

DESTINATION RESORT COMMUNITY AND ECONOMIC DEVELOPMENT STRATEGY

TOWN OF MAMMOTH LAKES

**Adopted April 15, 2009
Updated March, 2012**

The Destination Resort Community and Economic Development Strategy was adopted in April 2009 as a 3-year strategic and operational plan intended to clearly establish a short-term direction for the community and dedicate the resources to achieve them.

Since 2009, the Town has made progress on a number of the objectives and strategies that were identified, and there have been organizational changes and new opportunities and challenges that suggest the need to update and revise DRCEDS. An update to DRCEDS was therefore initiated in early 2012, and a series of revisions made which are reflected in this document. This update covers the period 2012 through 2014.

Our Strategic Planning Process

In August 2007 the Town Council adopted the 2007 General Plan. A major theme woven through out the Plan is the importance of strengthening the community's economy and position as a destination resort. The need for an overall community and economic development strategy was obvious.

During 2007 and continuing through 2008, the Town commissioned various reports and held a series of community meetings to address this need. In January 2008, these reports along with case studies of economic development efforts of other communities, professional publications, other background documents and policy recommendations were completed and assembled as a study document produced in book form.

The study document was presented to the Town Council and Town Commissions, and in February 2008, a ten-member "Destination Resort Steering Committee" (DRSC) was formed consisting of Airport, Mobility, Planning, Public Arts, and Tourism and Recreation Commission members, and community representatives, to review the study document. The DRSC's purpose was to:

- Identify what's important to Mammoth today and for our future,
- Engage the community with focused ideas and recommendations, and
- Chart a course to create a community-based economic development strategy.

In addition, the Town conducted a series of "cafes" to gather broad community perspectives and opinions about issues affecting the community. The "Old Mammoth Road," "North Village," "Play," "Mobility," "Global Warming," "General Plan Implementation," and "It's Your Business" cafes have all evoked a strong and

overlapping concern about Mammoth Lakes' economic health and sustainability, and demonstrated community interest and need for public involvement in creating a strategic community and economic development strategy.

In June 2008, a local "Economic Roundtable" panel discussion was held about national, regional and local economic issues; focusing on what the community can do for itself to ensure long-term success. Steve Frisch of the Sierra Business Council facilitated the Saturday morning roundtable and about 30 people participated in small group conversations held around four subject areas:

- Business to Business/Restaurant, Retail and Services/Professional,
- "The Mammoth Experience"/Marketing and Promotion,
- Lodging, Real Estate, and Construction, and
- Events and Activities Programming and Place-making.

The DRSC used information gained from this extensive community engagement process, commissioned reports, and evaluation of best practices to create the Community and Economic Development Strategy which provides a more highly prioritized road map to achieve General Plan vision, goals, and actions related to economic development.

The DRSC recommended the Town focus on a limited number of high-level initiatives. They were: 1. Tourism - filling beds during mid-week and shoulder seasons, 2. Destination Resort – place-making and securing guest venues and facilities, 3. Feet First – mobility improvements, 4. Recreation – planning and building trails and recreation facilities, 5. Sustainability – conserving our natural resources, 6. Air Service – providing commercial air service, 7. Economic Development – assisting all of our local businesses, and 8. Organizational Effectiveness and Community Engagement – a market focused government.

This Destination Resort Community and Economic Development Strategy is the culmination of these efforts.

DRCEDS Update

As previously noted, three years after the adoption of DRCEDS, the Town has initiated an update to the Strategy, both to reflect the accomplishment of a number of its key objectives, and to reflect new objectives and strategies that respond to opportunities and challenges that have arisen since 2009. Economic challenges are foremost among those currently facing the Town. These include the great recession that began in 2007, poor snow conditions in the 2011-12 season, and the evolving status of the Mammoth Lakes Mammoth Lakes Land Acquisition (MLLA) lawsuit. All of these factors have, or will, impact revenues, employment and available resources within the Town organization and the community as a whole.

Not least among the economic challenges facing the Town is the MLLA lawsuit and \$30 Million judgment, an amount that has grown to over \$42 Million with legal fees and interest. Although the amount and details of the how the judgment will be met are still being determined, there is no doubt that it will create a significant new demands on Town revenues and resulting impact to the Town's fiscal resources.

Thus, the need for the Town to focus on economic development, and particularly to strengthen and grow its TOT and sales tax base through increased visitorship, has never been greater. In recent months, staff has worked with several different working groups to gain input on economic development strategies and programs, including:

- The Economic Stimulus Council (ESC), a broad-based group of individuals involved in local businesses, the lodging industry and real estate community.
- Mammoth Lakes Event Coalition (MLEC) a group focused on ways to more effectively attract and grow special events in Mammoth Lakes.
- Planning Commission Economic Development Committee, a two-member group of Commission members convened to work with staff on economic development related work program and strategy development.

Over the course of several meetings, the ESC in particular, worked to identify key issues and a series of strategies that various organizations and entities can deploy to promote economic recovery and strengthen the local economy. One of the focus areas was the need to better enforce and improve revenue collections, particularly TOT. In response, the Town, in partnership with the Lodging Association, launched an aggressive program to address illegal transient rentals, and identify and pursue property owners who are not properly remitting TOT.

The Town Council approved an Economic Development work program in September 2011, based on the input from the various working groups. This input has also helped to inform the update to DRCEDS, including a new strategy and objectives specifically focused on economic recovery, and increasing revenues derived from tourism- and visitor-related activities.

The DRCEDS update also reflects a number of more minor and “housekeeping” changes. These include:

- Consolidation of a number of similar objectives focused on development of facilities and financing plans in different areas;
- Consolidation of objectives that will be achieved through the comprehensive Zoning Code update;
- Revision of some targets and dates for completion of particular objectives, based on current priorities and a realistic assessment of staff resources;
- Identification and reporting of objectives included in the 2009 DRCEDS that have been successfully completed. Completed objectives are listed at the end of this report, and have been deleted from among the other objectives yet to be achieved. Item numbering has been revised accordingly throughout.

