



## Mammoth Lakes Town Council

P.O. Box 1609, Mammoth Lakes, CA, 93546

(760) 965-3600

[www.townofmammothlakes.ca.gov](http://www.townofmammothlakes.ca.gov)

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September 1, 2021

Honorable Mark Magit  
Presiding Judge  
Superior Court of California  
Mono County  
PO Box 1037  
Mammoth Lakes, CA 93546

**RE: Town of Mammoth Lakes response to the 2020-21 Grand Jury Workforce Housing Crisis Final Report**

Honorable Judge Magit,

I am pleased to provide responses to the 2020-21 Grand Jury Workforce Housing Crisis Final Report and to the specific findings and recommendations related to the Report.

**FINDINGS AND RESPONSES**

**F1-T** The Town's housing element of the General Plan contains specific details as to plans for developing housing at various income levels. The state's needs requirements indicate a larger need for the housing for individuals in the very low to moderate AMI levels than the Town's housing element goals indicate. As a result, the potential for the town to meet the needs of lower income individuals is at risk.

**F1-T Response:** The Town wholly disagrees with this finding. The Regional Housing Needs Allocations (RHNA) are established by the State and jurisdictions are required to provide information in their Housing Element on how they will achieve the RHNA numbers. The Housing Element goals, policies, and actions are subsequently established based on the regional housing needs and are intended to guide development to ensure that the housing needs of all economic segments of the community can be adequately met. The RHNA sets the target for how many units at the various income levels the Town needs to plan and issue permits for and is intended to identify the number of units that are needed at various income levels to satisfy the minimum housing demand in 2027 based on projected population and the number of existing housing units (*The RHNA is set for a specific time period that coincides with the Housing Element cycles. The Town is currently within the 6th Housing Element cycle which spans from 2019-2027*). Additionally, jurisdictions are required to include a Housing Element site inventory in the Housing Element that identifies vacant sites that have adequate capacity and appropriate zoning to accommodate the Town's regional share of housing. Table 4-42 in the Housing Element identifies the RHNA number for the Town and unincorporated Mono County for the 6<sup>th</sup> cycle and Tables 4-44 and 4-45 in the Housing Element demonstrate that the

Town has adequate vacant land to accommodate the Town's regional share of housing for all income categories (*the State combines Extremely-Low and Very-Low into one category*). If all vacant land identified in Table 4-44 and 4-45 were developed at the income levels and development intensity specified, the Town will have substantially exceeded the RHNA numbers for all income categories. Additionally, the recently approved Parcel project provides adequate land, zoning and a master plan that will meet or exceed the RHNA for all of the low to moderate income categories on its own. Housing Element Goal H.1 states that the Town shall "Assure adequate sites for housing development with appropriate land use and zoning designations to accommodate the Town's share of the regional housing need." As demonstrated in Tables 4-44 and 4-45, adequate sites remain available to meet the Town's share of the regional housing need.

**F2-T** Many town resources have been dedicated to marketing and recreation. Specifically Mammoth Lakes Tourism (MLT), an NGO, currently receives 2.35% of transient occupancy tax (TOT) money (13% room tax) up to \$14.5 million in the current TOML budget and all of the Tourism Business Improvement District (TBID) money collected annually. The current housing crisis is exacerbated by their success in bringing tourists to town. The CHAP and Housing Element goals include consideration of an increase in TOT by 1% to be used exclusively for housing. Currently, funding for housing is considered only after the budget of \$14.5 million in income has been reached. As a result, funding for housing is inconsistent and there is no serious set of spending goals to accomplish.

**F2-T Response:** The Town partially agrees with this finding. Following reductions in Transient Occupancy Tax (TOT) in FY12-13 that was allocated for Tourism, Housing, and Transit resulting from the financial judgment against the town in the airport development litigation, the allocation of TOT was modified for FY17-18. The modification was done to increase funding to Housing programs, while decreasing net revenues to Tourism, the Town, and minimally to Transit. This action resulted in a reduction for Tourism from 2.5 points of the 13 percentage points of TOT to 2.35 points and eliminated the allocation of business license revenues to Mammoth Lakes Tourism (MLT). It increased the allocation to housing from a flat amount of \$550,000 to .85 points. Transit was also adjusted to .85 points. These allocation rates are used to fund Tourism, Housing and Transit. The amounts allocated to NGOs (Non-Governmental Organizations – MLT and MLH and ESTA) are based on contractual agreements. The amount allocated to each category is ultimately tied to the total amount of TOT collected. The initial amount allocated to MLT is tied directly to the Town's budgeted TOT. TBID funding is a direct assessment on tourism related business by defined categories. The assessment process and use of funds is governed by state law. The Town does not control these funds, and they are not eligible to be used for housing purposes. The amount of funding allocated to housing projects and programs since FY16-17 has exceeded the commitment of the .85 of one point of TOT revenue generated. With the purchase of the Parcel in March 2018, the purchase, master planning, environmental, and initial design work has been the primary focus and use of the Town's housing funds.

