



City of Ketchum

### CITY COUNCIL MEETING AGENDA MEMO

Meeting Date:  Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

- 
- 
- 

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

**Goal 4: Expand + Leverage Resources**

**Action 1: Create criteria for allocation of city funds, including alignment with this Plan, other City plans, and apportionment based on projected need by area median income.**

During the development of the year 1 Housing Action Plan, community members and local stakeholders requested the use of funding allocation criteria: These criteria would

- (a) provide a framework for staff & Council to evaluate funding opportunities and
- (b) provide 3rd parties with metrics being used by city to evaluate funding requests.

Staff held a focus group to sort through draft criteria on February 23<sup>rd</sup>. There was some disagreement on the value of such criteria – particularly with a small budget, but overall participants expressed support. Other participants believe criteria should only be applied to large scale developments.

Some Focus Group participants recommended apportioning funding between the two categories. Staff do not yet know what, if any, of this second category – including staffing and operations – could be funded by the general fund nor the outcome of the Local Option Tax election. In-lieu funds are committed up to 2025. Given these variables and that budgets and the Housing Action Plan are revised annually, staff do not recommend apportioning funds at this time.

Staff recommends two categories for funding: (1) for long-term mechanisms that convert, preserve, or develop new deed-restrict units and (2) short-term interventions, programs, services, and emergency

resources.

**1. mechanisms that create and preserve long-term housing**

Actions in this area are primarily from Goal 1: Create and Preserve Housing. Year 1 actions include

- supporting Bluebird Village
- developing a new housing construction pipeline on publicly owned and private lots
- identifying and prioritizing sites for preservation
- increasing the number of occupied accessory dwelling units
- facilitating homeownership
- incentivizing long-term rentals

Since this funding category is the most expensive, and would be the bulk of funding, funding allocation criteria is proposed below. The proposed criteria were developed from community-determined goals identified in the Housing Action Plan and Comprehensive Plan.

<p>1. meets identified need <i>interventions address a range of needs, preferences, and timing</i></p> <ul style="list-style-type: none"> <li>i. by income level &amp; affordability (HAP)</li> <li>ii. variety of housing types &amp; bedroom sizes (Comp. Plan)</li> <li>iii. variety of tools to participate (HAP)</li> <li>iv. in community core, mixed-use, and neighborhoods (Comp. Plan)</li> <li>v. for all community members, including aging and special populations (Comp. Plan)</li> </ul>	<p>40 points</p>
<p>2. effective use of funding <i>investment is needed and effective in housing or stabilizing local households</i></p> <ul style="list-style-type: none"> <li>i. # of households housed or stabilized (HAP)</li> <li>ii. leverages other public and private capital, including philanthropic and employer funds (HAP)</li> <li>iii. demonstrable funding gap</li> </ul>	<p>30 points</p>
<p>4. team experience <i>developer or provider has ample &amp; relevant experience &amp; skills for intervention</i></p>	<p>15 points</p>
<p>5. sustainable building &amp; energy efficiency (Comp. Plan) new construction &amp; rehab only <i>NGBS, LEED Silver, or equivalent + rooftop solar and other sustainable systems</i></p>	<p>15 points</p>
<p>local solutions &amp; partnerships (HAP + Comp. Plan) <i>intervention is tailored to local context and includes local team members</i></p>	<p>tie breaker</p>

**Discussion:**

For the local solutions & partnerships metric, Focus Group feedback ranged from greater weighting for more importance to using it as a tie breaker. The latter reasoning is that the community wants the best product possible regardless of who does it – but if all else is equal, then the team that is local or uses local partnerships should be prioritized.

Other Focus Group feedback included decreasing the weight of sustainable building and energy efficiency and only housing people who work locally.

**2. short-term interventions, programs, services, and emergency resources**

Funding in this category would be for the remaining goal areas, but primarily for Goal 3: Expand + Improve Services to Create Housing Stability and Goal 5: Inform, Engage, + Collaborate, which includes staffing and operations.

Actions in this area vary drastically amongst themselves and with the first category. Examples include the landlord-tenant mediation program, updating the housing needs assessment, and rental assistance. Given such variation and smaller-scale investments, staff do not recommend allocation criteria for this category.

**Sustainability Impact:**

Ability to house employees and community participants locally decreases commuter vehicular trips.

**Financial Impact:**

None	
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**Attachments:**

- |                             |
|-----------------------------|
| 1. Focus group presentation |
| 2.                          |
| 3.                          |

**if you haven't already, please fill  
out the perception survey**

# HOUSING MATTERS

Focus Group

February 23, 2023



**PURPOSE & GOALS**

12 PM

**OWNERSHIP + PRESERVATION  
PROGRAM**

12:10 PM

**FUNDING ALLOCATION CRITERIA**

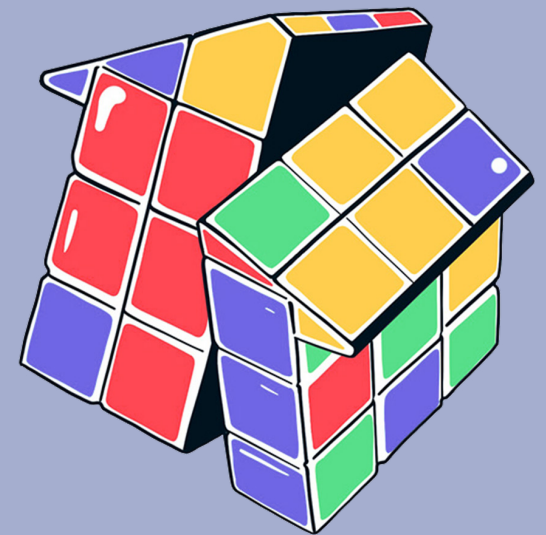
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**FUNDING TOOLS & COLLABORATION**

1:10 PM

**ADJOURN**

1:30 PM



**PURPOSE & GOALS**

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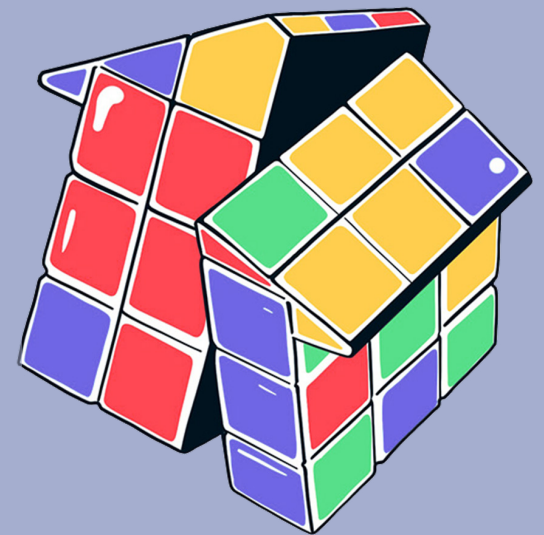
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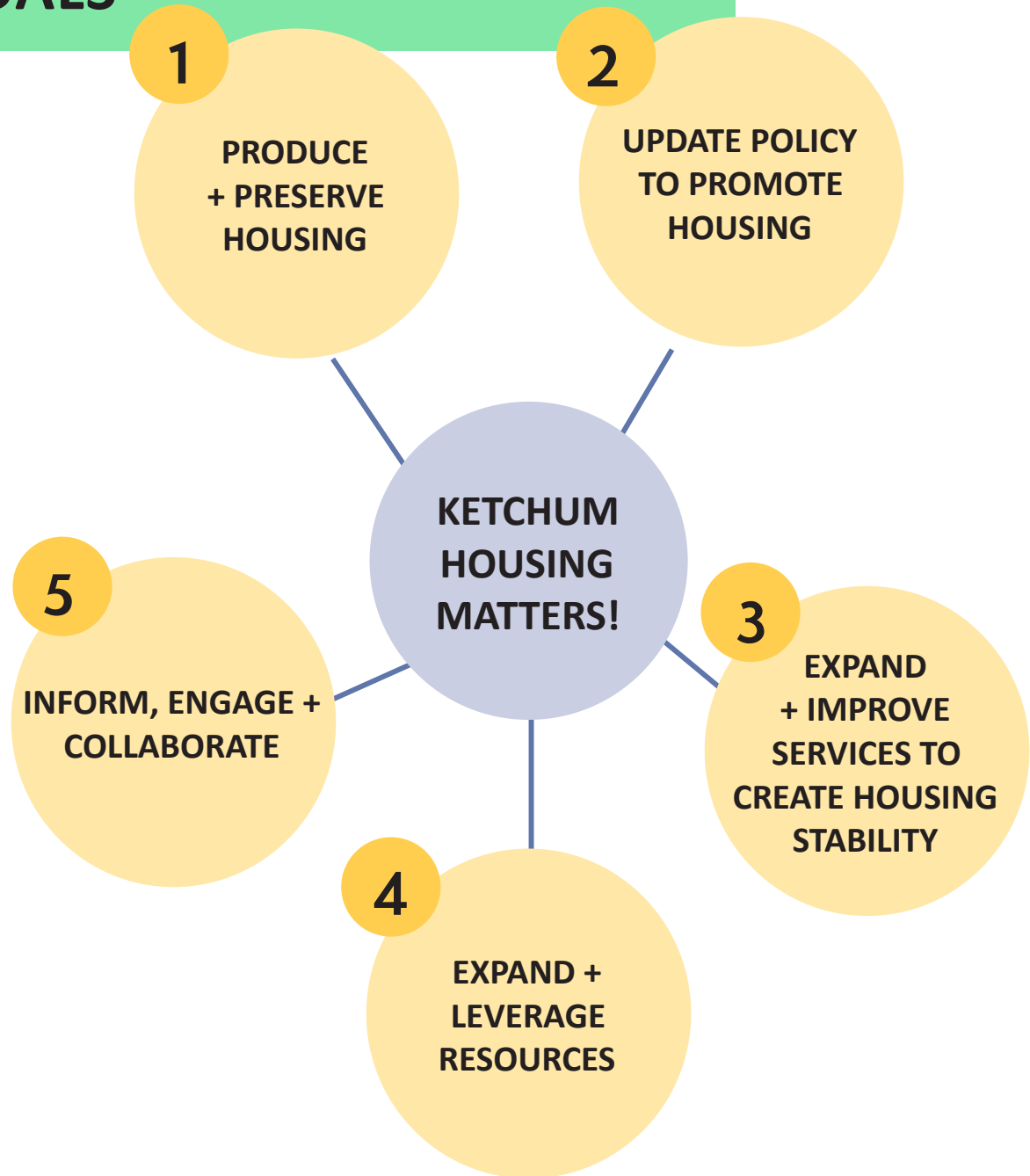
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**ADJOURN**