Our Strengths and Challenges

Mammoth's economy is almost wholly dependent on tourism. Virtually every aspect of the community is directly or indirectly linked to tourism - trails, natural resources, branding and town identity, conference facilities, transportation; so too are local businesses – dining, food, clothing, gear, ticket sales, and other services.

Strengths

Strengths of our tourism-based economy are:

- Our incredible natural setting and abundant outdoor recreational activities.
- Our climate, 300 days of sun and 400 inches of snow each year.
- Mammoth's proximity to the Los Angeles market has made us their playground. Southern Californians comprise the majority of Mammoth's visitors and second homeowners, and are a major, consistent source of revenues.
- Mammoth has been attractive to large developers such as Intrawest and Starwood Capital that has resulted in major investments in higher-end lodging.
- Mammoth Mountain Ski Area itself is renowned for its size and tremendous variety of terrain for all skill levels and continues to improve on-mountain skiing and snowboarding facilities to attract new visitors.
- Our close proximity to world renowned parks and forests like Yosemite National Park.
- Mammoth's isolation, which is in some ways a disadvantage, results in one of its greatest strengths: no sprawl is possible. Mammoth will always be an island of civilization surrounded by unique, spectacular public lands.

Challenges

Our tourism based economy is affected and threatened by:

- Environmental Factors: 1980 Long Valley Earthquake, 1980-90's volcanism, 1992 Rainbow Fire, New Zealand Mud Snail & Quagga Mussels, Global Climate Change and Extreme Sierra Weather Patterns.
- Weather-Dependent Economy: Historically low snowfall in 1991, 2007 and 2011-12 resulted in significant negative effects on the local economy, based on a sharp decline in skier visits.
- Economic Factors: 1994 Highway 14 closed due to Northridge Earthquake, Strong Resort Industry Competition, Aging Baby Boomers, National/Global Economic Downturn, Escalating and Fluctuating Fuel Costs.
- Local Factors: Weak Spring and Fall Visitation, and lack of diversity in recreation, entertainment and retail options for visitors, beyond a relatively narrow range of summer and winter outdoor opportunities.
- Competition: alternative recreational choices and alternatives resorts to choose from.
- LADWP Water Rights Challenges. In 2011 and 2012, LADWP filed lawsuits contesting Mammoth Community Water District's historic water rights to Mammoth Creek. If successful, this challenge could significantly affect community water supply and local development.

Mammoth's businesses experience feast or famine:

- Low average annual lodging occupancies.

- Shoulder season visitors find closed restaurants, shops, services and limited recreation choices.
- Customer service standards suffer.
- Employees work too much or not at all.
- High employee burnout.
- Difficult to attract and retain employees and achieve a sustainable employment base due to the cost of living, high housing costs, and a lack of resident amenities.

Economic diversification is difficult:

- We are geographically isolated, access is limited.
- Marketing and distribution networks are limited.
- Materials, shipping, and construction and development costs are high.
- Local costs of doing business are relatively higher than other communities.
- The Town is very limited in size and surrounded by public lands.
- Winters can be severe and energy costs can be high.

The outcomes of the MLLA judgment are expected to be severe and long-lasting:

- The resolution of the judgment is likely to impact the Town's General Fund and related staffing and services for a number of years, which will affect the Town's ability to implement and achieve and maintain essential services and key initiatives.
- Given the Town's reliance on visitor-derived TOT and sales tax, there is an even greater need to grow these sources, focus on economic recovery, and prioritize strategies that will result in the greatest "return on investment."

Our 3-Year Strategic & Operational Plan

This Destination Resort Community and Economic Development Strategy includes the ideas of partnership, people, place and positioning. The Plan is intended to improve our overall quality of life: increase opportunity, spur investment, encourage local enterprise, serve the needs of local residents, workers and businesses, promote stable employment, reduce poverty, offer family and neighborhood life, maintain our natural environment, conserve natural resources and be both inclusive and sustainable.

This strategy looks to leverage assets to support increased competitiveness and economic growth. Ultimately, both the community and the ski area require progressive changes to become a destination resort. To achieve these goals, the Town should direct resources to the following high priority short- and mid-term strategies and objectives during this next 3-year operational period (2011/2012 through 2013/2014 fiscal years).

Key Result Area (KRA) 1.0 Achieve Economic and Fiscal Stability

The Key Result Area represents the highest-level goal of DRCEDS, which will be achieved through a multi-faceted series of objectives and strategies in a number of targeted areas. The following overarching "disciplines" are those that should be integrated and adhered to in actions and decision-making for any of the objectives and strategies.

Disciplines: We will base our decisions on achieving the triple bottom line: one that considers economic development, land use planning, mobility, community design and place-making to achieve a thriving local economy.

We will prioritize the allocation of resources and decision-making to provide activities, programs, services, and facilities that lead to higher visitation first.

We will partner with the private sector and fellow public agencies to leverage visitor serving activities, programs, services, and facilities with new development.

We will build partnerships with members of our community to increase opportunity, spur investment, encourage local enterprises, and serve the needs of local residents, workers and businesses.

Goal 1.1 Annually increase Town visitation and occupancy rates.

Goal 1.2 Stabilize and strengthen local businesses.

Goal 1.3 Annually increase municipal revenues and their reliability.

Economic Recovery (New Topic Area)

(Note: This category is also supported by strategies and objectives listed under “Business Assistance, Diversification and Retention”; “Visitor Driving Activities, Programs, Services and Facilities”; and “Special Events and Cultural Arts”)

Strategy 1.1.1: Promote Mammoth Lakes’ economic recovery through increasing and enhancing tourism, the creation of jobs; attraction and retention of new business; and stimulation of economic activity and investment.