**F3-T** A specific objective of the HCD report specifies an annual planning report to the town council, however, the status states that reporting to the state “is the primary way in which the town reports and tracks its progress towards RHNA.” There is no mention of reporting to the town council and components of the plan update are presented in a consent agenda. and thus not discussed in public session. As a result, town council’s potential lack of familiarity with the details of housing progress due to a lack of a formal and public presentation, can diminish their understanding of the seriousness of the issues, and therefore reduce the effectiveness of their decisions as they relate to housing.

**F3-T Response:** The Town partially agrees with this finding. An annual presentation to the Town Council would help highlight successes achieved over the past year, identify areas that need improvement and/or attention, and improve overall understanding of the Town’s current housing status. However, it is incorrect that the Town Council is not aware of the seriousness of the housing issues.

**F4-T** A number of personnel who work in the town live in Bishop. While there is public transportation between the town and Bishop for those personnel to use there is no coordination with the work schedules of Bishop-based workers and the bus schedules. Nor is there a town sanctioned effort to provide help in coordinating carpool and/or public transportation schedules resulting in higher carbon footprints and additional costs for transportation.

**F4-T Response:** The Town partially agrees with this finding. It is true that a number of personnel who work in Town live elsewhere, but the reason for people living in Bishop extends beyond the price and/or availability of housing in Mammoth Lakes or Mono County. Additionally, a number of people also live north of Mammoth Lakes and commute similar distances. The Town is not in the business of providing transportation services for the community workforce. Some employers do provide seasonal services and some Town employees do carpool. The Town does not set transportation schedules for bus services.

**F5-T** The Town has a contract with Mammoth Lakes Housing, Inc. to oversee owned and rented units of workforce housing built or purchased for that specific purpose within the town, to ensure they are properly supported, maintained and used. In addition, the CHAP recognizes the importance of Mammoth Lakes Housing, Inc. to the overall plan for expanding housing. However, the contract payments to support the efforts of MLHI have not increased proportionately to the tasks resulting in an increased burden on MLHI.

**F5-T Response:** The Town partially agrees with this finding. The Town contracts with Mammoth Lakes Housing, Inc. (MLH) to provide the services outlined in their contract and were operating under a 3-year contract that expired in June 2021. The compensation amount of that contract was \$330,000/year. The Town Council recently approved a one-year contract for FY21-22 that included a \$6,000 annual increase bringing MLH’s compensation total for the year to \$336,000. Not included in the contract are payments to MLH for grant management that cover MLH’s administrative time and direct delivery costs. In FY18-19, FY19-20, and FY20-21, MLH received additional funds of \$28,706, \$24,297, and \$31,426 respectively. MLH also receives funding from contracts with other entities. The Town has not imposed additional tasks (burdens) on MLH for housing efforts as the contract for the previous three

years was basically static reflecting current work programs. The current contract also did not add additional tasks, outside of current MLH activities. For 2020, MLH did take on the processing of rental assistance payments through funds provided by the Town, County, and others in response to COVID-19 pandemic impacts; however, during this time the Town expectations were also limited due to the pandemic. The Town's agreement with MLH does not include requirements to oversee "owned and rented units of workforce housing built or purchased for that specific purpose within the Town . . .". MLH does not provide housing management services for workforce housing units in the Town, outside of the four units (Star Apartments) owned by MLH. The Town provides funding for MLH to maintain deed restricted units through a buy-back program if the units are not sold in a required time frame to eligible buyers. The Town has committed \$600,000 for this program (increased from \$300,000). Mono County also provides \$300,000 for the program, with a small interest charge.