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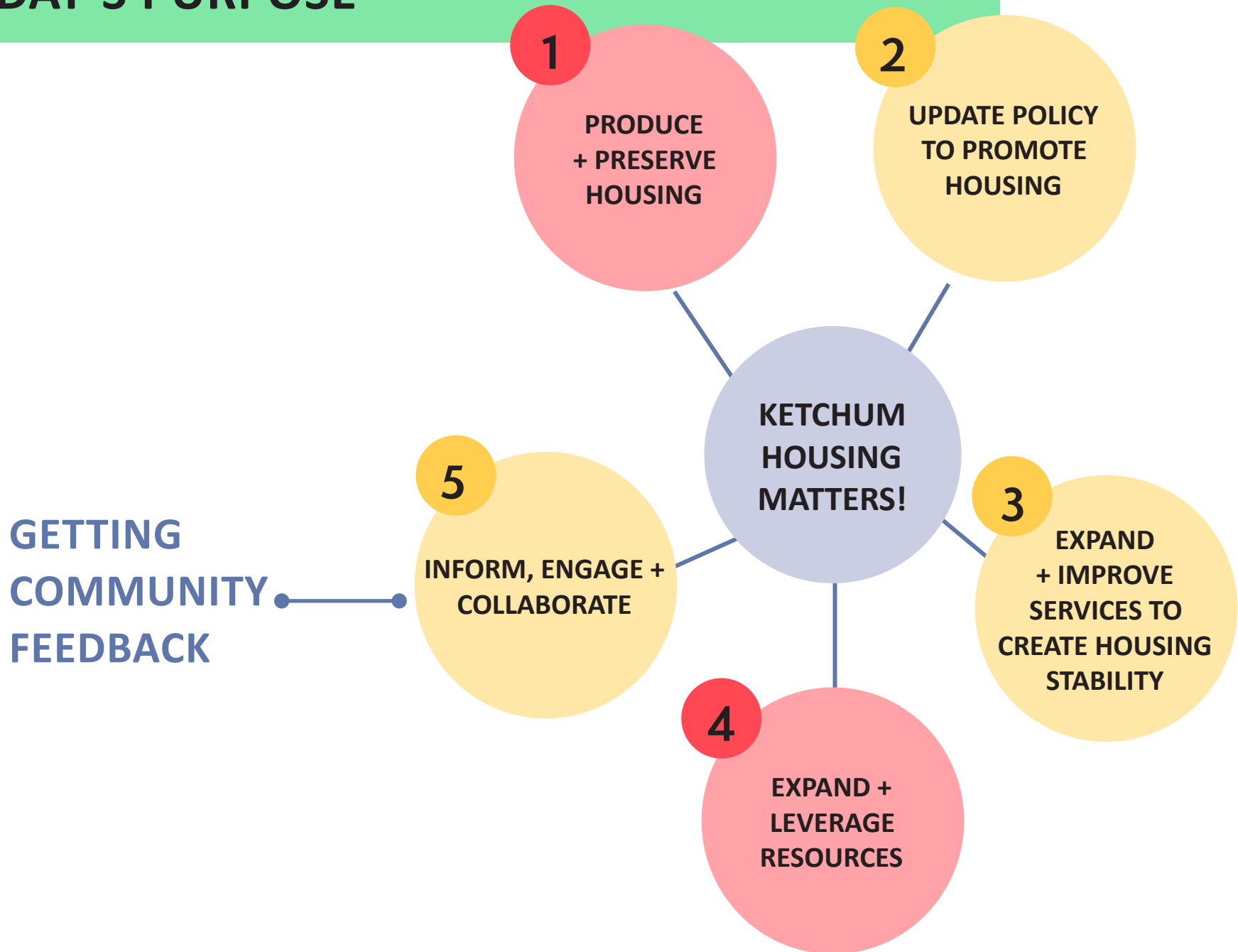


