

## TOWN COUNCIL STAFF REPORT

Subject: Update on Status of Pre-Development Planning Efforts for Development of The Parcel

Meeting Date: January 9, 2019

Written by: Grady Dutton, Public Works Director  
Sandra Moberly, Community and Economic Development Director

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### **RECOMMENDATIONS:**

Staff recommends Town Council and the Planning and Economic Development Commission receive the update related to pre-development efforts for development of The Parcel.

### **BACKGROUND:**

On November 1, 2017, the Town of Mammoth Lakes Town Council took action to enter into an agreement to purchase approximately 25 acres known as the Shady Rest Parcel. On March 30, 2018, the Town completed the acquisition process with an investment of approximately \$6.5 million. Since that time, staff has provided regular updates to Town Council. On December 19, Town Council authorized resources to further the pre-development efforts. That Town Council action also addressed overall housing program support resource needs. These actions are in keeping with the identification of housing as an extremely high priority for the Town.

### **ANALYSIS/DISCUSSION:**

Previous Town Council staff reports are available on the Town's website here: <https://www.townofmammothlakes.ca.gov/882/The-Parcel>. The process to develop The Parcel will take careful planning and consideration of a broad range of issues. The Town is committed to completing a transparent and public process as we plan and design this project.

On September 19, 2018 staff provided an update on the steps and effort that will be required to make progress on the Parcel and the Council allocated \$75,000 for limited consulting work to provide specified technical expertise. Staff has since executed a contract with Keyser Marston for the financial analysis of the project and has released Requests for Qualifications (RFQ) for land use planning and housing assistance. The approved funding will allow staff to initiate very preliminary work and to develop a more detailed work plan and community engagement process. These next steps require additional funding that is proposed to come from the amended budget allocation described below.

This project will require a considerable dedication of staff time. While the detailed elements of the work program are being refined, it is clear to achieve the delivery of housing on this property a number of tasks will need to be completed. To be done in a coordinated manner and at a minimum, the work program should include the following, all of which have other sub-tasks with concurrent work required in a number of areas:

- Comprehensive technical expertise and advice in the area of affordable housing
- Public engagement
- Assistance in defining housing needs to be addressed with the Parcel Development
- Inform real estate financial consultant's pro-forma development

- Identify and monitor grant opportunities – requirements and schedules
- Review of implementation strategy
- Prepare summary of housing type specific financial opportunities
- Infrastructure lay out
- Land planning values, goals and outcomes
- Concept planning through the use of charrettes and preparation of exhibits
- Grant funding applications
- CEQA
- Formal development program and plan
- Long-term land and product management

There are a variety of resources needed to program, plan, process, design, fund, and implement a project such as The Parcel. Roles and responsibilities of the parties involved, especially the role of subject matter experts in that process, must be well-defined. The request before the Council on December 19 was to provide staff capacity and to set aside an additional amount of the initial required funding. The total amount allocated will increase to \$275,000 for support services. Having a dedicated budget and staff will allow the work on The Parcel to progress at a faster pace. The recommended staffing increase will add both capacity for assigned work on The Parcel and allow other staff to be more focused when needed for specific tasks. The overall responsibility of the project will continue to be assigned to the Public Works Director.

As noted, on December 19, Town Council identified resources to further both The Parcel and overall Housing efforts. Specifically, Town Council adopted a resolution amending the FY18-19 budget by increasing the funding for the Housing Programs and Planning Department from \$577,344 to \$922,343; and: 1) authorized the Town Manager to hire two additional personnel, one Associate Engineer and one Senior Planner/Housing Coordinator; and 2) to approve the use of up to \$200,000 for subject matter experts (consultants) for work related to The Parcel project; and 3) dedicate the use of up to \$125,000 for housing programs with specific programs subject to Council approval.

**STAFFING CONSIDERATIONS:**

Staff requirements are being addressed as described above.

**FINANCIAL CONSIDERATIONS:**

Initial budget requirements are being addressed as described above

**ENVIRONMENTAL CONSIDERATIONS:**

No issues have been identified at this time.

**LEGAL CONSIDERATIONS:**

None identified at this time.