**F6-T** The Mono County Civil Grand Jury found that several actions for implementation in the housing element, especially those related to funding for housing (e.g. Action H.2.A.1 and Action H.2.A.5.), have no designated single responsible party and no specific target date. The original target deadline for rezoning to accommodate housing development was December 2020. The update merely extends the deadline to 2021. The lack of specificity and accountability raises the potential to miss deadlines and therefore miss the opportunity to solve the housing crisis as soon as possible.

**F6-T Response:** The Town partially agrees with this finding. Within the Housing Element, some action items are specific and have a clearly defined outcome, while others are high-level and don't have clearly defined outcomes. Work done in support of the high-level items and progress made towards completion of the specific action items are detailed annually in the HCD annual planning report. With regard to assigning a single responsible party, the high-level ongoing action items typically require collaboration with a variety of stakeholders and the responsibility to implement those action items is shared amongst the entities identified in each action item. The goals, policies, and action items in the Housing Element were developed through a collaborative process and the entities identified were in agreement as to their role in the process. Information on the two action items related to rezoning to accommodate housing development that had a deadline of December 2020 is provided below:

- Action H.1.E.4 requires jurisdictions comply with AB-2162 which requires supportive housing be a permitted use in all zones where multi-family and mixed-use development is permitted and requires jurisdictions approve housing projects that contain a minimum amount of supportive housing through a streamlined ministerial process. Staff has reviewed the zoning code and determined that no changes to the zoning code are necessary to comply with this requirement since multi-family and mixed-use developments are a permitted use in all of the zones that allow those types of uses (i.e., no use permit or other entitlement is required for the use) and Municipal Code §17.52.290 specifies that "supportive housing is a residential use and is subject only to those restrictions that apply to other residential uses of the same type in the same zoning district."

Staff will develop an application to be used for the Supportive Housing Streamlined Approval process required by AB-2162 to demonstrate that the project meets the eligibility criteria specified in the legislation. This process is similar to the streamlined approval



process required by SB-35 for affordable housing projects and does not require zoning code amendments to reflect the streamlined approval process.

- Action H.1.E.5 requires jurisdictions comply with the State Employee Housing Act (Health and Safety Code §17000 et. seq.) related to the provision of farm worker housing. That section of the State code requires jurisdictions consider housing in an agriculture zone that serves six or fewer persons to be treated the same as a single-family residence (if permitted) and requires housing that consists of 12 units or less, or 36 beds, be considered an agriculture use and be permitted in the same manner (i.e., if a use permit is required for agriculture use, then a use permit is required for the housing use). The only zone that permits agriculture uses is the Open Space zone and a use permit is required for the agriculture use. Single-family residences are not a permitted use in this zone and therefore, the requirement to consider housing for six or fewer persons a single-family residence is not applicable. Housing consisting of 12 units or less, or 36 beds, would require a use permit since agriculture uses require a use permit and would be subject to the same requirements as the agriculture use since the use is considered to be the same. Therefore, no changes to the zoning code are necessary to comply with this requirement.

**F7-T** The goals of both the CHAP and the housing element include construction of accessory dwelling units (ADUs) indicating they can be a viable means of alleviating the housing crisis in town if they are restricted so as to not allow for nightly rentals and as a result be an excellent tool for providing additional workforce housing.

**F7-T Response:** The Town agrees with this finding. The Town's ADU regulations are consistent with State regulations and prohibit nightly rentals in ADUs. The Town and County are working together to provide sets of pre-approved building plans for ADUs and the Town has substantially reduced fees for ADUs.

**F8-T** The housing element objective (H.2.A.5) is to explore placing a dedicated fee for housing on the ballot. However, the progress report says this is postponed due to COVID-19. As a result, this means of acquiring additional funding for housing is not being addressed resulting in the lack of ability to provide more workforce housing.