# COMPREHENSIVE GOALS

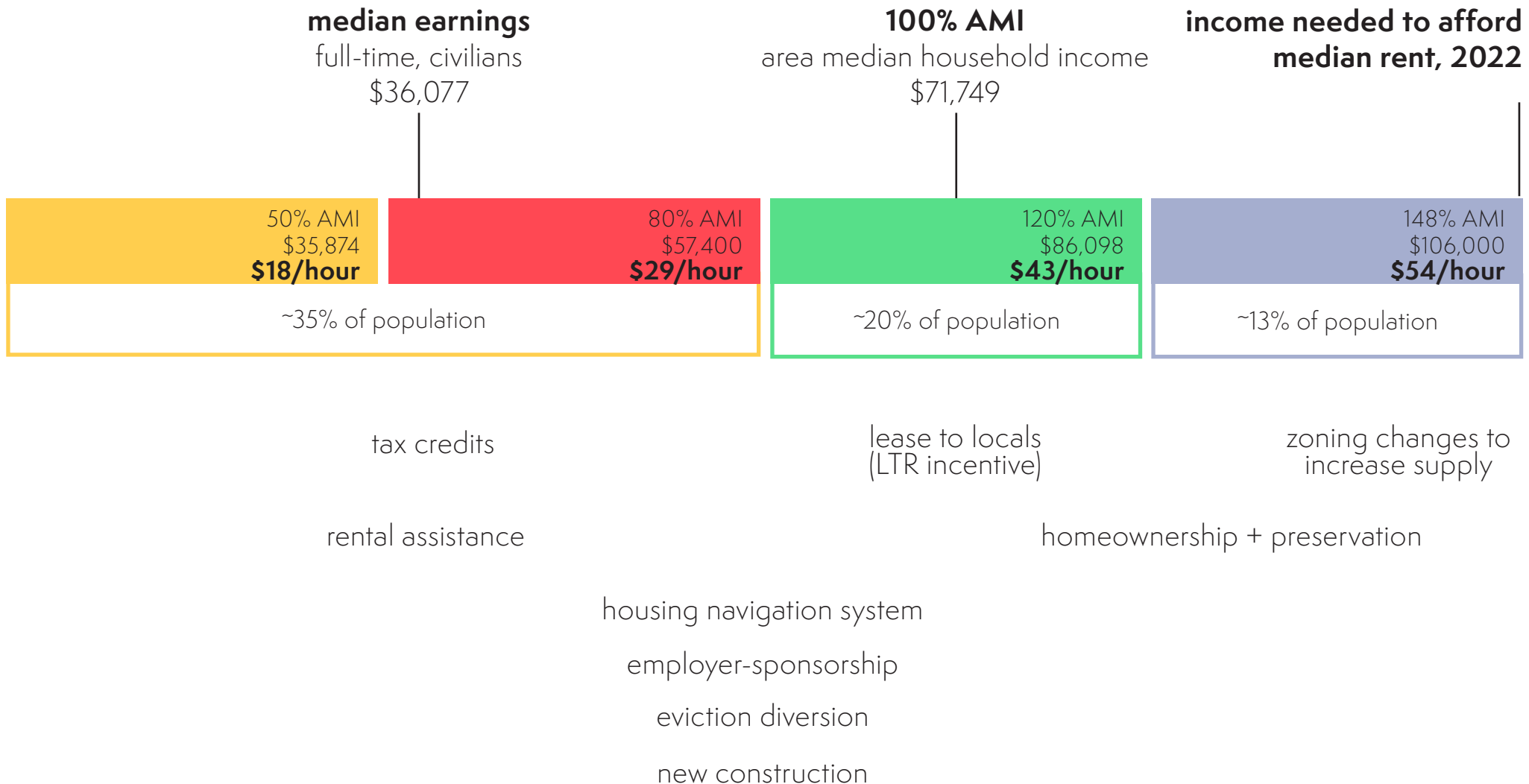




# TODAY'S PURPOSE



# ACTIONS ARE CROSS-SECTIONAL AND LAYERED



1

**PRODUCE  
+ PRESERVE  
HOUSING**

## 10-YEAR HOUSING NEED IN KETCHUM

converted, preserved, + new

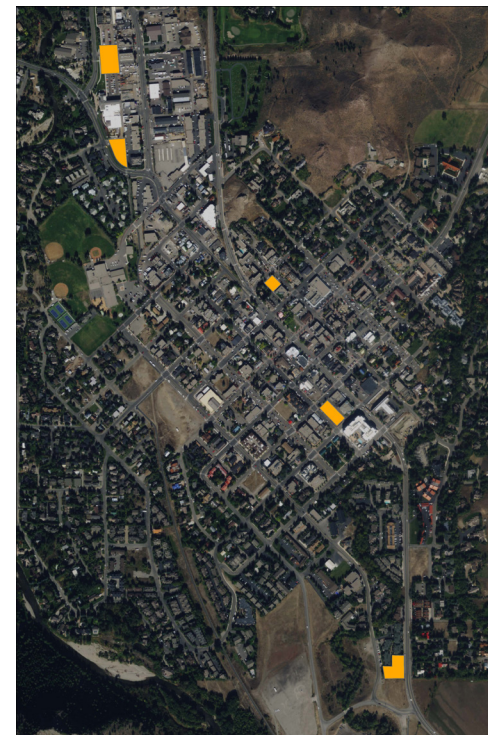
660 -  
980  
homes

*primarily unstably housed and  
unhoused community members*

1

# PRODUCE + PRESERVE HOUSING

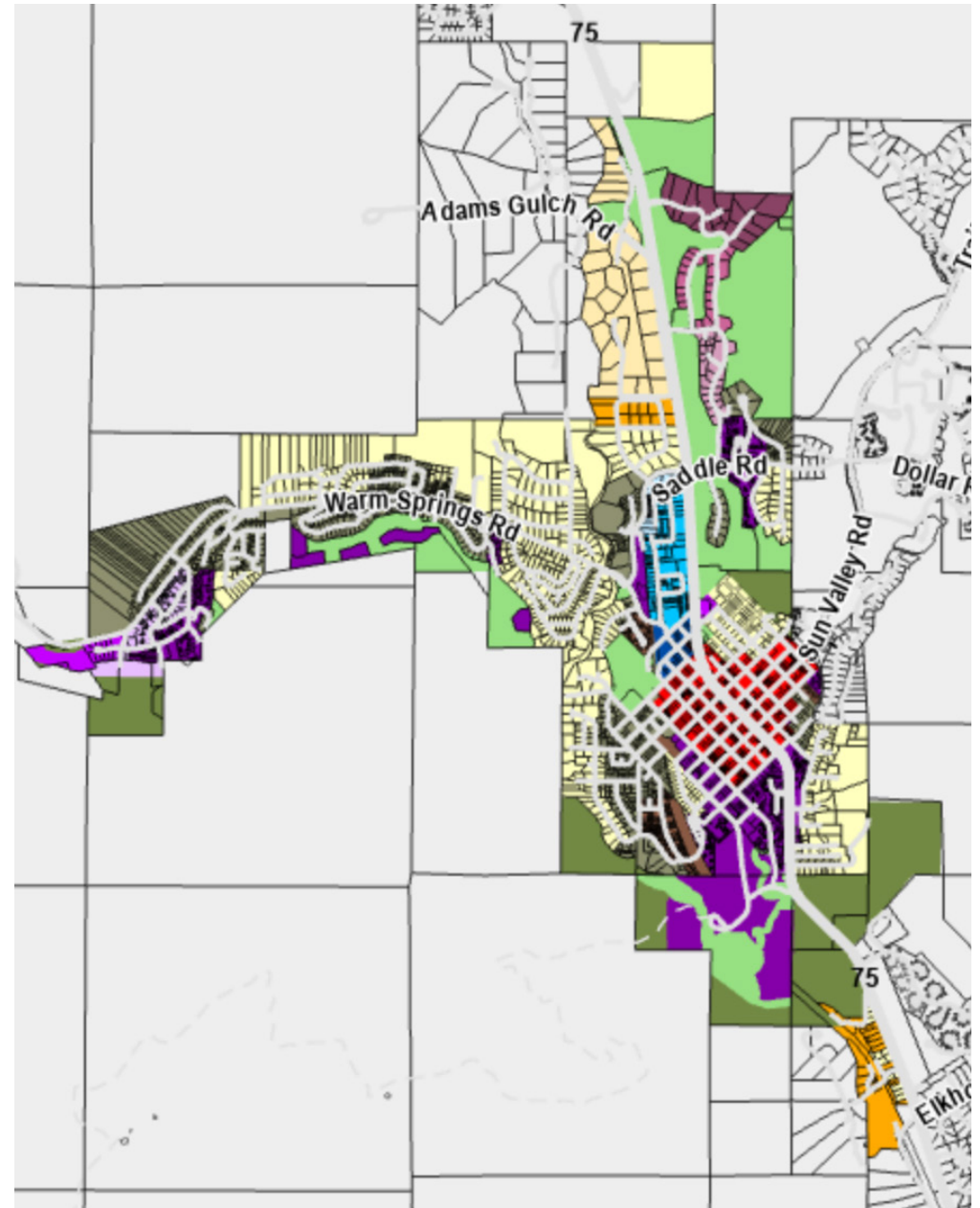
- Incentivizing conversion to long-term rental
- incentives to develop and occupy ADUs
- Incentivizing new construction
  - determining development order of publicly-owned land
  - 1st and Washington (~64 mixed-income units)
  - other significant land owners



2

# UPDATE POLICY TO PROMOTE HOUSING

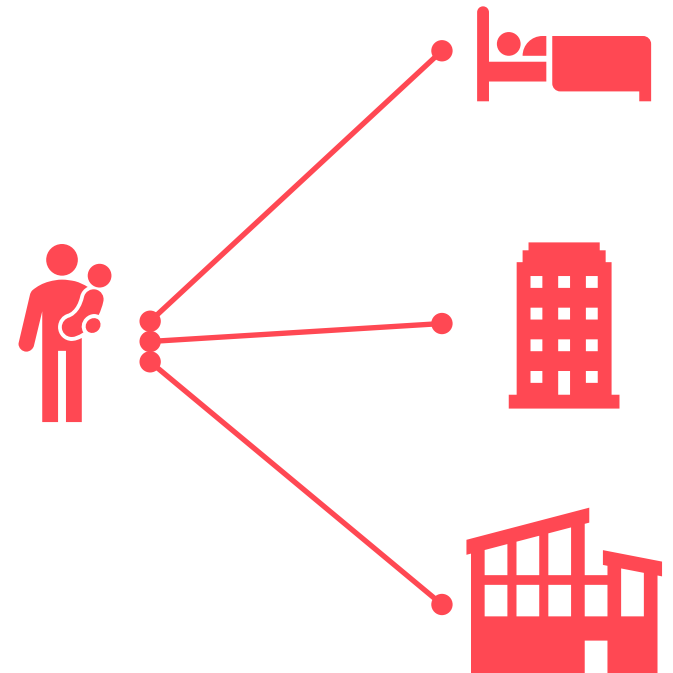
enacted interim ordinance to increase housing supply



# 3

## EXPAND + IMPROVE SERVICES TO CREATE HOUSING STABILITY

- **eviction diversion**
  - landlord-tenant mediation
  - emergency rental assistance
  
