

# Mammoth Lakes Town Council Agenda Action Sheet

**Title:** Consider approval of the program guidelines for the Lease to Locals program.

**Council Meeting Date:** 7/17/2024

**Prepared by:** Nolan Bobroff, Community and Economic Development Director

**Recommended Motion:** Adopt the resolution approving the program guidelines for the Lease to Locals program.

**Summary:** The Lease to Locals program aims to connect tenants with property owners who wish to lease their property on a seasonal (5-11 months) to long-term (12+ months) basis in exchange for a financial subsidy from the Town that is in addition to the rental revenue that the owner will collect.

An overview of the program was presented to the Town Council in May and June 2024, and a contract with Placemate to implement and manage the program was approved by the Town Council on July 3, 2024.

The total year-1 cost of the program is estimated to be \$425,000, of which \$320,000 will be used for subsidies that are paid directly to the property owners and \$105,000 will be paid to Placemate for the administration, implementation, and marketing of the program.

A summary of the guidelines is below:

- **Subsidy Amounts.** Subsidy amounts range from \$2,000 - \$18,000 per property depending on the number of qualified tenants and the length of the lease.
- **Grant Disbursement.**
  - Placemate will collect all information from the tenants and property owners and provide a recommendation to the Town for funding.
  - 50% of the subsidy is to be paid once it has been verified that the tenant has moved in and the remaining 50% of the subsidy is to be paid at the completion of the lease.
  - Town will issue a 1099 to the property owner at the end of the calendar year.
- **Property Eligibility Requirements.**
  - Property must be located within the Town's Urban Growth Boundary.
  - Must be a legally permitted unit and all bedrooms must meet legal requirements for habitability (have a door, window, closet, and meet minimum dimensions per the CBC).
  - Existing long-term rentals (within the prior 12 months) are not eligible. This will be verified to the extent possible by Placemate and/or the Town.
  - Eligible property types include single-family homes, condominiums, townhomes, mobile-homes, accessory dwelling units, and rooms within an owner-occupied property. Multi-family homes greater than 2 units (i.e., tri-plex and larger apartments), hotels, and motels are not eligible.
  - Only an owner of a property can list their unit as available for rent.
  - Property must meet basic health and safety requirements.

- Rent caps range from \$1,000 for a private room to \$3,500 for a 3-bedroom or larger unit.
- Properties can only receive a subsidy one-time. An owner that owns multiple properties can receive a subsidy for each unit for renting the unit long-term.
- **Tenant Eligibility Requirements.**
  - Requires tenants be employed in the region (i.e., Mammoth Unified School District) and work a minimum of 30 hours per week.
  - Average income of all adult residence cannot exceed 150% AMI for Mono County (the 2024 limit for a 1-person household is \$111,200).
  - Single-parent households that have more than 50% child custody will receive a 50% increase in the income limit (1.5 x 150% AMI Limit = \$166,800 [2024 AMI])
- **Program Duration and Management.**
  - The initial contract term is for a 1-year pilot program.
  - Staff will provide an update at the mid-point (December 2024) and end (June 2024) of the 1-year term.
  - Placemate will provide database access to the Town to allow for monitoring of the program's success.