**F8-T Response:** The Town partially agrees with this finding. The Town Council has discussed and considered tax options to support community housing. This matter was considered by the Town Council on December 4, 2019, January 15, 2020 and April 15, 2020. The final action on April 15, 2020 was not to pursue a tax measure. The options under consideration included an increase in Transient Occupancy Tax rate, general obligation bond issue, a Transaction and Use Tax (operates similar to a sales tax), and a lift tax (admissions tax). The Council has also considered the creation of an Enhanced Infrastructure Financing District (EIFD). An EIFD provides funding by dedicating a portion of growth in property tax revenue for affordable housing and infrastructure as may be defined by the financing district. To be effective it will require County participation, for which the Town has not received any indication of their willingness to participate in an EIFD. This past year the COVID-19 pandemic and the economic uncertainty surrounding the pandemic did limit proceeding with any new tax measure. However, as noted in other responses, the Town has continued to allocate funds to housing in excess of what a 1% increase in TOT would have generated over the past few years.

**F9-T** The Town Council is aware that parking at The Parcel will be provided at the level of 1.3 spots per unit as of the April 28, 2021 special Town Council meeting. This was identified as a problem when numerous community discussions were held on the Parcel. A council member stated that experience from Manzanita and Aspen Village complexes shows that workforce housing requires more than 2.0 parking spots per unit. This will result in unwanted overflow parking in the neighboring areas.

**F9-T Response:** The Town partially agree with this finding. The Town is aware of the potential issues and concerns related to parking at Phase 1 of the Parcel and will continue to analyze and evaluate the adequacy of the parking. The proposed parking levels exceed what is required by the State for affordable housing projects and the Town is actively working with the developer to design a variety of transportation demand management measures that will assist in addressing parking needs. Additional parking will be reviewed and addressed as needed in future phases to ensure needs are met.

**F10-T** Deed restricted units maintain affordability for lower income individuals. The plans for The Parcel currently include the possibility of a number of for-sale units. Whether or not these would be deed-restricted is not addressed. If these units are not deed-restricted the town's ability to provide and maintain affordable housing is hampered.

**F10-T Response:** The Town wholly disagrees with this finding. The [Parcel Master Plan](#) requires that all housing units within the development be deed-restricted affordable housing. The Parcel Master Plan requires that at least 85% of the units within the property be developed as rental units that are deed restricted for individuals and households earning up to 120% of the Mono County Area Median Income. The remaining units can be developed as rental or homeowner units for households earning between 120% and 200% of the Mono County Area Median income, but still require a deed restriction. Therefore, all units within the property will be deed restricted.

**F11-T** Airbnb and like entities have created more incentives for (1) second homeowners to rent their houses/condos for short periods of time when vacant instead of reserving them for housing for locals and/or long-term rental and (2) out-of-town visitors/investors to purchase available units and turn them into nightly rentals. As a result, the available affordable long-term housing market is being severely diminished and results in loss of workforce.

**F11-T Response:** The Town partially agrees with this finding. It is assumed that some of the housing stock within zones where transient uses are permitted have been converted to nightly-rental use by second homeowners, but it is unclear how many are being purchased solely as investment properties that are never utilized by the owner. Additionally, it is unclear how many units in the zones where transient rentals are prohibited are being purchased as second homes that are used by the owners for a variety of time periods ranging from limited to often. The ability to access gigabit data services may have also made Mammoth Lakes and areas of Mono County more attractive to individuals who can work remotely, either on a full-time or part-time basis. While the use of housing for individual use or for short-term rental purposes has likely diminished the availability of workforce housing, there is not adequate information to

show that housing has been “severely diminished.” Current records do not show large numbers of units (3 or more) being purchased by investor groups, LLCs, Corporations, or individuals for nightly rental purposes.

## **RECOMMENDATIONS AND RESPONSES**

**R1a-T** The Mono County Civil Grand Jury recommends that the Town Council require town administration to provide a public presentation to Council on the status of the housing element goals as shown in the HCD Report after its April 1 submission to the state each year - and ask for the update no later than the 3rd Town Council meeting of April each year. For the current year, this public report is to be requested and presented no later than September 30, 2021.

**R1b-T** The Mono County Civil Grand Jury recommends that the Town Council revisit the Goals and Timelines of the Housing Element of the General Plan in depth on at least an annual basis, starting no later than December 31, 2021. The goal of this process is to recognize the housing crisis is now and to recommend any modifications that will be necessary to meet the goals as specified in the plan or earlier.