Objective 1.1A Become a branded high altitude sports and cultural destination known for its innovation. Key tactics that can implement this objective are:

- Complete a cultural and events market feasibility and site evaluation study to recommend permanent event sites.
- Dedicate resources to attract, support and coordinate the production of town-wide events and major new festivals.

Objective 1.1B Improve revenue collection. Key tactics that can implement this objective are:

- Continue to dedicate staffing resources to the TOT enforcement program.
- Streamline and automate payments.
- Implement more efficient systems to collect and receive more timely payments.

Objective 1.1.C Increase visitation and occupancy by increasing return visits, extending length of stay, and increasing shoulder season visits to Mammoth Lakes.

Objective 1.1.D Improve town-wide Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR). Key tactics that can implement this objective are those that improve and increase nightly lodging, improve existing nightly lodging product, and increase nightly lodging product such as branded and non-branded hotels and motels and other condominium and, potentially, single family rental units.

Objective 1.1.E Develop new fiscal revenue sources to fund priority services and facilities. Typical revenue sources include bond measures, facility assessment districts, maintenance assessment districts, and business improvement districts.

Objective 1.1.F Support the Digital 395 project to improve the speed and availability of broadband internet in Mammoth Lakes.

Air Service

Strategy 1.1.2 Provide commercial regional air service to increase accessibility from key visitor market areas.

Objective 1.2A Incrementally increase the number of enplanements per year from 25,000 in 2011 towards the forecast of approximately 130,500 by 2024 by increasing summer and winter air service and providing continued service and facility improvements that will support commercial air service. An incremental target is approximately 54,000 enplanements by 2015.

Mobility

Strategy 1.1.3 Shift the primary means of access and circulation from auto use to walking, bicycling, transportation demand management, gondolas, and transit to improve the Town's overall quality of life, reduce impacts of development and provide better emergency access.

Objective 1.3A Complete CEQA evaluation and adopt the General Plan Mobility Element.

Objective 1.3B Complete a town-wide wayfinding and signage system plan by the end of 2012.

Visitor Driving Activities, Programs, Services & Facilities

Strategy 1.1.4 Provide a broad range of cultural and artistic opportunities by encouraging and sponsoring concerts, performances, visual art exhibits, festivals, and sporting, educational and civic events in the community. (Also see Objective 1.1A)

Strategy 1.1.5 Partner with the private sector to provide a variety and range of meeting and conference spaces, indoor and outdoor event venues and recreational facilities with new development that can be programmed to drive increased visitation.

Objective 1.4A Develop a variety of meeting and conference spaces with future hotel development in general and in the North Village, Town Center and Main Street districts. This objective would potentially target spaces ranging from 2,000 to 5,000 square feet, 7,000 to 10,000 square feet, and 15,000 square feet. (This program should be considered and refined through the Special Events Feasibility Study and Gateway District Plan; see Objectives 1.1.A and 1.6A)

Objective 1.4B Develop a variety and range of indoor and outdoor event venues with future hotel development in general and in the South Mammoth, North Village, Town Center and Main Street districts. This should potentially target a 45,000 square foot indoor events facility with a 2-3 acre joint sports field and events area, a 100-seat indoor town hall/ meeting/performance facility, and three to five smaller outdoor events areas and plazas. (This program should be considered and refined through the Special Events Feasibility Study Gateway District Plan; see Objectives 1.1A and 1.6A)

Place-Making

Strategy 1.1.6 Coordinate with MUSD, Cerro Coso College, the Mammoth Lakes Foundation, Mono County and Southern Mono Healthcare District to determine the most beneficial and appropriate program of public uses and facilities for the Gateway District, and the broader program of facilities that would complement these uses.

Objective 1.6A Complete the Gateway District Plan and Community Recreation Facilities Plan to address the potential future uses and preferred locations for community recreation facilities, including potential joint use facilities.

Objective 1.6B Complete the Mammoth Creek Park Master Plan to specify the recreational uses and facilities, such as an indoor events facility with joint sports field/outdoor events area, family lawn and picnic areas, play area and equipment, and mobility and infrastructure improvements to be provided with new development. The Master Plan should be developed in light of the

recommendations of the South Districts NDP, as well as the Gateway District Plan and Community Recreation Facilities Plan described in Objective 1.6.A.

Strategy 1.1.7 Implement the recommendations of Town-wide and Area-Specific District Planning, including:

- The North Village as a “Visitor Oriented Entertainment Retail District.”
- A “Town Center” on North Old Mammoth Road that will function as a locals- and visitor-oriented mixed-use district.
- “Main Street” as a connected mixed-use residential, commercial, and lodging corridor, and an attractive Town entrance; and
- South Old Mammoth Road as a visitor- and community-serving cultural, entertainment and recreation hub centered around Mammoth Creek Park.

Objective 1.7A Revise and update the North Village Specific Plan, including the Implementation Element, to reflect the recommendations of the North Village District Planning Study regarding critical mix and mass of uses; anchor retail, resort services and entertainment uses; meeting, event, and performance venues; and mobility and infrastructure improvements to be provided with new development.

Objective 1.7B Complete a Town Center/Downtown Specific Plan for Main Street and North Old Mammoth Road to specify the critical mix and mass of uses; anchor retail and entertainment uses; meeting, event, and performance venues; and mobility and infrastructure improvements to be provided with new development.

Objective 1.7C Complete design specifications to establish uniform standards for resort animation: decorative banners, tree lighting, information kiosks, graphics, wayfinding and accoutrements that create an attractive festive resort appearance.

