

# **Mammoth Lakes Town Council**

## **Agenda Action Sheet**

**Title:** Consider an extension to the Lease to Locals program operated under contract with Placemate and the commitment of a maximum \$30,000 in additional administrative fees

**Council Meeting Date:** 6/18/2025

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

**Recommended Motion:** Consider an amendment to the Placemate contract to extend the operating term of the Lease to Locals program to December 31, 2025, and to commit a maximum of \$30,000 in additional administrative fees, which will be paid out on a performance-based structure of \$1,667 per property that enters the Lease to Locals program during the extended term.

**Summary:** The Lease to Locals program, operated by Placemate, 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 one-time per property financial incentive from the Town that is in addition to the rental revenue that the owner will collect.

The Town Council approved a one-year pilot program with Placemate to operate the Lease to Locals program on July 3, 2024, and committed \$425,000 to the program, of which \$320,000 is for property lease incentive payments and \$105,000 is to be paid to Placemate for the administration, implementation, and marketing of the program.

The Mammoth Lakes program was officially launched on August 5, 2024, and to date, 11 properties have been leased through the program. As was noted in the June 4, 2025, presentation to the Town Council, there are an additional 21 properties in the “pipeline” that indicated future interest in the program (mid-summer and fall lease start dates).

The contract with Placemate is currently set to expire on July 4, 2025. As discussed at the June 4<sup>th</sup> Town Council meeting, Placemate has requested an approximately 6-month contract extension through December 31, 2025, to continue to work with the properties in the “pipeline” to secure leases with tenants and to bring additional properties into the program. For the 6-month extension period, Placemate had originally proposed a reduced administrative fee of \$6,000/month to operate the program (prior rate was \$7,500/month). This would have equated to \$36,000 in additional administrative fees.

At the June 4<sup>th</sup> meeting, the Town Council directed staff to negotiate a contract amendment with Placemate that attempts to reduce the ratio of administrative costs to incentive payments. Through negotiations, Staff and Placemate arrived at an agreed upon fee structure that moves Placemate’s administrative compensation to a performance-based structure which allows the program to continue but controls administrative costs and aligns incentives for program success. The proposed fee structure would be for a Does Not Exceed amount of \$30,000 that will be paid out at \$1,667 per property that enters the Lease to Locals program during the amended contract term.