- **housing navigation system / one-stop-shop**



# 5

## INFORM, ENGAGE + COLLABORATE

### ● a community plan



5

**INFORM,  
ENGAGE +  
COLLABORATE**

● **coordination, tracking, & accountability timeline**

**Public Engagement  
Council Review**

**annually**

OUTPUT: updated Housing Action Plan, & Budget

**Implementation Partner meeting**

**quarterly**

OUTPUT: Scorecard

**Council Update  
Public Update**

**monthly**

OUTPUT: Presentation + Newsletter



PURPOSE & GOALS

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FUNDING ALLOCATION CRITERIA

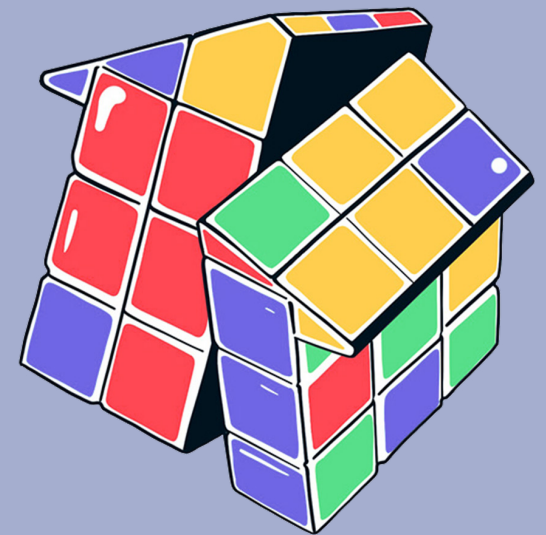
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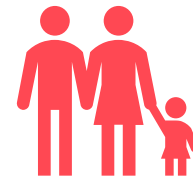
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■ **ACTION: PATHWAY TO OWNERSHIP**

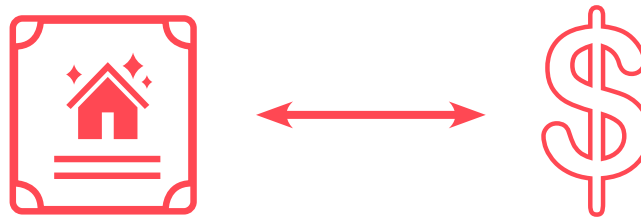
Identify **deed restriction** and **down payment assistance** feasibility and program options. Explore deed restrictions, tax abatement, cash equivalent, rehab assistance, and cooperative/co-ownership opportunities.



# WHAT IS AN OWNERSHIP + PRESERVATION PROGRAM

## ■ Program Overview

- Cash incentives to homeowners in exchange for recording a deed-restriction on their property



## ■ Deed-Restriction

- Long-term covenant that runs with the land that can restrict occupancy, ownership, and resale
- Explicit or de facto affordability + local occupancy

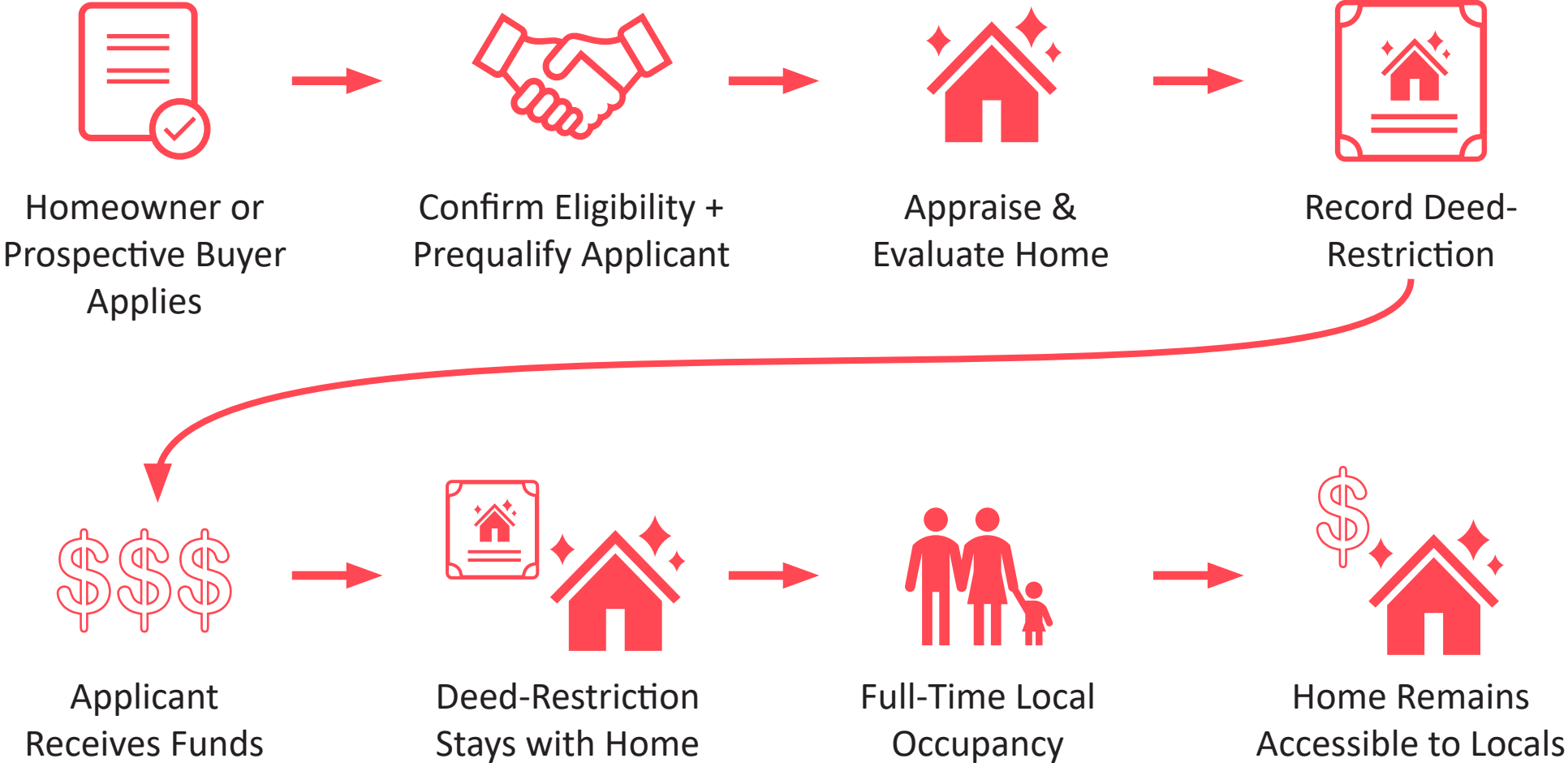
## ■ Goals

- Prevent housing leakage
- Preserve supply of housing for locals
- Homeownership assistance for new buyers
- Financial assistance for existing homeowners

## COMMON IN PEER COMMUNITIES

- Summit County & Breckenridge (Housing Helps)
- Vail (Vail InDEED)
- Teton County & Jackson, WY (Preservation Program)
- Truckee (Home Access Program)
- Placer County (Workforce Housing Preservation Program)
- Mountain Village (YES Incentive Program)
- Big Sky Community Housing Trust (GOOD DEEDS)
- Park City (Live Park City)
- And more..

# HOW IT WORKS



# COMPARABLE PROGRAMS' CRITERIA

- **Peer programs focus on “locals” and “workforce” deed-restrictions (~120% AMI and up)**
  - Full-time local employment and residency
  - No asset or income cap
  - No short term rentals
  
- **BCHA Category L Deed-Restriction**

# PROPOSED CATEGORY L DEED-RESTRICTION

## ■ **Local Employment**

- Full-time local employment (1,500 hrs / year)
- Exceptions for military, retirement, disability, care-providers

## ■ **Local Residency**

- Owner-occupied; full-time residency
- Up to 1 year rental to local; no short term rental