Objective 1.7D In FY12-13, complete the Community-Based Transportation Plan-funded scope of work for Main Street to refine the design and configuration of Main Street, the disposition of surplus right-of-way, mobility and infrastructure improvements, and explore financing and funding opportunities for planned improvements.

Prepare for Reinvestment

Strategy 1.1.8 Adopt policies and zoning ordinances to streamline the permit process and to achieve community expectations and standards.

Objective 1.8A Complete the comprehensive Zoning Code Update in FY12-13, to bring the Zoning Code into conformance with the General Plan, and to include standards and requirements for the following:

- Condominium-hotels.

- Community Benefits/Incentive Zoning.
- Codification of development standards recommended in the Downtown Concept for Main Street, North Old Mammoth Road District Planning Study, and South Districts Neighborhood District Planning Study.
- Incorporate resource conservation and green technologies policies and standards, complementing the relevant standards of the State Green Building Code.

Objective 1.8B Develop a comprehensive town-wide Public Facilities and Financing Plan (PFFP) based on approved master plans, specific plans, district plans, facility plans and strategies in order to integrate and establish priorities for needed capital improvements, infrastructure investments, and maintenance.

Objective 1.8C Complete the Mammoth Lakes Housing workforce housing strategy.

Natural Resources

Strategy 1.1.9 Protect the area’s natural resources, scenic beauty and character recognizing that these environmental attributes are also primary tourist attractions.

Objective 1.9A In FY 2012-13, develop a strategy to bring the Town into compliance with mandatory waste diversion rates, based on implementing commercial and multi-family recycling, increasing diversion of construction waste, and completing planning and permitting for a new Materials Recovery Facility (MRF) in the Industrial Park.

Marketing & Promotion

Strategy 1.1.10 Continue to support the work of Mammoth Lakes Tourism (MLT) as the Town’s Destination Marketing Organization to leverage and improve the effectiveness of external sales, marketing, and promotional efforts.

Business Assistance, Diversification & Retention

Strategy 1.1.11 Support the Chamber of Commerce in their efforts to assist local businesses to increase business revenues and receipts, increase business and employment diversity, capture more sales locally and reduce leakage.

Objective 1.11A Continue to benchmark local economic performance and report quarterly performance.

Objective 1.11B Conduct visits monthly with local businesses to learn about conditions, concerns, and issues to find ways to improve them.

Objective 1.11C Hold quarterly business forums with local business clusters such as construction; design and development; restaurant, retail and services; and lodging and real estate; to address businesses issues and resolve them.

Objective 1.11D Assemble local resource and service providers (e.g. the Sierra Business Council, Cerro Coso Community College, foundations, Town, County, State, and Federal agencies) to establish technical and financial assistance that can help small businesses.

Objective 1.11E Establish a business resource center to provide a clearinghouse of business information and assistance.

Objective 1.11F Complete a guide/map to local businesses; public/private information, resources and services; and a “welcome kit” for businesses, residents and visitors.

Objective 1.11G Develop an economic and stimulus program to develop and implement business retention and attraction programs, loan and grant programs, creating incentives and eliminating conditions of disrepair and blight.

Market Focused Government

Strategy 1.1.12 Maintain an effective organization, provide higher customer service, and engage the community in all of the Town’s major efforts.

Objective 1.12A Dedicate staff resources in each Fiscal Year Budget to:

- TOT enforcement and revenue collection
- Economic development and stimulus services
- Seek and secure new funding sources for priority activities, programs, services and facilities
- Maintain a safe and attractive community through code compliance and community outreach programs
- Maintain a well trained staff in new trend affecting public services, such as resource conservation, green technologies and (IT) information technologies .

Objective 1.12B Conduct an annual audit to identify and eliminate unnecessary, overlapping and contradictory regulations and to ensure that fees and levies imposed on new and expanding businesses are fair and broad based.

Objective 1.12C Continue to streamline and expedite the development approval process to reduce unnecessary delay and costs.

Objective 1.12D Complete a survey of competitive resort communities to benchmark municipal revenues, services costs, and fees. Keep local service costs and fees competitive with them.

Objective 1.12E In the Community Indicators Framework developed as part of the Zoning Code Update, specify indicators to measure the financial health of the Town.

Objective 1.12F Annually adopt Fiscal Year budget policies that:

- Place a high priority on providing visitor driving recreation activities, programs, services, and facilities.
- Address service contracts, cultural arts and special events, and business assistance loans and grants

Objective 1.12G Begin an annual community survey to identify citizen satisfaction with the range, quality and cost of Town and contract-funded organizations' services. Target a minimum 80 percent satisfaction rate for Town performance in providing services to its customers.

The following sections of this document provide contributing and supporting information.

Organizational Profile

The Town of Mammoth Lakes is a General Law city incorporated in 1984. The Town has a council/manager form of government, with a five-member Town Council elected at large. The Mayor is selected by the Council from among its members, and serves a one-year term. The Town Manager, appointed by the Council, is the chief administrative officer carrying out the policies of the Council and directing a municipal organization of approximately 73 full and part-time employees. The Town's annual operating budget is approximately \$18.5 million.

Mammoth Lakes is the only incorporated municipality, and the center of population, development, and visitation, in the County of Mono. It is the largest community in the Tri-County area, consisting of Inyo, Mono and Alpine Counties. Because of the high level of visitation and associated employment of those who commute into town for work, the Town serves a population far greater than its permanent residents. Mammoth is an "island," bounded on all sides by the Inyo National Forest and other publicly owned lands. With a mere four square miles available for development, the character, quality, and function of the community and new development is very important.

