



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: August 18, 2025

Staff Member:

Carissa Connelly

Agenda Item:

Recommendation to approve compliance and administration contract with Placemate Inc. for Lease to Locals and Rental Preservation Program

Recommended Motion:

"I move to approve the contract for services #25168 with Placemate."

Reasons for Recommendation:

- Placemate has demonstrated success in developing and implementing Lease to Locals and Rental Preservation Program and is best positioned to continue to administer the programs and ensure ongoing compliance of tenants and property owners with program policies in FY2026.
- Housing staff does not have time and capacity to take over administration of these programs without pausing other responsibilities and tasks.

Policy Analysis and Background (non-consent items only):

Introduction

Placemate has been in contract with the City of Ketchum since August 2022, administering the Lease to Locals program, and then pivoting, in spring 2025, to the Rental Preservation Program. The goal of both programs is to provide and preserve housing for locals in the Wood River Valley by giving property owners a cash incentive to convert or preserve their property as a long-term rental for locals.

The current contract with Placemate will end on September 30, 2025. The current contract includes a \$6,000 per month administration fee to manage the Lease to Locals and Rental Preservation Program. The Rental Preservation Program was developed in partnership with Placemate and implemented during the current contract at no additional administration cost.

Housing staff is requesting a new, substantially reduced contract with Placemate for fiscal year 2026 to continue to administer compliance, check-ins, review new leases and conduct tenant verification for properties that are already part of either the Lease to Locals or Rental Preservation Programs. No additional funds have been identified to launch a new cohort of Rental Preservation Program properties – otherwise this contract would be at the same financial commitment as previous years.

Under both programs, incentives are paid over the course of one or more leases to ensure that the home is rented to a qualified local and the owner and tenant are in compliance with the program policies. Placemate responds to inquiries, calls and emails about the programs from the public and participants, freeing up staff time for other tasks. Over the course of the contract, Placemate will complete a wind-down

of the Lease to Locals program, including confirmation of continuous program compliance, exit surveys for participating property owners, processing payments, and provide a detailed report on final results when all properties have graduated from Lease to Locals and the Rental Preservation Program. A timely and thorough review is essential to ensure participating property owners receive payment on time and to verify the programs meet their objectives.

Placemate is best positioned to continue to administer these programs. The company has built out a customized tech platform over the past five years to efficiently organize data and inquiries, schedule and administer periodic check-ins, and collect household information and documents while providing responsive customer service and user-friendly systems. Each grant averages about 24 email and phone call exchanges. They also use this system to query, track and report out program progress and results. Placemate estimates that ongoing compliance requires about 14 email and phone call exchanges each year. Placemate's staff is also fully trained in the administration of Ketchum's housing programs and familiar with their nuances and processes.

Ketchum Housing staff does not have a system for these programs built out and it cannot easily be layered into BCHA's existing housing application and compliance platform through Salesforce. Bringing this work in house would require significant staff time to develop systems and processes and administration would be less efficient than working with Placemate due to staff's other program and administrative commitments. As such, the estimated time per grant to internalize ongoing compliance would be substantially higher than continuing operations with Placemate. Staff time is already fully allocated to existing responsibilities.

Contract Details

Staff is recommending approval of a contract of \$36,000 for 12 months of compliance and administration from Placemate. Because the contract does not include bringing new properties into either the Lease to Locals or Rental Preservation Programs, the monthly cost is reduced from \$6,000 per month to \$3,000 per month.

The Scope of Work for the Rental Preservation Program (Exhibit B) includes development of a "handoff playbook" to help train staff up on program operations, should the city wish to bring the Rental Preservation Program in-house in the future. Staff does not have capacity currently to bring these operations in house.

Staff's recommendation is for a 12-month compliance contract with Placemate, however, if the Council prefers to execute a 6-month initial contract and evaluate a second contract next year, that is also an option.

Rental Preservation Program Performance to Date

The Lease to Locals program stopped accepting new properties with the transition of funds to the Rental Preservation Program in June 2025. At this time, \$152,000 of grant funding remained for use in Lease to Locals and was moved for use in the Rental Preservation Program.