## ■ **Income**

- No income maximum
- Minimum 75% of household income earned locally

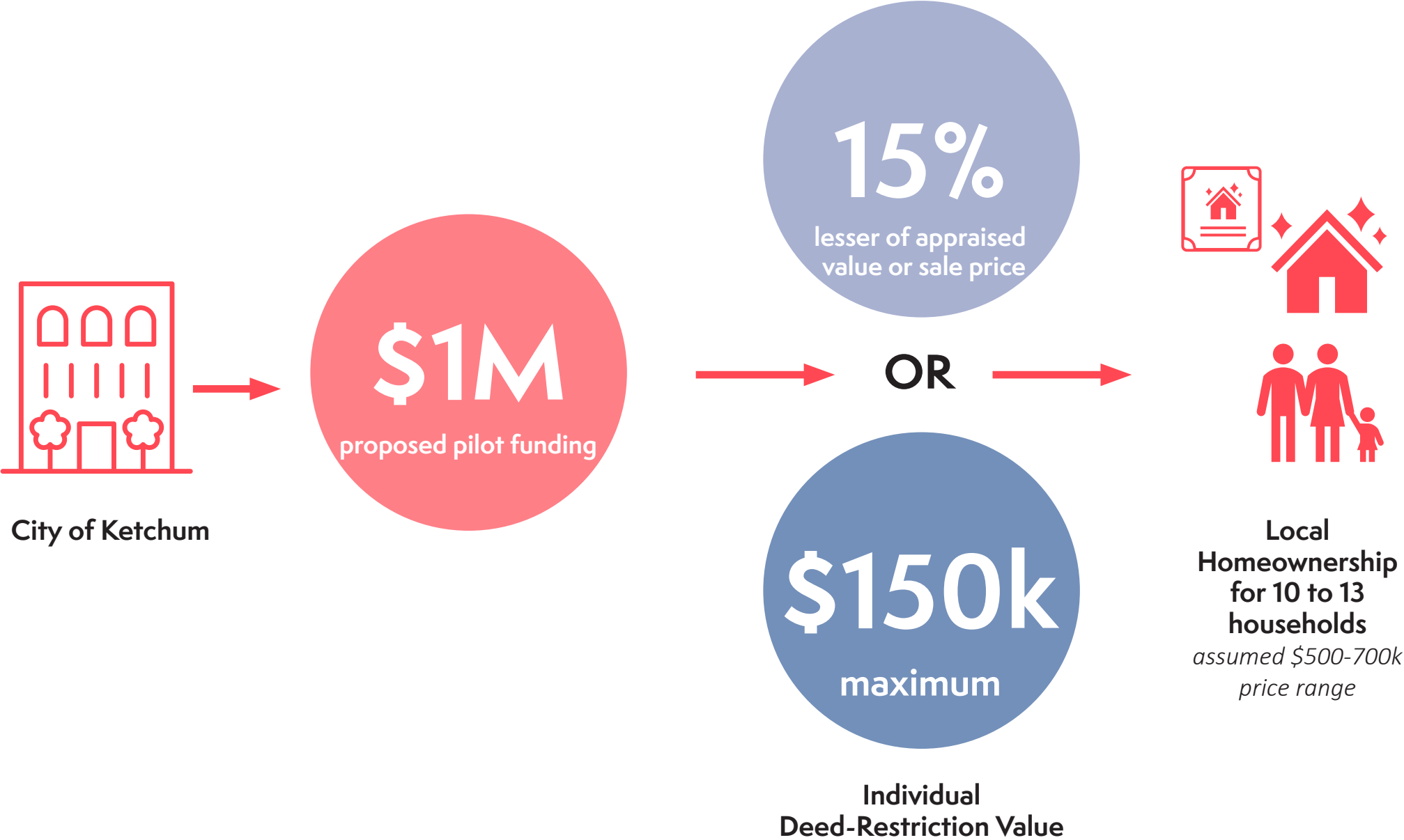
## ■ **Assets**

- No asset limit
- Cannot own developed residential property

## ■ **Appreciation**

- Tracks with cost of living (CPI)
- 3% maximum annually

# PROGRAM FUNDING





# ADDITIONAL PUBLIC ENGAGEMENT

## ■ **Lenders**

- Implementation, process
- Deed-restriction value

## ■ **Realtors**

- Program demand
- Deed-restriction value

## ■ **General Public**

- Spring: Housing Action Plan (HAP) update & Survey
- Program demand

# SMALL GROUP DISCUSSIONS

## TOPICS

Does our community need this?  
Is there an appetite for this?

What do you like?  
Any concerns?

Any specific actions we should consider?

# AROUND-THE-TABLE INTRODUCTIONS

**in less than 30 seconds, state the following**

name

affiliation / employer, if applicable

# SMALL GROUP DISCUSSIONS

## TOPICS

Does our community need this?  
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**PURPOSE & GOALS**

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PROGRAM**

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**FUNDING ALLOCATION CRITERIA**

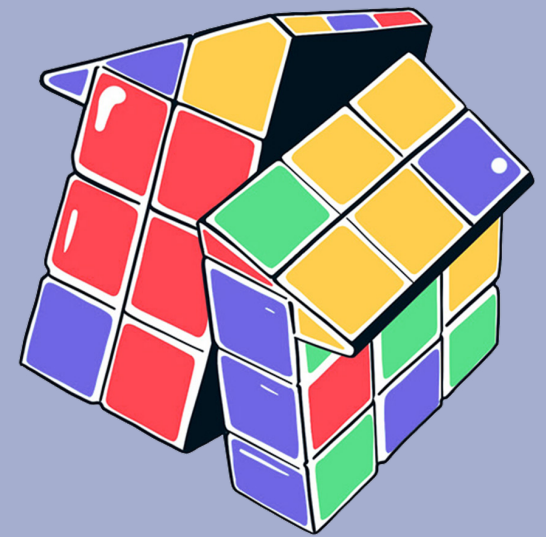
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**FUNDING TOOLS & COLLABORATION**

1:10 PM

**ADJOURN**

1:30 PM



## 4 EXPAND + LEVERAGE RESOURCES | **FUNDING ALLOCATION CRITERIA**

**Action 1** | *Create criteria for allocation of city funds, including alignment with this Plan, other City plans, and apportionment based on projected need by area median income.*

Provide framework for staff & Council to evaluate funding opportunities

Provide 3rd parties with metrics being used by city to evaluate funding requests

Draft developed with community-determined goals identified in Housing Action Plan & Comprehensive Plan

# PROPOSED EVALUATION CRITERIA | KETCHUM

## 1 | meets identified need

- a. by income level & affordability (HAP)
- b. variety of housing types & bedroom sizes (Comp. Plan)
- c. variety of tools to participate (HAP)
- d. in community core, mixed-use, and neighborhoods (Comp. Plan)
- e. for all community members, including aging and special populations (Comp. Plan)
- f. address short-, medium- and long-term needs (HAP)

## 2 | effective use of funding

- a. # of households housed or stabilized (HAP)
- b. leverages other public and private capital (HAP)
- c. demonstrable funding gap