Primary Products and Services

Traditional Government Services - including services that are normally expected from a municipal government, such as:

- Trash pick-up and removal (via franchise agreement)
- Maintenance of streets and drainage systems
- Snow removal
- Parks and recreation facilities and programming
- Public Transportation, via participation in Eastern Sierra Transit Authority
- Workforce Housing, via funding of Mammoth Lakes Housing

Non-Traditional Government Services - in light of the community's role as a resort/vacation area:

- Marketing and promotion
- Support/coordination for visitor-oriented special events

Regulatory/Enforcement - including services to protect the general public interest, such as:

- Police
- Animal control
- Building plans examination and permitting
- Code enforcement
- Land use permitting

Management/Administrative Services - including a wide range of centralized support services to internal users:

- Airport services

- Engineering
- Facilities maintenance
- Financial management
- Fleet maintenance
- Information systems
- Human resource management
- Legal support
- Risk management
- Council and Advisory Commission support

Services Provided by Other Agencies/Entities:

- Education-Mammoth Unified School District, Mono County Office of Education, and Cerro Coso Community College District
- Electrical utilities—Southern California Edison
- Fire—Mammoth Lakes Fire Protection District
- Medical-Mammoth Lakes Hospital District
- Natural gas—Turner Propane (Heritage) and Amerigas
- Public lands-United States Forest Service and National Park Service
- Water and sewer—Mammoth Community Water District

Delivery Mechanisms:

Town services are delivered directly to customers through six operational departments and administration. A non-profit (Mammoth Lakes Housing) and a Joint Powers Authority (Eastern Sierra Transit Authority), in partnership with the Town, provide workforce housing and transit services, respectively.

Key Customers and Stakeholders

KEY CUSTOMERS

Local residents
 Visitors
 Second homeowners
 Businesses
 Special interest and advocacy groups
 Community agencies
 Development and construction community
 Special districts
 Property owners
 Schools

KEY STAKEHOLDERS

Town Council
 Mono County Agencies
 State Agencies
 Federal agencies
 Advisory Commissions
 Employees
 Grant providers

Current and Future Requirements and Expectations

The Town's key customers and stakeholders generally require or expect the following:

- Affordable taxes and fees for service
- Service quality and quantity sufficient to maintain a high quality of life
- Timely and efficient delivery of services
- A stable, financially secure local government able to effectively deal with emerging requirements
- A local government compliant with state and federal mandates, regulations, and rules
- A community that provides good and improving economic opportunity for everyone
- Accessibility; a convenient means of requesting service or filing a complaint
- Civic engagement and transparency in decision making

Challenges Facing Municipal Government and the Town of Mammoth Lakes

With these service expectations in mind, the Town is facing increasingly difficult challenges in terms of fiscal resources. These challenges will be exacerbated by the outcomes of the MLLA settlement, likely for many years to come. In addition, broader trends in our national and state economies and politics affect the types and complexity of services the Town provides.

The *National League of Cities* and the *National Association of Counties* identified several recent trends in local government that will likely affect the way communities operate. Anticipation of how these trends will affect our community is an important factor in determining the overall strategies. Key trends include the following:

Changing demographics – The ethnic composition of communities, especially in metropolitan areas, continues to evolve, creating a growing need for multi-lingual and cultural services. As 77 million baby boomers age and begin retiring, the community will need to consider issues such as changing recreational preferences, succession planning and knowledge retention, and health and retirement. Conversely, the technology generation will continue to expand, reducing the digital divide between generations.

Climate change and sustainability – California is at the forefront of the worldwide effort to tackle the causes - and consequences - of climate change. The State has set ambitious goals to reduce emissions of carbon dioxide and other greenhouse gases to 1990 levels by 2020, and to 80 percent below 1990 levels by 2050. Strong State goals require effective local action and California communities will be asked to play a leadership role both to reduce greenhouse gas emissions and to prepare for the consequences of climate change. Legislative initiatives such as, AB 32 - California Global Warming Solutions Act of 2006; SB 375 - Regional Transportation Planning, Housing, CEQA and Global Warming Emission Reduction Measure; the California Green Building Standards Code; as well as changing CEQA requirements - CA Attorney vs. County of San Bernardino and SB 97, will impact local government, planning, and the regulatory environment.

Fiscal stewardship and economic shifts – Economic conditions have placed pressure on some federal and state governments, shifting the provision of additional services, often without increased funding or resources, to county and municipal government. Current

trends foreshadow a continued economic slowdown and a recession that will place additional strain on local government.

Economic growth and vitality – To address quality of life issues, communities are beginning to address ways to improve economic vitality through growth in business and employment, which has been a challenge given the continuing gap between local revenues and expenditures.

Healthy and livable communities – Nationwide increases in childhood and adult obesity and associated health risks such as diabetes, heart disease, high blood pressure and cancer, have led to changes in how communities and neighborhoods are planned and built. Attention is now focused on providing safe and healthy lifestyle options like planning for walking and biking accessibility to work, school, recreation and shopping destinations; building trails, parks and playgrounds that encourage daily exercise; and building affordable and accessible in-town housing.

Civic engagement, trust and governance – Trust between local officials and citizens have recently been tested because of disengagement at the national and global levels. As a result, there is a growing emphasis on community participation in governmental policy making and local governance.

Performance management and measurement – Much like businesses, local governments are facing an increasing need to measure performance and demonstrate results using key indicators and metrics. Measurement can apply to municipal conditions within the community (e.g. physical, environmental, economic, social, etc.).

Convergence and performance – An active movement towards improving processes have turned communities towards centralization and consolidation of existing systems in order to reduce operating costs. Communities will also benefit from technologies that have become more powerful, but have remained cost-effective.

E-Government – Communities are utilizing more online services to provide citizens with increased information, greater civic involvement, and improved municipal services. Portals are also being used internally to share information throughout the organization and promote collaboration.