**R1a&b-T Response:** Recommendation R1a-T has not yet been implemented, but will be implemented in the future. Town staff will provide a public presentation to Town Council on the status of the housing element goals on an annual basis following submittal of the HCD annual planning report to the State. Town Council meets two times a month on the 1<sup>st</sup> and 3<sup>rd</sup> Wednesdays of each month. Staff will agendize the presentation for the meeting that occurs on the 3<sup>rd</sup> Wednesday of April each year. Due to timing constraints of the 2<sup>nd</sup> September Town Council meeting, the 2020 progress report presentation will not occur prior to September 30, 2021, but staff will provide a presentation at the October 6, 2021 Town Council meeting.

Recommendation R1b-T will not be implemented because it is not warranted. The adopted goals, policies, and actions specified in the Housing Element were developed through a collaborative process and were reviewed by the State and found to be in full compliance with State Housing Element law on September 19, 2019. The Town has the ability to review and discuss the goals and timelines specified in the Housing Element, but the Town has limited ability to make modifications to the goals without approval of a General Plan Amendment. Staff will consider additional action items beyond those specified in the Housing Element if it is clear that the additional or revised action items will result in achieving the intended housing goals. The goals in the Housing Element are intentionally high level and broad to encourage creative and diverse strategies towards meeting the housing needs of all economic segments in the community.

**R2-T** The Mono County Civil Grand Jury recommends that the Town Council recognize that the commute to Bishop for housing is not going to go away soon and assign the town administration to study ways to assist workers in a safe and economical commute. Such study to be done by October 31, 2021 with implementation by the end of the year.

**R2-T Response:** This recommendation will not be implemented because it is not reasonable. Housing location for employees within the town is based on more than just cost, including, but



not limited to, family factors, type of housing available, land, and weather. Some employees do choose to carpool to work and some employers provide vehicles for vanpools. Regarding Town employees specifically, the Town has looked at options in the past and made the decision to not implement a dedicated vanpool concept, provision of town vehicles, or other financial incentives. The nature of much of the Town's work limits options for shared vehicles (i.e., shift work, unknown overtime demands, night meetings and personal needs). Bus service is also a limited option and some employees have taken advantage of the service. At this time, additional research and funding regarding a transportation subsidy for a limited number of employees is not recommended.

**R3-T** The Mono County Civil Grand Jury recommends to the Town Council that Mammoth Lakes Housing, Inc. be given an escalation in its new contract that will enable its efforts to expand its duties related to housing support for the town in compliance with the responsibilities assigned in CHAP. If the contract has been completed before this report is issued, the contract should be so amended. A contract to reflect this recommendation should be completed no later than September 30, 2021.

**R3-T Response:** This recommendation has been implemented. The Town Council recently approved a one-year contract that included a \$6,000 annual increase bringing their compensation total for FY21-22 to \$336,000. Negotiations for subsequent years are ongoing. The CHAP is an accepted, non-binding report that is used to inform Council decisions. The Town has not placed additional tasks on Mammoth Lakes Housing per the CHAP. MLH is continuing to look at funding sources outside of just the Town to increase funding. The contract between the Town and MLH will be reviewed and approved by the Town based on the scope of housing efforts that the Town needs MLH to perform. This contract is a services type agreement, and the level of funding is designed to reflect the services requested. The Town does not control the cost structure implemented by the MLH Board of Directors and the need to meet increasing costs is not an obligation of the Town. An updated contract is anticipated to be in place by the end of FY21-22 in preparation for the fiscal year and may or may not be a multi-year agreement, and may or may not include a change in compensation.

**R4-T** The Mono County Civil Grand Jury recommends that the Town Council monitor increases in housing based on plans proposed by developers and or individuals to assure there is compliance with the state's requirements for housing at the specific income levels indicated in the RHND. This activity to be done no later than December 31, 2021 and annually thereafter.

**R4-T Response:** This recommendation will not be implemented because it is not warranted. The RHNA sets the target for how many units at the various income levels the Town needs to plan for and is intended to identify the number of units that are needed at various income levels to satisfy the minimum housing demand in 2027 based on projected population and the number of existing housing units. The state determines compliance with the RHNA by requiring jurisdictions demonstrate that there is adequate vacant land to accommodate the unmet RHNA numbers for each income category at all times throughout the entire planning period (i.e., 2019-2027) ("*No Net Loss Law*", *Government Code §65863*). Compliance is not based on number of units constructed and jurisdictions are not required to monitor and respond to increases in housing based on plans submitted. During the planning period, jurisdictions are required to



monitor the adequacy of vacant land to ensure the unmet RHNA can be accommodated. In the event a site listed in the Housing Element sites inventory is developed with fewer units or at a different income level than shown in the Housing Element, jurisdictions are then required to identify and make available additional land to accommodate the remaining unmet RHNA, or make a finding that the remaining sites have sufficient capacity to accommodate the remaining unmet RHNA. Tables 4-44 and 4-45 in the Housing Element identify the sites inventory of vacant land that can accommodate the RHNA. Jurisdictions are required to report on changes to the status of the sites listed in the Sites Inventory on the HCD annual planning report. That data will be presented to Town Council during the annual presentation.