## 3 | local solutions & partnerships (HAP + Comp. Plan)

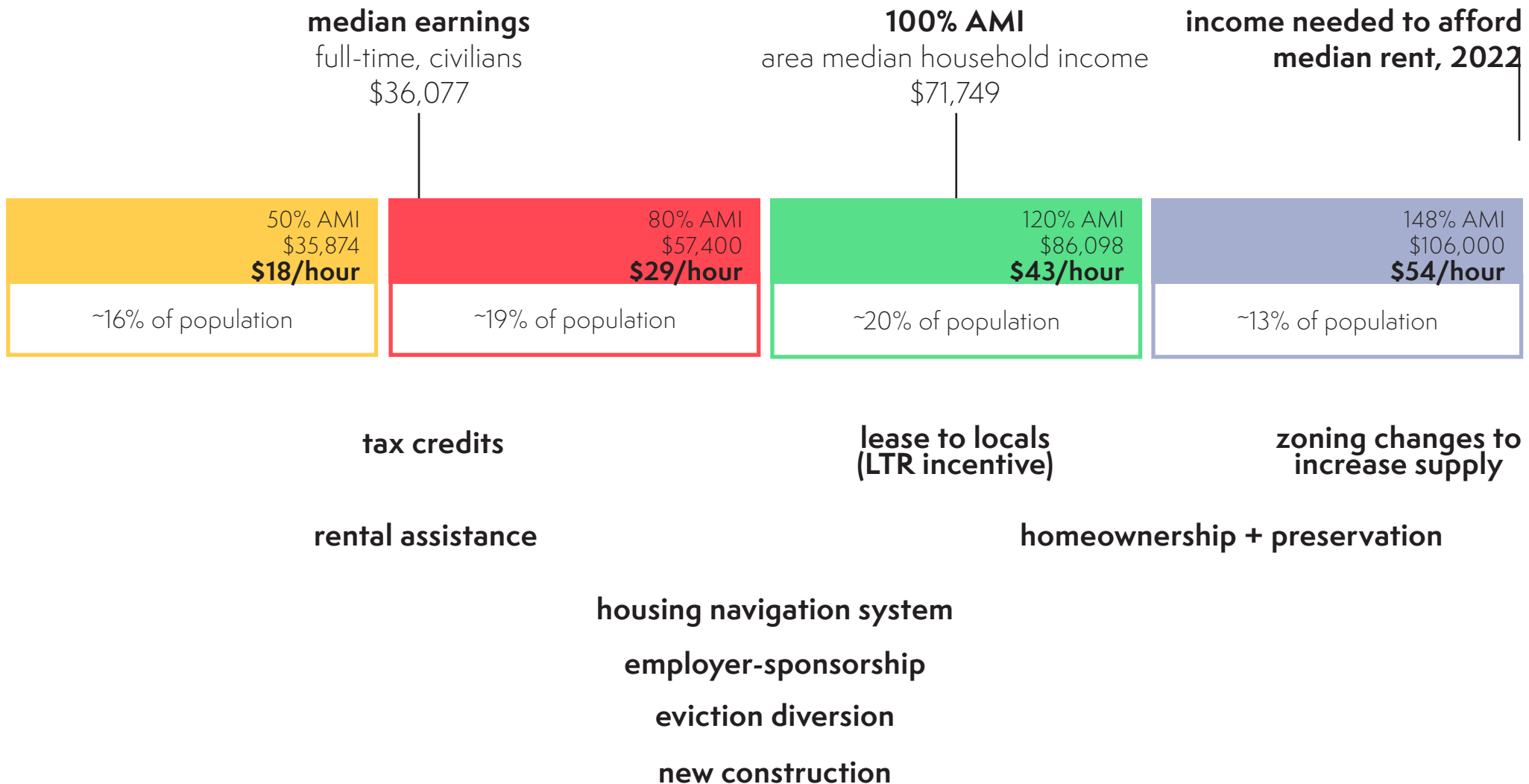
## 4 | team experience

## 5 | sustainable building & energy efficiency (Comp. Plan)

# 1 | meets identified need

c. variety of tools to participate (HAP)

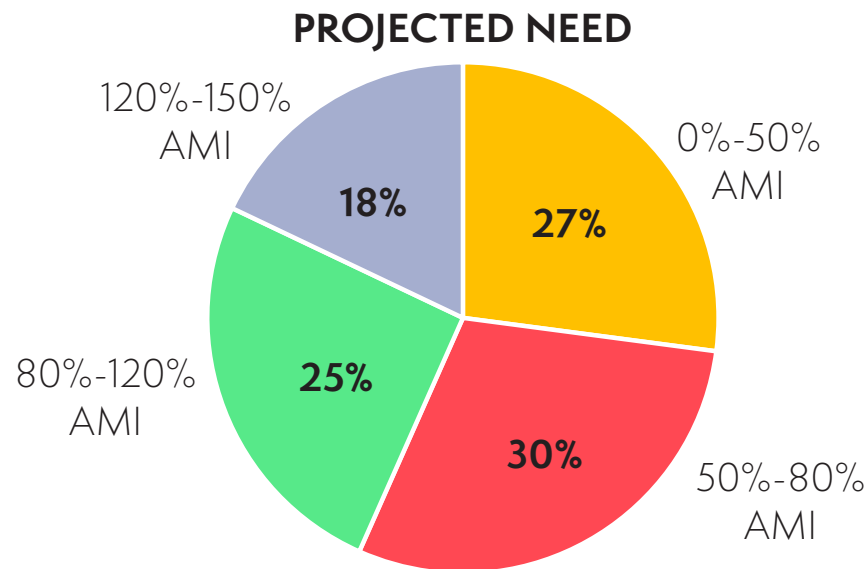
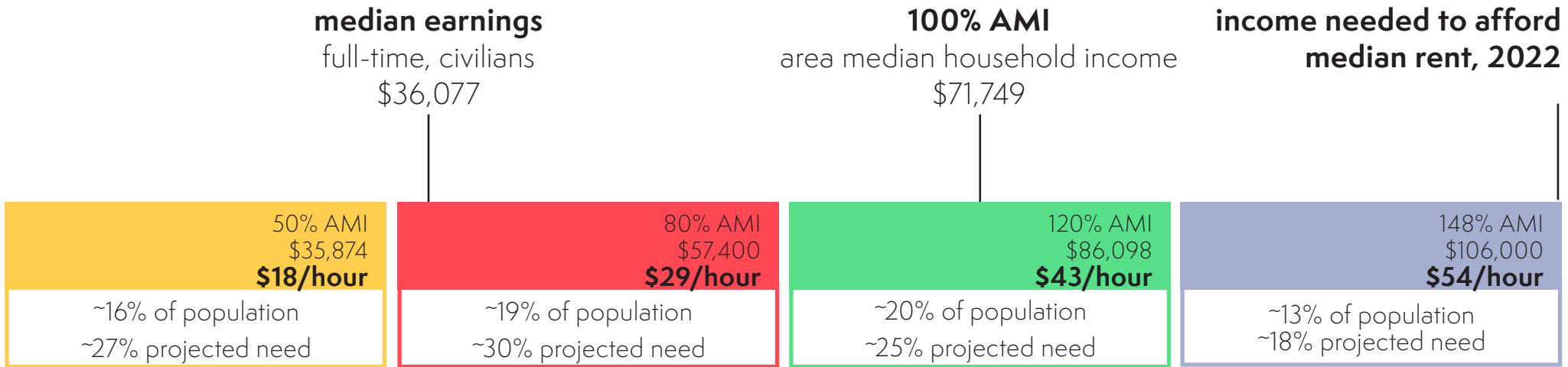
*City celebrates housing across income levels, and will support and facilitate gap areas*





# 1 | meets identified need

a. by income level & affordability (HAP)



# 1 | meets identified need

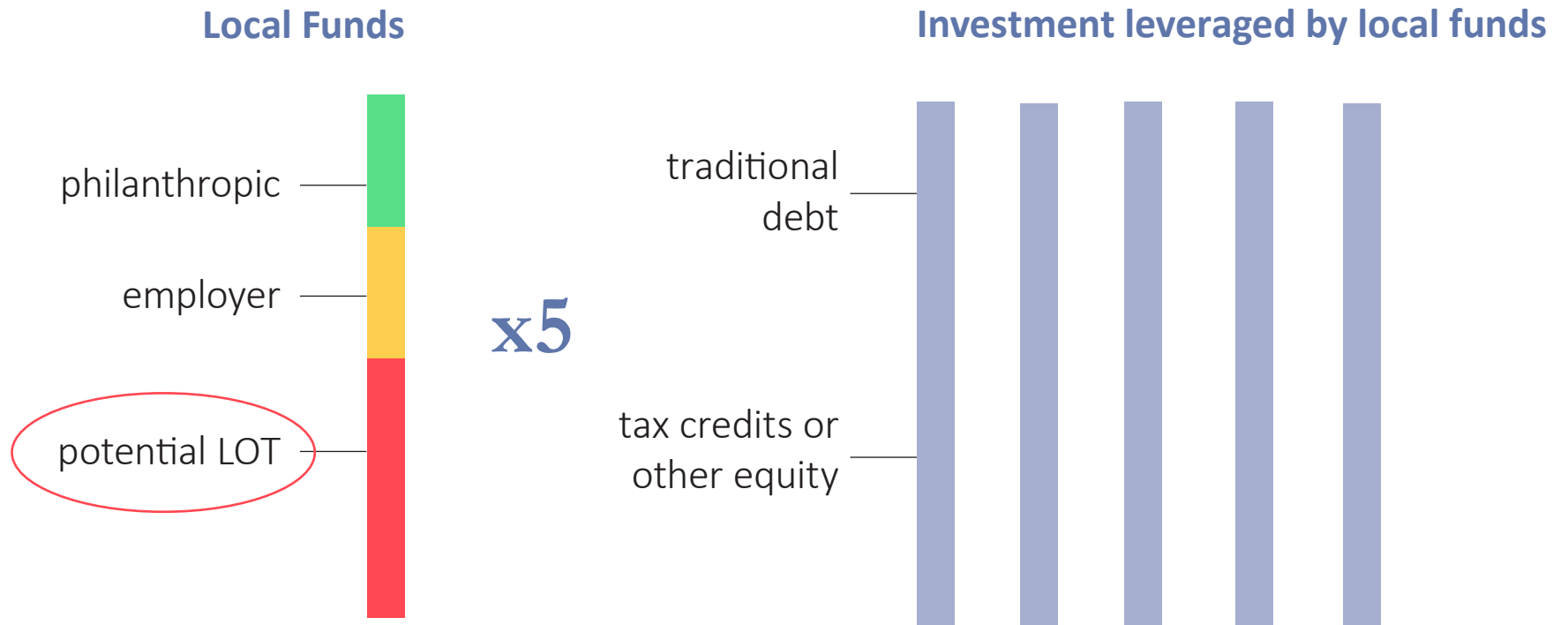
b. variety of housing types & bedroom sizes (Comp. Plan)