Security – Communities must incorporate a full, secure, and reliable network and telecommunications infrastructure with physical security protection. Identity management and content security to prevent spam, worms and viruses are two major focal points. Additionally, the increase in online services provided to the public will require technology to avert identity theft and credit card fraud. The threat of terrorism has forced communities to enhance local public safety efforts. Federal agencies have also gradually been increasing funding for homeland security initiatives at both the state and local levels.

Disaster preparedness and recovery – The need for planning to mitigate the effect of man-made or natural disasters has become an imperative. Communities are implementing

various tools and procedures such as replication software and mirrored sites to minimize downtime in an attempt to restore systems and bring them back online.

Community Profile

This is the current “snapshot” of population, housing and employment in Mammoth Lakes and Mono County.

2012 Key Statistics

Town of Mammoth Lakes Population (2011)	8,286
Mono County Population (including Mammoth Lakes) (2011)	14,308
Mammoth Lakes Percentage of County Population (2011)	57.9%
Mammoth Lakes Housing Units (2011)	9,629
Mono County Housing Units (2011)	13,928
Mono County Median Household Income (2006 - 2010)	\$55,087

Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2012; Census 2010; California Employment Development Department, 2012

Mammoth Lakes Demographic Profile (2010)

Age	Number	Percentage of Total
Under 18	1,719	20.9%
18-24	1,050	12.8%
25-44	2,833	34.4%
45-64	2,100	25.5%
65 and Older	532	6.5%

Race	Number	Percentage of Total
White	5,143	62.46%
African-American	29	0.35%
Hispanic, Any Race	2,772	33.67%
Other (including persons of two of more races)	290	3.52%

Gender	Number	Percentage of Total
Male	4,515	54.8%
Female	3,719	45.2%

Source: Census 2010, File DP-1

Mammoth Lakes Housing Profile (2010)

Occupancy/Tenure

	Number	Percentage of Total
Total Housing Units	9,626	
Vacant (Seasonal) Housing Units	4,981	51.7%
Occupied Housing Units	3,229	
<i>Renter-Occupied</i>	<i>1,727</i>	<i>53.5%</i>
<i>Owner-Occupied</i>	<i>1,502</i>	<i>46.5%</i>

Source: Census 2010, File DP-1

Housing Unit Types

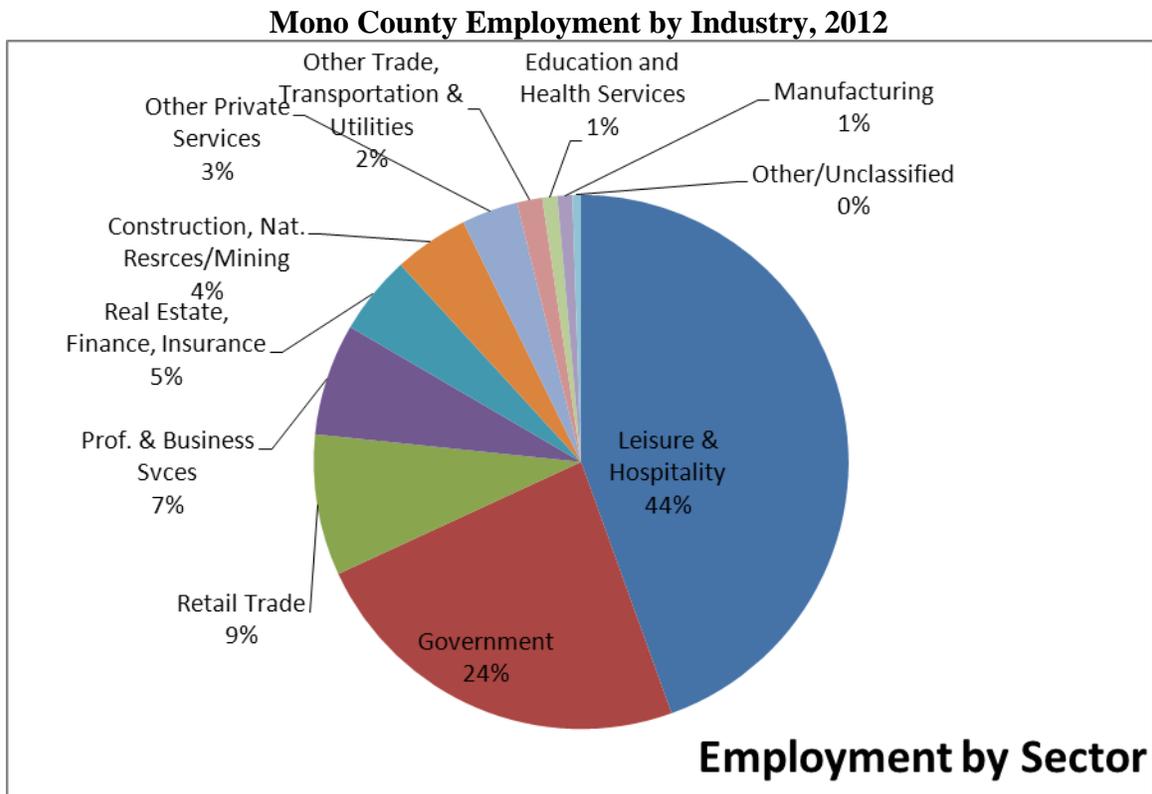
	Number	Percentage of Total
Total Housing Units*	9,385	
Single Family (Attached and Detached)	2,589	27.6%
Duplex, Triplex and Fourplex	2,340	24.9%
5 to 19 Units	3,182	33.9%
20 Units or More	1,131	12.1%
Mobile Homes	143	1.5%
Other (RV, van, etc.)	0	0%
*Differs from 2010 total, because data based on 2006-2010 Estimate rather than Census count		

Source: Census 2010, File DP-4 (ACS 2006-2010)