The Rental Preservation Program application opened in June. Using a fixed initial application window, Placemate was able to prioritize properties for participation based on affordability of current rent relative to the median market rent, adjusted for each unit's size. Interest in the participating oversubscribed the available funding; 48 property owners and managers enquired during the open application period. Since the initial application window closed, an additional 8 property owners have submitted forms expressing interest in participating.

Placemate is still in the process of working with property owners and tenants to collect full application documents for participation. To date, 10 properties are participating, which account for \$98,000 in incentives over the three-year program period. Among these 10 initial properties:

- 22 people are housed (16 adults and 6 children)
- Rent ranges from 31% to 79% of market rate for the unit's size
- Rents range from \$700 (1 bedroom) to \$2,700 (3 bedroom)
- Owners report long-term renting between 4 and 22 years (median = 11 years)

Placemate is in contact with 6 additional properties that are expected to submit their full application documents, accounting for another \$50,000 in incentives, which would exhaust the remaining program budget over three years.

Placemate and staff will present a full report to the Council on the initial Rental Preservation Program cohort once all properties have been approved and budget has been allocated.

Sustainability Impact:

Lease to Locals and the Rental Preservation Program provide and preserve long-term rental housing for members of the community locally, ensuring that residents are closer to their places of work, recreation, and other needs. This proximity helps to decrease transportation time and reduce vehicle-related emissions associated with commuting to and from work from outside of the community.

Additionally, these programs convert and preserve existing housing units into locals' housing, utilizing existing housing stock, land, and resources.

Financial Impact:

None OR Adequate funds exist in account:	adequate
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Attachments:

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| 1. Year 4 Compliance and Administration Contract, Lease to Locals + Rental Preservation Program |
| 2. Purchase Order #25168 |

**CITY OF KETCHUM
INDEPENDENT CONTRACTOR AGREEMENT
FOR Placemate, INC. SERVICES**

This Independent Contractor Agreement is made and entered effective to the 1st day of October, 2025, by and between the City of Ketchum, a municipal corporation of the State of Idaho ("City"), and Placemate, Inc., a California corporation ("Contractor").

- A. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho.
- B. The City is empowered to contract and be contracted with for the provision of public services. Idaho Code § 50-301 *et seq.*
- C. Contractor independently provides certain professional services which may be beneficial and of use for the general welfare of the City.
- D. The City finds that it is economical and efficient and that is in the best interests of the City to contract with Contractor for certain services as set forth herein ("Services").

NOW THEREFORE, the Parties enter into this Independent Contractor Agreement according to the following terms and conditions:

- 1. Services. In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform the general services for the City as set forth and outlined in the Scope of Work, attached as Exhibit A, and incorporated herein by reference
- 2. Task Orders. Services may be additionally provided on a task order basis. In such situation, Contractor will provide City with either a project cost bid or an hourly cost scope on a project-by-project basis dependent upon the level of definition in the task request. Task orders will be reviewed and approved on per project basis by the Mayor or designee. Task orders must be agreed upon and approved prior to commencing any project.
- 3. Payment for Services. City's total fiscal obligation under this Agreement shall not exceed thirty-six thousand dollars and zero cents (\$36,000.00).

City shall make payment to Contractor based on the rates and terms in Exhibit C. City reserves the right to withhold full or partial payment if City determines the quantity or quality of the work performed is unacceptable or may be in dispute. In the event City makes advance payments to Contractor, Contractor agrees to refund any amounts in excess of the amount owed by City at the time of termination or expiration of this Agreement. Contractor is not entitled to payment for work not performed as required by this Agreement.