*POLICY H-3.1 The City should encourage the private sector, through land-use regulations and incentive programs, to **provide a mixture of housing types** with varied price ranges and densities that meet a variety of needs.*



## 2 | effective use of funding

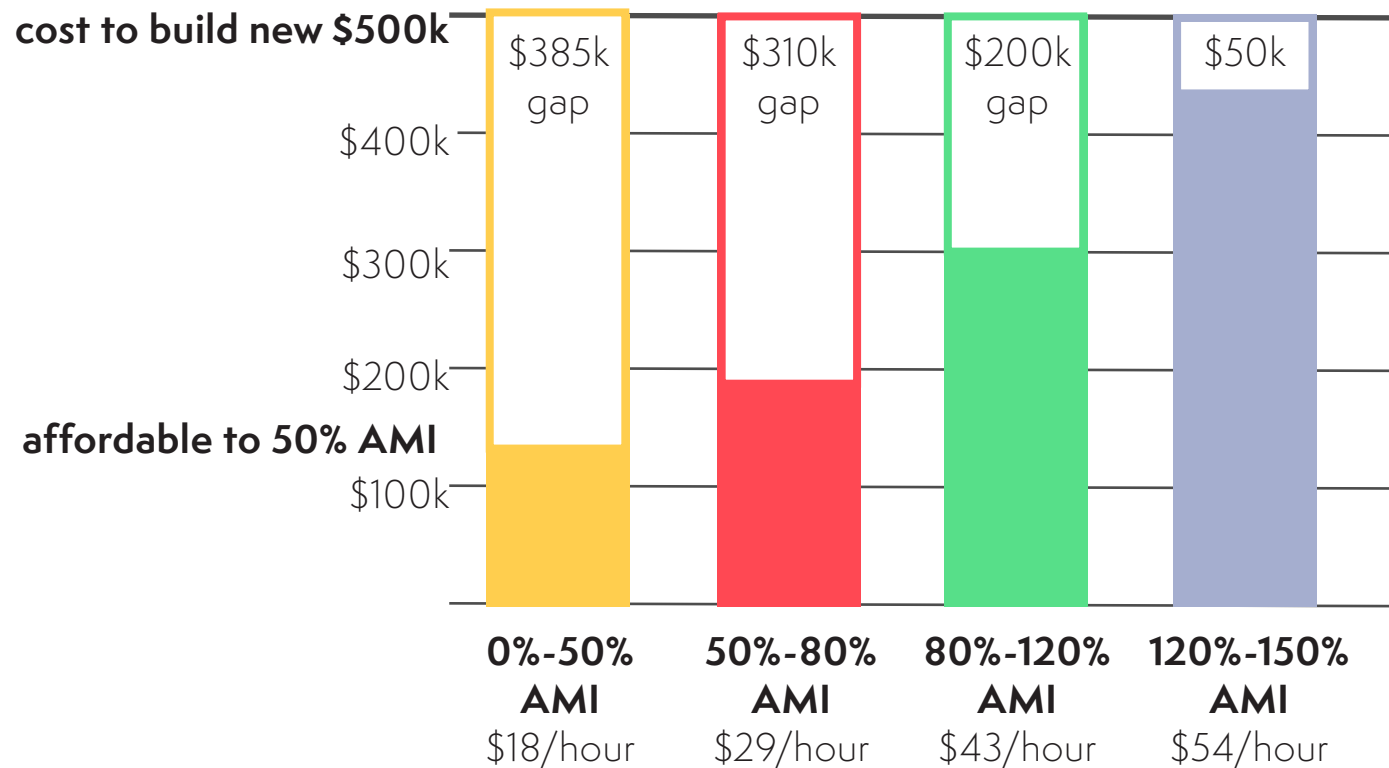
b. leverages other public and private capital (HAP)



## 2 | effective use of funding (HAP)

### c. demonstrable funding gap

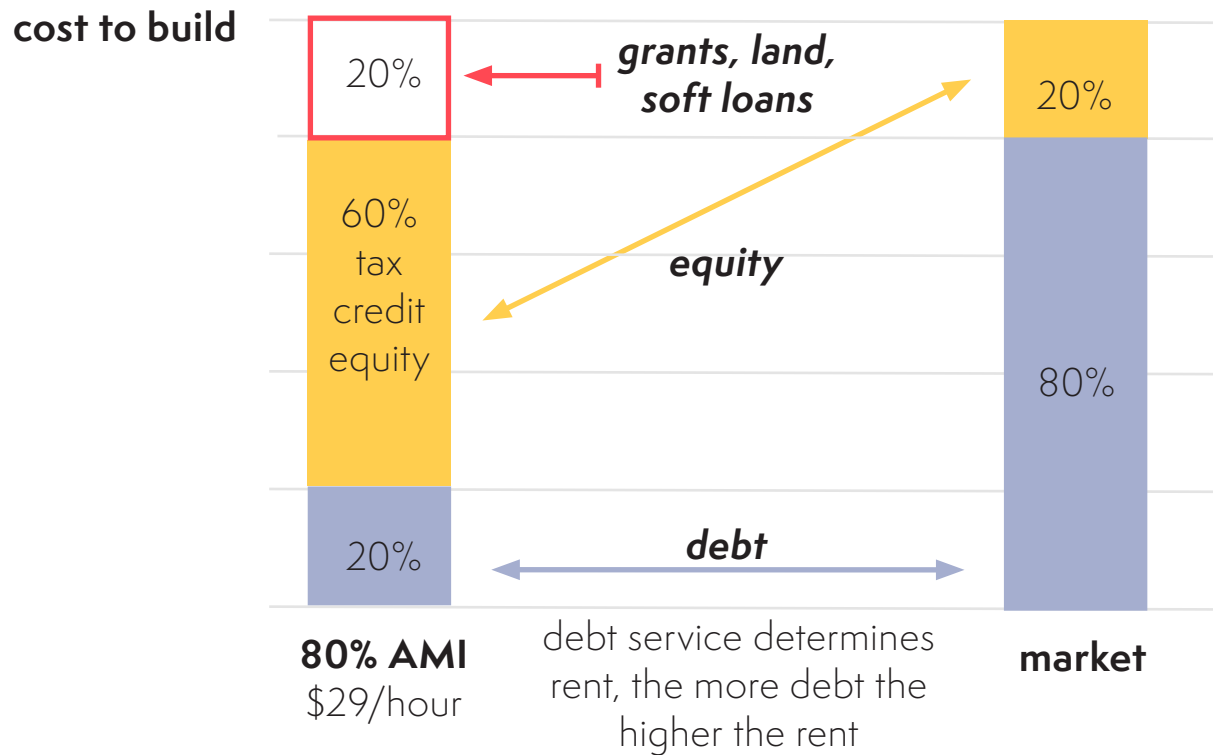
#### INDIVIDUAL BUYERS



## 2 | effective use of funding (HAP)

### c. demonstrable funding gap

#### MULTIFAMILY RENTAL



# PROPOSED EVALUATION CRITERIA VS. SCORING MATRIX

*RFP scoring matrix compares apples to apples*

REVIEWER NAME:	applicant 1	applicant 2	applicant 3	applicant 4	applicant 5
<b>Previous Project Performance (70 points)</b>					
Cross-functional team (10 pts)	41	46	41	44	41
Mixed use development experience (5 pts)	22	18	18	25	18
Low & mixed income, deed restricted housing experience (5 pts)	25	23	22	26	15
Multi-family housing experience (5 pts)	28	28	27	28	19
Land-use feasibility analysis experience (10 pts)	52	43	35	53	52
Community engagement experience (5 pts)	26	24	12	18	20
<b>Project Presentation (20 points)</b>					
Clear deliverables (5 pts)	25	23	14	27	23
Clear understanding of scope and goals (5 pts)	26	24	17	27	25
Amenable approach and timeframe (5 pts)	27	25	19	26	27
Professional presentation of materials (5 pts)	30	23	18	25	25
<b>Notable Additions (5 points)</b>					
<b>TOTAL POINTS</b>	<b>302</b>	<b>277</b>	<b>223</b>	<b>299</b>	<b>265</b>

# PROPOSED EVALUATION CRITERIA | KETCHUM

*comparing apples and oranges*

1 | meets identified need 40 points

*interventions address a range of needs, preferences, and timing*

2 | effective use of funding 30 points

*investment is needed and effective in housing or stabilizing local households*

3 | local solutions & partnerships 10 points

*intervention is tailored to local context and includes local team members*

4 | team experience 10 points

*developer or provider has ample & relevant experience & skills for intervention*

5 | sustainable building *new construction or rehab only* 10 points

*NGBS, LEED Silver, or equivalent + rooftop solar and other sustainable systems*

# HOW COULD THIS BE USED? RECOMMENDATIONS

Criteria as high level, informative, qualitative reasoning to guide resource allocation

Appendix would summarize data to track metrics and big picture understanding of goals

If scoring doesn't align with Council decisions, then identify needed changes in criteria



# SMALL GROUP DISCUSSIONS

## TOPICS

Is this needed?  
Is it useful?

