gov/portal/casestudies/study-081121.html</a> "Because Vail merely changes the covenants of a deed, the city does not need to adopt an ordinance to increase zoning density or wrestle with "not-in-my-back-yard" sentiments, and town housing policy can be implemented outside of municipal boundaries." <a href="https://www.huduser.gov/portal/casestudies/study-only.html">https://www.huduser.gov/portal/casestudies/study-only.html</a> does not need to adopt an ordinance to increase zoning density or wrestle with "not-in-my-back-yard" sentiments, and town housing hours of the public of the public of th

their responsibility to provide long term housing for workers that are needed to support their projects. The Town should focus on requiring Aspen Hospitality and Altera to set aside certain units for workforce housing in or near the Limelight Hotel and Main Lodge areas, respectively, retroactively or otherwise. Please do not give them an easy and affordable way out at the expense of average, taxpaying citizens of Mammoth like myself.

Other suggestions include figuring out how to help people commute from areas outside of Mammoth, such as Crowley, Bishop, or June, to work in Mammoth, much like how MMSA transports workers from Mammoth to June Mountain. Given that "vanlife" does not seem to be going away, the Town should also set aside permanent camp zones with better amenities for folks who prefer these forms of non-traditional housing.

Bottom line, it should not be the burden of a Town Council's designated sector of homeowners to enable developers to maximize their profits, or to solve housing problems. This is a municipal wide problem; don't make it a neighborhood problem.

Turning our neighborhoods into "workforce housing" zones would likely lower the value of our homes, and change the look and feel of our communities. As reported in the "Carrot & Sticks" Recommendation, 200% of the Area Median Income of 4 members is currently \$191,600, which equates to less than \$25,000 per person. Our ability to pass special assessments to pay for the upkeep of the extra wear and tear that would occur from more owner-occupied units with limited income, would be difficult if at all possible. Within the past two years alone, VDLP has had to pass special assessments close to \$10,000 per unit to pay for the damage and snow removal from last winter's catastrophic storms and to pay for the reroofing of our buildings to a fire retardant material. Imposing that, and collecting that, from an owner that makes less than \$25,000 a year would be difficult to say the least. Deferred maintenance and unit foreclosures would be a likely future.

Some of us would likely choose to sell (or not buy) in these areas, and those with STRs would likely not be able to pass on the STR licenses if the Town decides to continue with or impose greater STR restrictions on our communities. That all would enable the Town to essentially buy our properties at a lower cost for "workforce households" who, after a year, could sell the home or rent it out, and likely gain some appreciation in the process. Who knows how entrepreneurs would figure out how to capitalize on the system, at our expense.

As for the developers, they come out ahead as they can use every square inch of their properties to maximize their investments as opposed to having to set aside a small percentage for their workforce housing.

And to charge each STR tax certificate an additional \$1,000 per year to fund the proposed "down payment assistance program" for workforce households to buy into our designated communities adds insult to injury, to say the least, as our communities won't benefit financially in property value or with the greater wear and tear on our existing recreational facilities by more on-site, full-time residents with limited income.

Apparently, no one on this Committee or on the Town Council resides in this so-called "Orange Zone". There are huge conflicts of interest on this Committee to be deciding on these Recommendations. Tell us – who came up with the idea to create the Orange Zone? And why? And how are they personally benefiting from this, including from all the lobbying and networking, and/or other perks or arrangements with developers? Who in this group owns property or other business interests in the Ski Portal Blue Zone? Does anyone of you own or live in the Orange Zone? Or is your decision making based on misinformed idealism, while completely discrediting and disregarding the real effect, financially and otherwise, that it will have on owners and residents in the now so called Orange Zone?

For the amount of money and lifestyle at stake, whoever came up with these targeted "Recommendations" and whoever approves them, should count on likely being named and/or very involved in lawsuits over this, as there doesn't seem to be any alternative if the Town moves ahead with these Recommendations. To target our neighborhoods for lower cost workforce housing will likely result in loss in property value and enjoyment. These discriminatory "Recommendations", if passed, essentially constitute a taking of our community properties and peaceful enjoyment without just compensation. This is no minor matter, especially as it involves a large group of people who currently own property in the now so called Orange Zone.

Respectfully submitted,

Rose Perez Jessen, Esq.

Townhome Owner in Villa de los Pinos

rperez@lawrhp.com

<sup>&</sup>lt;sup>5</sup> Advisory Committee Members include: Jason Kellogg, General Manager of the Village Lodge Mathew Avery, General Manager of the 1849 Condos John Morris, Director of Operations at Snow Creek