Mammoth Lakes Town Council
Agenda Action Sheet

Title: Review and provide comments on the proposed Amendment to the 2010 Snowcreek Development Agreement

Council Meeting Date: 2/21/2024

Prepared by: Nolan Bobroff, Community and Economic Development Director

Recommended Motion: Review, discuss, and provide comments on the proposed Amendment to the 2010 Snowcreek Development Agreement.

Summary: The 2010 Snowcreek Development Agreement (SDA) vests the entitlements granted in the Snowcreek Master Plan Update 2007 (SMPU) for the Snowcreek VIII development and the entitlements granted under the previous 1981 Snowcreek Master Plan for the Snowcreek VII (Creekhouse) development. The term of the SDA is for 20 years that covers the period of July 23, 2010 – July 23, 2030.[1]

For a variety of reasons, development of the sites governed by the SDA have not progressed at the rate envisioned at the time of adoption of the SDA, and the majority of the 'greater community benefits' identified in the SDA have not been achieved. The developer believes that this can be partially attributed to the prolonged 2008 economic downturn and that the market has not achieved the economic success envisioned in the SDA as compared to peer resorts. Since adoption of the SDA in July 2010, the majority of the SC VII (Creekhouse) development has been completed (115 of 118 units); however, no development has commenced on the SC VIII site.

Due to these unforeseen delays, the developer is requesting the following amendments to the SDA to allow for the continued vesting of the entitlements granted in the SDA.

Developer Proposed Amendments

1. An extension of the SDA for an additional 20 year term (extend to July 2050) [SDA Section 2.2].
2. Removal of the language that shortens the life of the SDA as a result of not commencing construction on the resort hotel and 18-hole golf course [SDA Section 2.2.1(c)(2)].

In exchange for the extended term, the Town has proposed the following additional community benefits be added to the SDA.

Town Proposed Amendments:

1. Continued operation of the existing 9-hole golf course for the life of the SDA.
2. The permanent protection of the ~61 acres occupied by the existing 9-hole golf course as open space that is available for recreational (e.g., golf, hiking trails, etc.) and ancillary uses (e.g., golf clubhouse, parking for the golf course, shade structure, restroom, picnic facilities, bridges, etc.). The intent would be to prohibit the development of residential housing units on the open space area, while not prohibiting recreational uses and those facilities and amenities that are accessory to recreational uses. This would be similar to the covenant that is in place on the ~94 acre golf course expansion area.
3. Inclusion of the option for additional summer and winter recreational amenities (e.g., hiking trails, mountain bike trails and/or features, cross-country ski trails, snow shoeing, fat bike trails, etc.) on the ~94 acre expanded golf course area. These amenities would be considered interim and would not preclude the development of an 18-hole golf course. In the event that the 18-hole golf course did not utilize the entire ~94 acres, the remaining area would be available for permanent recreational amenities.

[1] Pursuant to Section 2.2.1.(c)(2), the term of the SDA is reduced one day for each day, or portion thereof, that construction of the resort hotel and 18-hole golf course has not commenced beginning in July 2020, meaning that the term of the SDA could be reduced to 15 years and have an end date in July 2025.

All other provisions of the existing SDA are proposed to remain unchanged, including the community benefits, vested rules, affordable housing mitigation framework, and milestones. However, in the event the SDA term ends, the guaranteed provision of the following items would also end, except for those items already completed or achieved. A summary of the items being proposed to remain unchanged are below.

Existing Community Benefits in the SDA: A list of the community benefits provided by the SDA that are in excess of what was legally required by the entitlements is below.

1. Up to $10 million Additional Financial Contribution (AFC).
2. Fiscal benefits that will accrue to the Town from the additional development, including an increase in TOT.
3. 8.9 acres of park area in excess of that required by the SMPU. (***Partially Completed***)
4. Preservation of Mammoth Creek open space corridor. (***Completed***)
5. Championship 18-hole golf course.
6. Golf practice facility.
7. Secondary access for Snowcreek V and Snowcreek VIII and emergency vehicle access to Sherwin Creek Road.
8. Allowed egress of backcountry winter recreation users. (***Completed***)
9. Programming of public spaces (great lawn, outfitters cabin, etc.).
10. Access through the project to connect to adjacent public lands. (***Ongoing***)
11. Land for propane storage tanks, if needed.

Vested Rules: A list of the vested rules included in the SDA is below.

1. Vesting of all Town rules and regulations in effect as of the effective date of the SDA.
2. Vesting of Building (DIFs and Permit Fees) and Planning application fees based on the fees in effect in 2010.
3. Vesting of the Snowcreek VII (Creekhouse) and Snowcreek VIII entitlements (SMPU). (***Snowcreek VII has largely been completed***)

Affordable Housing Mitigation Framework: A summary of the mitigation requirements is below.

1. Provision of 47 units of on-site deed-restricted housing that will target households earning between 150% - 200% AMI.
2. Payment of in-lieu fees in an amount not-to-exceed $2.59M.
3. Use of the existing 16.5 FTEE housing credits that were provided for the donation of the land where the Aspen Village apartments were built.

Milestones: A list of the identified milestones in the SDA is below.

1. Allowed egress of backcountry winter recreation users. (***Completed and ongoing***)
2. Permanent protection of the Mammoth Creek open space corridor within two years of the SDA effective date. (***Completed***)
3. Phasing of developments based on what the market will absorb. (**O*ngoing***)

DAs are intended to provide a degree of certainty in the land use regulatory process and be a mutually beneficial agreement between both parties. Additionally, DAs are required to provide a greater benefit to a community than development under the zoning regulations in place at the time of DA adoption would provide. If the DA were to expire, the Town would not receive the greater community benefits described above, or the additional community benefits being proposed. The developer would however still be able to develop the project envisioned in the SMPU, subject to the regulations and requirements in the SMPU and other applicable Town regulations (i.e., Municipal Code, Housing Mitigation Ordinance, Current Year Fee Schedule, etc.).

The purpose of this item is to discuss the proposed amendments with the Town Council and the public and to consider whether the community benefits included in the SDA, with the inclusion of the additional benefits described above, will continue to provide a greater benefit to the community over the extended term of the SDA than what would be achieved under the existing zoning regulations in place.

Additional details on the existing provisions of the SDA are included in the attached SDA Summary Sheet.