- 4. Performance and Warranty. Contractor will provide its own tools and equipment as needed to perform the Services. Contractor warrants that all equipment used to perform this Agreement will function safely, properly, and efficiently. Contractor warrants that all services will be timely performed in a safe, professional, and workmanlike manner.
- 5. Term and Termination. This Agreement shall be in effect for an initial term from October 1, 2025 through September 30, 2026, at which time it shall terminate unless further extended in writing. Either party may terminate this Agreement for any reason upon thirty days written notice to the other party. Contractor will invoice for any work that has been actually performed as of the date of notice of termination.
- 6. Independent Contractor. Contractor performs the Services hereunder solely and exclusively as an independent contractor. Contractor is not an employee, servant, agent, partner, or joint venture of the City. The City will determine the projects to be done by Contractor, but Contractor will determine the legal means by which it

accomplishes the work specified by the City. This Agreement shall not be construed to create or establish any employee-employee relationship between the City and Contractor or make Contractor eligible for any City employment benefits. Contractor is solely responsible for all withholding and payment of all applicable federal, state, and local income or payroll taxes of any kind.

7. Indemnification. Contractor releases, holds harmless, and agrees to indemnify City from and against all claims, suits, damages (including, without limitation, damages to persons and property including deaths, and all tax responsibilities), costs, losses, and expenses, in any manner related to or arising from the acts or omissions of Contractor, its managers, members, directors, officers, shareholders, agents, and employees.
8. Licensing. Contractor represents that Contractor possesses the requisite skill, knowledge, and experience necessary to perform the Services. Contractor represents it has or agrees to obtain and maintain all necessary registrations, licenses, and insurance as required by the State of Idaho for the performance of the Services under this Agreement.
9. Insurance. Contractor is not covered by the City's liability insurance policy. Contractor shall carry and maintain liability insurance in the following minimum amounts:

General liability	\$1,000,000.00 per occurrence; \$2,000,000.00 aggregate.
Commercial Auto	\$1,000,000.00
Professional Liability	\$1,000,000.00
Worker's Compensation	As required by the State of Idaho, and not less than \$1,000,000.00

Proof of said insurance shall be provided to City. Each policy of insurance required shall provide for no less than thirty-day advance notice to City prior to cancellation. In addition, the City shall be named a "Additional Insured" by all contractors and subcontractors.

10. Notice. All notices under this Agreement shall be in writing and addressed as follows:

CITY: City of Ketchum Attn: City Administrator P.O. Box 2315 191 5 th St., West Ketchum, ID 83340	CONTRACTOR Placemate, Inc. 10098 Jibboom St Unit 4 Truckee, CA 96161
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11. Compliance with Laws/Public Records. Contractor, its managers, members, directors, officers, shareholders, agents, and employees shall comply with all federal, state and local laws, rules, and ordinances. This Agreement does not relieve Contractor of any obligation or responsibility imposed upon Contractor by law. Without limitation, Contractor hereby acknowledges that all writings and documents, including without limitation email, containing information relating to the conduct or administration of the public's business prepared by Contractor for City regardless of physical form or characteristics may be public records pursuant to the Idaho Public Records Act. Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may readily identified, retrieved and made available for such inspection and copying. Should Contractor wish to claim an exemption to disclosure on any record, Contractor shall identify such in advance and assume all costs of defense on any associated legal action to defend such claimed exemption from disclosure.
12. Non-Assignment. Contractor hereby acknowledges that City has agreed to enter this Agreement based in part on Contractor's unique skills and reputation for professional work. Accordingly, Contractor may not assign, subcontract, or transfer in any manner this Agreement or any of Contractor's right, title or interest in or to this Agreement without the prior written consent of City.

13. Amendments. This Agreement may only be changed, modified, or amended in writing executed by all parties.
14. Non-Waiver. The failure of either party to exercise any of its rights under this Agreement at any time does not constitute a breach of this Agreement and shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.
15. Headings. The headings in the Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
16. Attorney Fees and Costs. In the event that either party hereto is required to retain the services of an attorney to enforce any of its rights hereunder, the non-prevailing party shall pay to the prevailing party all reasonable costs and attorney fees incurred in such enforcement, whether or not litigation is commenced and including reasonable costs and attorney fees on appeal.
17. Information Technology Security Requirements. Exhibit C, "Information Technology Security Addendum" is attached and incorporated by this reference. Contractor's failure to comply with the requirements in Exhibit C is a material breach of this Agreement.
18. Governing Law. This Agreement shall be governed by the laws of the State of Idaho. Venue shall be in the Fifth Judicial District, Blaine County, Idaho.
19. Entire Agreement. This Agreement contains the entire Agreement between the parties respecting the matters herein set forth and supersedes any and all prior Agreements between the parties hereto respecting such matter.
20. Severability. If any part of this Agreement is held to be invalid or unenforceable, such part shall be considered as stricken and the rest of this Agreement shall continue in full force and effect and so as to preserve the agreement and intent to the fullest possible extent.
21. Execution and Signatures. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
22. Authority. The parties executing this Agreement warrant, state, acknowledge, and affirm that they have the authority to sign the same and to bind themselves to the terms contained herein.