The Town does track progress made towards satisfying the RHNA on the HCD annual planning report by counting the number of building permits issued and classifying those permits based on income level. Additional information on entitlements, permits submitted, and permits completed is also tracked on the report. This information will be included in the annual presentation made to the Town Council to demonstrate areas where progress is being made and identify areas where additional work is needed towards achieving the RHNA numbers.

**R5-T** The Mono County Civil Grand Jury recommends that the Town Council increase the TOT by one percent to be dedicated exclusively to housing, in line with the CHAP report priorities. If TOT is not increased, then increase the percentage of the current TOT that is allocated to housing. The increased funds to be used to support development of workforce housing in line with the CHAP priorities. This should be done ideally no later than the adoption of the 2021 budget or should be modified by December 31, 2021.

**R5-T Response:** This recommendation will not be implemented because it is not warranted. The Town Council does not have the authority to increase the Transient Occupancy Tax (TOT) rate, but has considered putting forth such a measure to the voters. A tax increase submitted to the voters would have different approval thresholds depending on if the funds would be dedicated to a specific item, program or category (which would be a “special tax” requiring 2/3 voter approval) or available to use for any Town purposes (a “general tax”, requiring majority voter approval). Since FY16-17 and through FY21-22 the Town has committed substantially more than 1% of TOT to support local housing programs and projects, and if the funding used for the purchase and planning of the Parcel is included, the amount of funding to housing over this time period has exceed the equivalent of 2% of TOT revenue. As noted in F8-T, the Town Council on more than one occasion has considered a separate tax and decided not to pursue a tax measure.

**R6-T** The Mono County Civil Grand Jury recommends that the Town Council instruct town management to identify a specific responsible party and target date for each action in the housing element by December 31, 2021. (e.g. actions 2.4 and 2.5)

**R6-T Response:** This recommendation will not be implemented because it is not warranted. Within the Housing Element, some action items are specific and have a clearly defined outcome, while others are high-level and don't have clearly defined outcomes. Work done in support of the high-level items and progress made towards completion of the specific action items are detailed annually in the HCD annual planning report. With regards to assigning a single responsible party, the high-level ongoing action items typically require collaboration

with a variety of stakeholders and the responsibility to implement those action items is shared amongst the entities identified in each action item. The goals, policies, and action items in the Housing Element were developed through a collaborative process and the entities identified were in agreement as to their role in the process. Information on the two action items related to rezoning to accommodate housing development that had a deadline of December 2020 is provided below:

- Action H.1.E.4 requires jurisdictions comply with AB-2162 which requires supportive housing be a permitted use in all zones where multi-family and mixed-use development is permitted and requires jurisdictions approve housing projects that contain a minimum amount of supportive housing through a streamlined ministerial process. Staff has reviewed the zoning code and determined that no changes to the zoning code are necessary to comply with this requirement since multi-family and mixed-use developments are a permitted use in all of the zones that allow those types of uses (i.e., no use permit or other entitlement is required for the use) and Municipal Code §17.52.290 specifies that “supportive housing is a residential use and is subject only to those restrictions that apply to other residential uses of the same type in the same zoning district.”

Staff will develop an application to be used for the Supportive Housing Streamlined Approval process required by AB-2162 to demonstrate that the project meets the eligibility criteria specified in the legislation. This process is similar to the streamlined approval process required by SB-35 for affordable housing projects and does not require zoning code amendments to reflect the streamlined approval process.