Economic Statistics

Total Labor Force (January 2012)	5,170
Total Employment (January 2012)	4,860
Total Taxable (Retail) Sales (2005-2010 Average Annual)	\$149,662,501
Median Home Price (2011)	\$580,000
Median Condo Price (2011)	\$220,000
Mono County Median Income (2006-2010)	\$55,087
Mammoth Lakes Unemployment Rate (March 2012)	6.0%

Source: California Employment Development Department; Mammoth Lakes Economic Forecast and Revitalization Strategies



Our Competitive Position and Long Term Outlook

In recent years there has been a great deal of progress in making the Town more economically sustainable. Mammoth's competitive position in the resort market has been strengthened by:

- Upgrades at the Mammoth Mountain Ski Area, which improve quality of the on mountain experience.
- Construction of the first phases of the North Village which provides a new type and quality of visitor accommodation and a sense of place and center of activity for visitors.
- Providing increased tourism and marketing funds through TOT increases.
- Formation of Mammoth Lakes Housing, Inc. as a provider of and advocate for workforce housing.
- Adoption of Measure "T" to fund public transit and creation of ESTA as a public sector transit provider.
- Formation of Mammoth Lakes Trails and Public Access.
- Adoption of Measure "R" to fund parks, recreation and trails.
- Adoption of Measure "U", extending the Utility Users Tax to fund recreation, arts and mobility.
- Initiation of summer and winter commercial air service to expand our reach to additional markets.
- Close collaboration and partnership with the United States Forest Service.

These and many other public and private projects and programs have contributed to our competitiveness and have strengthened our economy. In spite of all this, our strong variability in seasonal visitation and the current economic climate is a reminder that the Mammoth economy is still very seasonal, and very vulnerable to forces outside our control.

Recent economic studies commissioned by the Town indicate positive long-term outlook for the community. The University of California, Santa Barbara (UCSB) Demographic and Economic Report (2006) report identified investment in the Town's resort infrastructure as a trend augmented by new development that would lengthen visits and increase visitation from both new and existing demographic visitors. Because of those trends, it is expected that Mammoth's economy will continue to show growth throughout the forecast horizon, although cyclical ups and downs should be expected. Retail, other services and construction will be the creators of economic activity during this development period.

The Economic Research Associates (ERA) economic report (2007) forecasts steady and reasonably strong long-term growth for Mammoth. The Town's projected year-round population is expected to grow to 11,200 by 2025. The number of visitor-nights is projected to increase from 2.16 million in 2007 to 3.04 million by 2025.

The Town commissioned the “Mammoth Lakes Economic Forecast and Revitalization Strategies Report” by Economic and Planning Systems, in 2011. The report provides a market based forecast of likely growth and development trends under three different scenarios representing low-, medium- and high levels of investment and change in the community by the Town and others. The report concludes that, which achievement of higher investment levels is not unattainable, it will likely require a significant investment and dedication on the part of the Town to implementing place-making, removing disincentives to investment, and expanding the portfolio of recreational, entertainment and retail opportunities that can attract higher levels of visitation.

Market Position

Because of the limited prospects to achieve economic diversification from the recreation and visitor-based economy; the Town should expand its recreation and resort business in order to attract more visitors, especially during mid-week winter and shoulder-season periods and function as a “destination resort.”

Destination resorts are distinguished from non-destination resorts by: the proximity of the resort to its primary market, the means by which the resort user reaches the resort, the frequency with which a user patronizes the resort, the typical length of stay, and the quality of the resort setting. Destination resorts tend to be a considerable distance from their primary markets, users travel by air rather than by car, visit infrequently (usually once a year or less and often only once), and book longer stays (often one- or two-week vacation visits). Destination resorts also tend to be located in dramatic or particularly attractive settings. Defining characteristics of destination resorts are:

- A higher ratio of hotel rooms to second homes, whereas the reverse is true for regional resorts.
- Hotel rooms tend to have a higher rate of occupancy (“hot beds”) than second homes and condominiums (“cold beds”).
- More upscale and expensive than regional resorts.
- A four-season resort amenity package that attracts visitors throughout the year.

The Town’s market position as a destination resort requires a community and economic development strategy that is as much focused on providing affordable housing and encouraging locals to spend locally as providing additional activities for skiers and other tourists to enjoy.

The 2007 General Plan – The Triple Bottom Line

The 2007 General Plan places emphasis on achieving this end: becoming a premiere, year-round resort community. The General Plan states the importance of making decisions that achieve the triple bottom line:

“The values of the community also encompass making decisions that benefit the community’s social, natural, and economic capital – the triple bottom line. Decisions that enhance all three aspects of community capital provide the greatest benefit; decisions that improve or conserve two forms of capital without diminishing the third are ideal. Decisions that only benefits one and decrease the other two forms of capital are undesirable.”

The 2007 General Plan sets forth this vision statement and supporting values:

“Surrounded by uniquely spectacular scenery and diverse four-season recreational opportunities, the community of Mammoth Lakes is committed to providing the very highest quality of life for our residents and the highest quality of experience for our visitors.

