



Revised Scope of Work

To: Lynn Baumgartner , Administrative Analyst II, Housing Program

From: Colin Frolich, Chief Executive Officer
Kai Frolich, Chief Impact Officer
(530) 213-3093
hello@landinglocals.com
10418 Donner Pass Road Unit C
Truckee CA 96161

Date: June 1, 2022

Re: Revised Scope of Work for Lease to Locals Grant Program

The Lease to Locals Grant Program (formerly known as the Long-Term Rental Grant Program) was created to assist the Town of Truckee in achieving the goal of increasing the inventory of rental homes available in Truckee for moderate-income households working in the Truckee-North Tahoe region. The program primarily uses an incentive of a one-time cash grant to encourage property owners to convert their underutilized vacation homes and short-term rentals into longer-term rentals for locally employed households.

The following revised scope of work and budget are intended to respond to the housing emergency of both affordability and availability of housing in Truckee-Tahoe for moderate income households. The intention is to modify the existing program starting July 1, 2022.

Changes in the Program

- Increasing maximum incentive possible per property from \$10,000 to \$18,000
- Changing the incentive to be per employee housed
- Adding a maximum rent cap of up to \$3,500/month
- Removing shorter lease length option (3-6 months)
- Revising seasonal lease length (5-11 months and 29 days)
- Clarify guidelines to indicate that landlords moving from a carry-over month-to-month lease with long-term tenants to a new long-term lease are not eligible for this program.
- Clarify guidelines to indicate that a property owner may not lease to a family member.

The biggest change in the program will be to increase the total possible incentive amount to up to \$18,000 for a household of 4 qualifying tenants. We're also making a change to pay an incentive per regional employee housed. This will allow us to unlock larger homes which otherwise might not have been willing to participate in the program based on high real estate costs. The other

notable difference is we collapsed the shorter and mid-term lease length into one seasonal term (5+ months) to better align to our seasonal workforce needs.

Current incentive structure:

	1 regional employee	2 regional employees OR 1 regional employee with a child or children	3 regional employees OR 2 regional employees and a child or children
Shorter term 3-6 month lease	\$1,000	\$1,500	\$3,000
Mid term 6-12 month lease	\$2,100	\$3,500	\$4,500
Long term 12-month lease	\$4,500	\$7,500	\$10,000

New incentive structure:

	1 regional employee	2 regional employees OR 1 regional employee with a child or children	3 regional employees OR 2 regional employees and a child or children	4 regional employees OR 3 regional employees and a child or children
Seasonal 5+ month lease	\$2,000	\$4,000	\$6,000	\$8,000
Long term 12-month lease	\$4,500	\$9,000	\$13,500	\$18,000

Scope of Work

The following outlines the tasks that Landing Locals will complete to help administer the Lease to Locals Program for the Town of Truckee.

Task 1: Program Qualification for Property Owners

Services provided to property owners:

- (1) Landing Locals will provide a consultation call or visit with each property owner to determine rental details (pricing, timing, how to qualify for the incentive, etc.) and will ensure property owners complete a safety and quality checklist for their property.
- (2) For property owners who want to screen their own tenants, Landing Locals will build a property listing on LandingLocals.com and source qualified tenants for them.
- (3) Landing Locals will assist property owners with qualification requirements for the Town grant program.
- (4) For property owners who want to work with a property manager, Landing Locals will make reasonable efforts to ensure the property owner will qualify for the incentive by helping them or the property manager follow all of the requirements of the program

Task 2: Program Qualification for Renters

Landing Locals will build a dedicated webpage for tenants to understand the Lease to Locals Program and eligibility requirements prior to applying through an online application at LandingLocals.com. Once they've applied, Landing Locals will verify their employment including location of employer and income level and provide the property owner or manager a pre-approval for the program.

Task 3: Program Marketing and Customer Service

Landing Locals will market the program to make sure the messaging is clear and understood, and reaches the target audience of property owners. This will include working with the Town to support their efforts to reach all registered short-term rental owners within the Town. These marketing activities will include building a custom webpage to entice and educate property owners about the incentive program and how they can qualify, and to provide an easy way for them to get in contact with a Landing Locals representative. Landing Locals will also purchase and manage digital and print advertisements to reach the target property owner audience.

Task 4: Program Payments, Reporting and Compliance

(a) **Program Compliance:** To process the grants, Landing Locals will provide the Town

Staff with:

- A signed copy of the lease agreement signed by property owner/manager and tenant(s)
- A w9 and check request from the property owner
- Supporting Income verification (w2 and paystubs) from tenant(s)

(b) **Property Owner Payments**

The Town of Truckee will pay property owners half of the grant amount at lease signing (after verification by Town Staff) and the other half of the grant upon completion of the lease.

(c) **Compliance**

For Seasonal rentals:

At the end of the lease, Landing Locals will determine and report to the Town of Truckee if the property owner qualifies for the second grant installment payment and if they intend to renew with the tenants.

For Long-Term rentals:

Landing Locals will conduct a six-month lease compliance check and, at the one-year mark (end of lease term), determine and report to the Town of Truckee if the property owner qualifies for the second grant installment payment and if they intend to renew with the tenants.

(d) Reporting

Landing Locals will meet with Town Staff on a monthly basis to review progress and provide a bi-annual update to Town Council (if requested)

Proposed Budget (July 1, 2022 — June 30, 2022)

Administration Fee: \$90,000

- Billed monthly at \$7,500/month

Marketing/Advertising Costs: \$10,000

Total Budget: \$100,000