IN WITNESS WHEREOF, the Parties execute this Agreement.

CITY OF KETCHUM

Neil Bradshaw, Mayor

Date

ATTEST:

Trent Donat, City Clerk

Placemate, INC.:

Colin Frolich, Founder/CEO

Date

Exhibit A

Scope of Work - Lease to Locals

1. Project Description

Placemate, Inc. (the “Contractor”) will administer the final compliance and check ins for the properties remaining in “Lease to Locals” (“the Program”) in the City of Ketchum. The City will provide up to \$12,000 in grant funding to property owners with active leases in the Program. To administer final compliance, Contractor will provide the Scope of Services listed below.

The Program started as a one-year pilot program, launched August 1, 2022 and allowed new properties to enter through May 2025. This Scope of Work lays out the services the Contract will complete for the City of Ketchum to wind down the Program.

2. Personnel

Contractor’s project manager for this program will be Isaac Landman. Contractor will adequately staff the project to ensure all tasks included in this Scope of Work are completed.

3. Customer Service and Education

Contractor will:

- A. Respond to all inbound inquiries via web and email. Compile final feedback on the Program and share it with the City of Ketchum.
- B. Provide detailed recap of Property Owner, Tenant, and Property Management feedback on the program.
- C. Work with Property Managers and Property Owners who are actively participating in the Program to review leases, qualify replacement tenants, and ensure property owners receive their second incentive payment(s) in accordance with Program policies adopted by the City.

4. Administration

Contractor will:

- A. Maintain Property Owner and Tenant Applications for the Program.
- B. Coordinate with the City housing team for City payment to homeowners to efficiently process, approve and pay final incentives, as described in Section 5.

5. Compliance/Auditing

- A. At the end of Lease, Contractor will audit the properties to ensure the full lease term is executed and tenants meet employment requirements by following up directly with the tenant and landlord with an incentive payment. Within 45 days of the final compliance check, Contractor will submit requests for payment to the City.

6. Reporting

Contractor will:

- A. Report back on the Property Owner’s intentions after the initial lease to see what units remain long-term rentals and which ones go back to their original use.
- B. Provide a detailed report to the City on final results of the Program, once all properties have graduated.

Exhibit B

Scope of Work - Rental Preservation Program

1. Project Description

Placemate, Inc. (the “Contractor”) will administer the compliance and check ins for the participating properties in the “Rental Preservation Program” (“RPP”) in the City of Ketchum. The City will provide up to \$22,800 in second incentive payments to participating Property Owners. To administer final compliance, Contractor will provide the Scope of Services listed below.

RPP started as a pilot program and accepted applications from property owners through an open application period ending June 6, 2025.

2. Personnel

Contractor’s project manager for this program will be Isaac Landman. Contractor will adequately staff the project to ensure all tasks included in this scope of work are completed.

3. Customer Service and Education

Contractor will:

- A. Maintain the RPP website with information for property owners to understand the program requirements, how to remain in compliance, and what will be expected of them in order to receive incentive payments 2, 3, and 4.
- B. Respond to all inbound inquiries via web and email. Compile feedback on the Program and share it with the City of Ketchum.
- C. Work with Property Managers and Property Owners who are actively participating in the Program to review leases, qualify new and replacement tenants, and requalify households to ensure property owners receive their second incentive payment(s) in accordance with program policies adopted by the City.

4. Administration

Contractor will:

- A. Maintain Property Owner and Tenant Applications for the Program.
- B. Coordinate with the City housing team for City payment to homeowners to efficiently process, approve and pay second incentives, as described in Section 5.
- C. Contractor will provide a detailed “handoff playbook” to the City so they can relaunch the Program in the future if so desired.