- Action H.1.E.5 requires jurisdictions comply with the State Employee Housing Act (Health and Safety Code §17000 et. seq.) related to the provision of farm worker housing. That section of the State code requires jurisdictions consider housing in an agriculture zone that serves six or fewer persons to be treated the same as a single-family residence (if permitted) and requires housing that consists of 12 units or less, or 36 beds, be considered an agriculture use and be permitted in the same manner (i.e., if a use permit is required for agriculture use, then a use permit is required for the housing use). The only zone that permits agriculture uses is the Open Space zone and a use permit is required for the agriculture use. Single-family residences are not a permitted use in this zone and therefore, the requirement to consider housing for six or fewer persons a single-family residence is not applicable. Housing consisting of 12 units or less, or 36 beds, would require a use permit since agriculture uses require a use permit and would be subject to the same requirements as the agriculture use since the use is considered to be the same. Therefore, no changes to the zoning code are necessary to comply with this requirement.

**R7-T** The Mono County Civil Grand Jury recommends that the Town Council encourage development of ADUs by having staff develop several sample pre-approved building plans that meet the town codes and have their existence publicized and be available to interested parties by December 31, 2021.

**R7-T Response:** This recommendation has not been implemented, but will be implemented in the future. The Town has had discussions regarding development of pre-approved ADU plans with the MLH ADU sub-committee and with Mono County Community Development staff. Mono County is utilizing a portion of their allocated Senate Bill 2 (SB-2) funds to develop

several pre-approved ADU building plans and has indicated that a minimum of one design will meet Town snow and seismic requirements and has indicated that the pre-approved plans set will be shared with the Town once they are finalized. The Town will need to establish a policy on the use of the pre-approved plans and determine whether the pre-approved plans will be available for use with no restrictions or whether use of the pre-approved plans will be contingent on an agreement to rent the ADU on a long-term basis and/or restrict occupancy to a specific income level. Once the policy is established, a marketing plan will need to be developed to publicize the availability of the plans. Timing of the pre-approved plans from Mono County is contingent on the completion of the plans by the architectural design firms that are under contract with Mono County. The Town will complete the above specified items by mid-2022.

**R8-T** The Mono County Civil Grand Jury recommends that the Town Council instruct town administration to investigate the feasibility of placing a dedicated housing fee on the ballot to be done no later than March 31, 2022.

**R8-T Response:** This recommendation will not be implemented because it is not reasonable. A ballot measure would be a tax and not a fee. The Town currently has a housing in-lieu fee program in place. The fee is reviewed as part of the Town's overall development impact fee program and since it a fee, it is required to have a nexus between the purpose of the fee and the ones paying a fee. Since a ballot-based fee is not an appropriate means of establishing a fee, this effort will not be pursued.

**R9-T** The Mono County Civil Grand Jury recommends that the Town Council revisit the parking allocations for The Parcel no later than 6 months after occupancy of Phase 1 to determine adequacy and create a remedy as necessary.

**R9-T Response:** This recommendation has not been implemented, but will be implemented in the future. Town Council and staff will continue to analyze and evaluate the adequacy of the parking for Phase 1 of the parcel and create remedies as necessary. Future phases will benefit from the analysis done on Phase 1 and ongoing monitoring and adjustments will be completed as necessary.

**R10-T** The Mono County Civil Grand Jury recommends that the Town Council work with Pacific West to include a number of deed-restricted for-sale units in The Parcel plan to accommodate local workers interested in home ownership and this intent be addressed and codified no later than December 31, 2021.

**R10-T Response:** This recommendation has been implemented. The [Parcel Master Plan](#) requires that all housing units on the Parcel be deed restricted and provides the option for ownership units.

**R11-T** The Mono County Civil Grand Jury recommends that the Town Council consider a graduated TOT fee schedule for non-residents who have more than one nightly rental unit in town and request town management investigate.

**R11-T Response:** This recommendation will not be implemented because it is not reasonable. The Town does not have the ability to create a graduated TOT fee structure based on ownership of housing units. The current TOT rate collected and used by the Town is based on voter approved tax measures, and cannot be increased without voter approval.

I would like to thank the Grand Jury for their efforts and for the service they provide our community. Their efforts add to the overall improvement and transparency of local government and provide an important oversight function for our residents. Thank you also to the Court for the assistance and guidance that is provided to Grand Jury.

Sincerely,

A handwritten signature in blue ink that reads "Bill Sauser". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bill Sauser  
Mayor

cc: Town Council  
Town Manager  
Town Clerk  
Town Attorney