To achieve this vision, Mammoth Lakes places a high value on:

- 1. Sustainability and continuity of our unique relationship with the natural environment. As stewards, we support visitation and tourism as appropriate means to educate and share our abundant resources. We are committed to the efficient use of energy and continuing development of renewable resources.*
- 2. Being a great place to live and work. Our strong, diverse yet cohesive, small town community supports families and individuals by providing a stable economy, high quality educational facilities and programs, a broad range of community services and a participatory Town government.*
- 3. Adequate and appropriate housing that residents and workers can afford.*
- 4. Being a premier, year-round resort community based on diverse outdoor recreation, multi-day events and an ambiance that attracts visitors.*
- 5. Protecting the surrounding natural environment and supporting our small town atmosphere by limiting the urbanized area.*
- 6. Exceptional standards for design and development that complement and are appropriate to the Eastern Sierra Nevada Mountain setting and our sense of a “village in the trees” with small town charm.*
- 7. Offering a variety of transportation options that emphasize connectivity, convenience and alternatives to use of personal vehicles with a strong pedestrian emphasis.*

The General Plan Economy Element states:

E.1 Sustainable Economy: *Be a premier destination community in order to achieve a sustainable year-round economy.*

- Prepare an economic development strategy*
- Re-establish year around commercial air service*
- Marketing, promotion and special events*

E.2 Sustainable Tourism: *Achieve sustainable tourism by building on the area’s natural beauty, recreational, cultural, and historic assets.*

E.3 Diversify Economy: *Achieve a more diversified economy and employment base consistent with community character.*

- *Business and employment*
- *Education*

Community and Economic Principles

Our community and economic values and principles are designed to implement the General Plan and achieve self-sustaining vitality and target improvement of the livability and quality of life in the community through economic growth. Economic growth stimulates investment, high quality jobs, and wealth. Economic growth also provides opportunities to improve community-serving amenities and upgrade the character and quality of our environs. The following values are also in line with the broad goals, policies and actions contained in the Town's General Plan:

Partnership - Create an alignment of strategic intent to collectively foster economic growth and improve the quality of life.

People - Develop people to power the economy. Increase educational attainment and skills, opportunities, and demand for local labor force. Recognize and increase community and business investment in, and commitment to, education.

Place - Improve quality of place to attract investment and occupancy by visitors and workers by establishing distinctive, quality, stable, safe and sustainable physical improvements and attractions that welcome business, commerce, tourism, employment, and wealth necessary to maintain and enhance quality of life. Increase the quality, supply and range of housing to attract and accommodate the work force.

Positioning - Develop and market the unique character, heritage and special attributes of the community as the premier mountain destination to visit, play, invest, work and live.

Our summary principles are:

1. Economic health and vitality is a critical part, but only a part, of a well-balanced community. Economic, social and natural factors (the triple bottom line) must all be taken into account in a balanced way when making any important decision about the community's future.
2. Tourism growth in the future will depend upon developing "destination tourism" where visitors make Mammoth Lakes their primary destination and hub for all of their activities. "Destination tourists" spend more money per capita and stay longer than stopover tourists. We must encourage both the public and private sectors to make the town a destination resort that achieves higher visitation during mid-week and shoulder seasons.
3. Crucial to the development of successful resort destinations is an understanding of the fundamental human desire to get away from familiar surroundings and

experiences. Destination resort visitors as well as locals are looking for more varied recreational and resort options that offer a sense of authenticity, discovery, entertainment, and stimulation, composed to achieve a “Sense of Place.”

4. The foundation of our economic prosperity is our unique quality of life-clean air and water, beautiful natural setting, abundant and accessible open space, diverse recreational opportunities, small town character, along with the personal safety and a true sense of community. We must pro-actively work to preserve and enhance these qualities to protect our future economy and way of life.
5. For Mammoth Lakes to remain viable for the future, major improvements in the way that people get around town are needed.
6. Positive economic development must serve the daily, basic needs of the people of the community because it is integral to their quality of life. Existing businesses are one our greatest but they are often taken for granted and not included as part of the economic plan. Expansion of already established businesses is a very cost effective form of economic development.
7. Economic diversity is an essential part of any healthy economic system. Our town is home to a variety of workers of all skill and education levels and all need and deserve a decent job.
8. Mammoth Lakes has become one of the least affordable housing markets in the state and the nation. Since 2000, the community has identified the lack of affordable workforce housing as a significant business issue. The Town has recognized that a livable, balanced community depends on widely diverse types of workers and each has to have somewhere to live. For the social and economic health of the community, it is important for the community to take a proactive leadership role in addressing housing needs.
9. Investment in technology is needed to support the ability of local enterprises to succeed, improves civic life, and provides open access to information and resources.
10. Cooperation with Mono County and other agencies is important to provide cost effective services and a more regional approach to economic, transportation, and land use planning.

Completed Objectives

The following Objectives have been completed as of March 2012.

Objective 1.2D Complete a town-wide wayfinding and signage system plan by April 2010. The first phase will be a demonstration trails signage and wayfinding system in place by July 2009. (Trail System Wayfinding Plan Complete)

Objective 1.3C Complete the environmental review of the Parks and Recreation and Trail System Master Plans by December 2009. Adopt the two plans by March 2010.

Objective 1.6A By December 2009 complete a Main Street district study.

Objective 1.8A Complete the Build Out Monitoring and Population At One Time Model by March 2009

Objective 1.8D Complete district planning studies and develop a single integrated community concept plan by December 2009.

Objective 1.8E Complete the General Plan Housing Element update by August 2009.

Strategy 1.1.10 Create a “Destination Marketing Organization “ (DMO) to engage the local tourism industry in efforts to leverage and improve the effectiveness of external sales, marketing, and promotional efforts by adopting the model used in most destinations.

Objective 1.10A Involve at least 10 percent of our local businesses in formulating the purpose for the operations of the DMO, complete by June 2009.

Objective 1.10B Secure public sector funding for DMO operations in the Town Fiscal Year 2009-2010 budget.

Objective 1.10C Form an operational DMO by December 2009. Secure private sector funding for the DMO as part of formation process.

Objective 1.10E By June 2009 release the master annual sales and marketing plan that includes performance objectives and measures.

Objective 1.10F Establish and fund a community-based annual hospitality and customer service-training program by December 2009.

Objective 1.11B Hold two new visitor-attracting events in 2010.

Objective 1.11C Complete a community-based art and culture plan by September 2010.

Objective 1.13F Overhaul the Town's web site to be the first and best source for local government information and services by July 2010.