5. Compliance/Auditing

- A. Once participating properties have been rented for a cumulative 12 months, Contractor will audit the properties to ensure that the properties have been and will continue to be rented by a Qualified Household. Contractor will ensure properties are following the guidance laid out in Section 8 of the Rental Preservation Program Policies. Within 45 days of the 12 month compliance check Contractor will submit requests for payment to the City.

7. Reporting

Contractor will:

- A. Report to the City of Ketchum on the status of the properties participating in RPP. City staff will be communicated with via email and phone regarding results of 12 month check ins, changes to the tenant groups, renewed and new lease agreements, and submittal for second grant payments.
- B. Meet with City of Ketchum staff as needed to provide an update on RPP.
- C. Provide an update to the City on the results of RPP after all properties have participated for 12 months.

Exhibit C

Payment Terms

1. Administrative Costs

Contractor may seek payment of up to \$36,000 in administrative costs.

Contractor will be paid \$3,000 (three thousand dollars) per month over 12 months, dependent upon Contractor's satisfactory completion of tasks outlined in Exhibit A and Exhibit B. Contractor's invoice must be accompanied by description of work performed.

2. Invoicing & Payment

Email all invoices to: finance@ketchumidaho.org, cc housing@ketchumidaho.org.

Invoices must be submitted within 30 days of the completion of work and must include sufficient detail for the City staff to understand what activities Contractor is seeking payment for. The City will issue payment to Contractor within thirty (30) days after an invoice is received and approved by the City.

Exhibit D

Information Technology Security Addendum

1. Notification of Data Security Incident

For purposes of this section, "Data Security Incident" is defined as unauthorized access to the Contractor's business and/or business systems by a third party, which access could potentially expose City data or systems to unauthorized access, disclosure, or misuse. In the event of a Data Security Incident, Contractor must notify City in writing within 48 hours. Notice should be made to tdonat@ketchumidaho.org and to all parties referenced in the "Notices" section of the Agreement. Notice must reference this contract number. Notice under this section must include the date of incident and Contractor's systems and/or locations which were affected. The duty to notify under this section is broad, requiring disclosure whether or not any impact to City data is known at the time, to enable City to take immediate protective actions of its data and cloud environments.

Failure to notify under this section is a material breach, and City may immediately terminate the Agreement for failure to comply.

2. Data Location

2.1 Contractor shall not store or transfer non-public City of Ketchum data outside the United States. This prohibition includes backup data and Disaster Recovery locations. The Contractor will permit its personnel and contractors to access City of Ketchum data remotely only as required to provide technical support. Remote access to data from outside the continental United States is prohibited unless expressly approved in advance and in writing by the City.

2.2 The Contractor must notify the City **in writing within 48 hours** of any location changes to Contractor's data center(s) that will process or store City data. Notice should be made to tdonat@ketchumidaho.org and must reference this contract number.

3. Data Encryption

3.1 The Contractor shall encrypt all non-public City **data in transit** regardless of the transit mechanism.

3.2 The Contractor shall encrypt all non-public City **data at rest**.

3.3 The Contractor's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology Security Requirements.

4. Subcontractor Disclosure

To the extent subcontracting or assignment is permitted under this Agreement, the Contractor is responsible for the actions of their subcontractors, vendors, and suppliers. Contractor shall take necessary steps to ensure that the provisions of this contract are enforceable on all subcontractors, vendors, and suppliers acting on behalf of or through Contractor.



CITY OF KETCHUM

PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER

BUDGETED ITEM? ____ Yes ____ No

PURCHASE ORDER - NUMBER: 25168

To: 5852 PLACEMATE, INC 10266 TRUCKEE AIRPORT ROAD, SUITE C TRUCKEE CA 96161	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
08/13/2025	KCHOMA	KCHOMA			

Quantity	Description	Unit Price	Total
1.00	Lease to Locals Rental Preservation 54-4410-4215	36,000.00	36,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		36,000.00

Authorized Signature