Are these the right metrics? Are we missing any?  
Should the metrics be prioritized differently?

*CHART*

How should this be used?

PURPOSE & GOALS

12 PM

OWNERSHIP + PRESERVATION  
PROGRAM

12:10 PM

FUNDING ALLOCATION CRITERIA

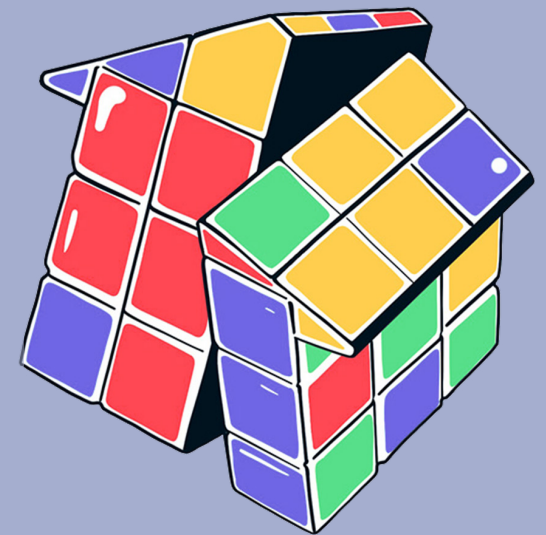
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**FUNDING TOOLS & COLLABORATION**

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ADJOURN

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## 4 EXPAND + LEVERAGE RESOURCES | **COORDINATION**

**Action 2** | *Meet with current and potential public and private funding partners to set up a process to regularly review funding priorities and opportunities to support the Action Plan (minimum quarterly).*

Should we be coordinating funding partners to identify priorities together? Are there benefits?

If so, what would the best ways of doing that be? Is it to formalize a group that meets regularly?

How do we ensure buy-in?

**Example 1** | *Some non-profits partnering to identify funding priorities for emergency and transitional housing. Partners have come together to fund and implement emergency hotel stays and a shelter in Hailey.*

**Example 2** | Discuss employer-sponsored housing options with large and small local employers, including non-profits and direct service providers (action 8)

## 1 | updating needs assessment

- *community survey includes questions for employers and employees*
- *focus groups and engagement on preferences and specific programs*



## 2 | informal cocktail

- *accessible, fun gathering for open dialogue*
- *increase employers shareable knowledge*



## 3 | focus groups

- *Who is doing what now, lessons learned*
- *What other communities are doing*



## 4 | present package of engagement opportunities

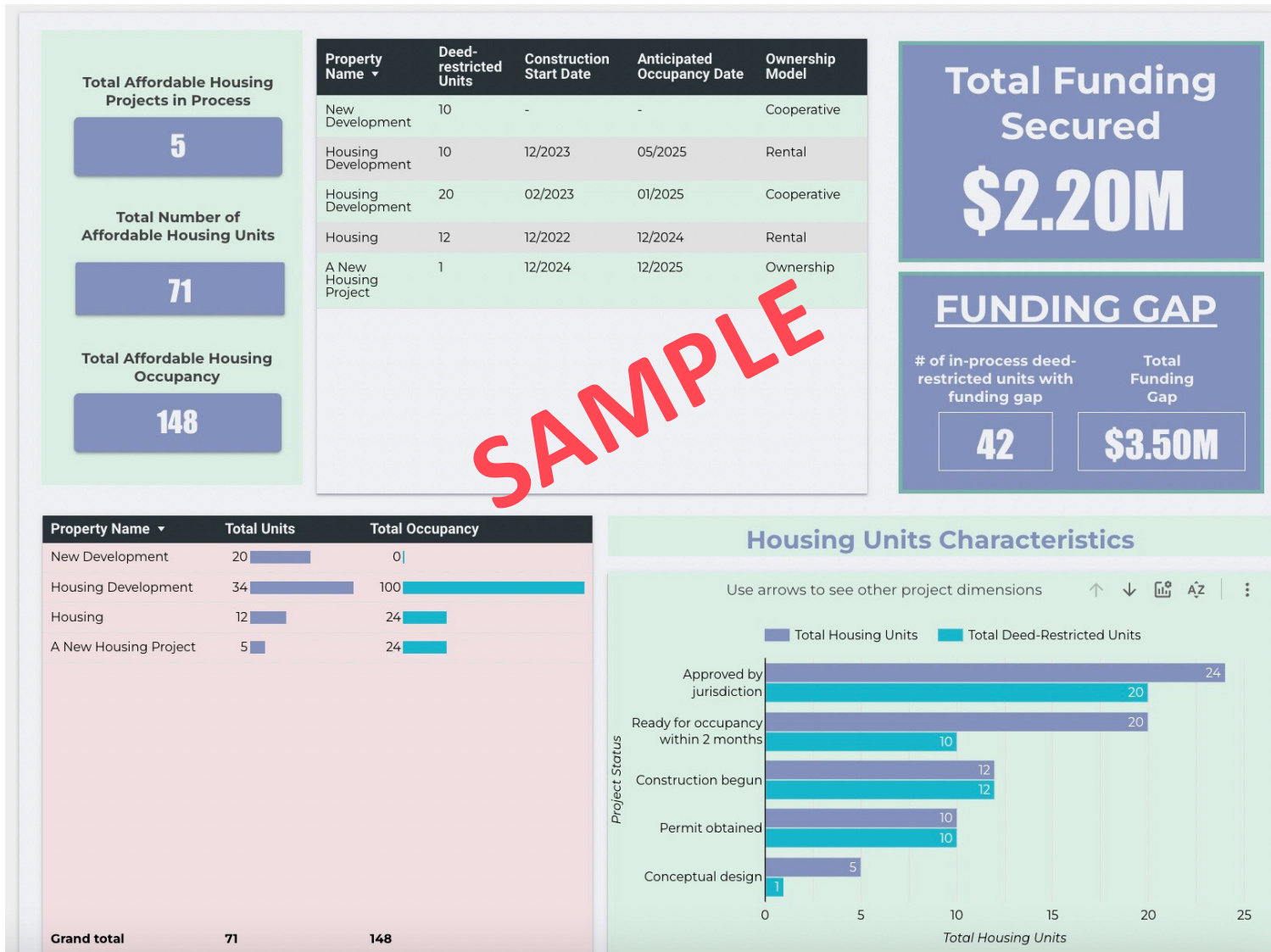
- *create package for employers on how to participate, with tiered levels for small, medium, and large employers*
- *present at events (SVED Forum, realtors quarterly meeting, Wood River Lodging Association)*



# Resource for Coordination: Program & Development Survey/Index

**Goal:** provide consistent and transparent information & uplift opportunities to fund housing

- Survey for housing program and developments
- Populates a dashboard
- Option to build-out or link to details



# SMALL GROUP DISCUSSIONS

## TOPICS

Should we be coordinating funding partners to identify priorities together? Are there benefits?

If so, what would the best ways of doing that be? Is it to formalize a group that meets regularly?

How do we ensure buy-in?

# THANK YOU!!!

Jade Riley,  
City of Ketchum Administrator

Carissa Connelly  
City of Ketchum Housing Director

Rian Rooney  
City of Ketchum Housing Fellow

Carter Cox  
Nested Strategies

[housing@ketchumidaho.org](mailto:housing@ketchumidaho.org)



1 | meets identified need by income level & affordability (HAP)

TOWN OF TRUCKEE HOUSING

# Mountain Housing Council 2021 Housing Needs Data





# Link between AMI + Typical Housing Types in Truckee

## 80% AMI and below

- Tax Credit Rental Developments
- 2-4 stories
- 30+ units

## 80%-195% AMI

- Market rate rentals
- Market rate ownership
- Deed restricted ownership

## 195% AMI and above

- Market rate rentals
- Market rate ownership
- Deed restricted ownership

■ **How is the restriction's value determined?**

- Depends on details of restriction and home value
- Typically 10-20% for a “workforce” / “local” restriction

■ **Option 1: Formula with Maximums**

- Example: 15% of the appraised value, not to exceed \$100,000

■ **Option 2: Evaluation and Negotiation**

- Appointed advisory body negotiates with homeowner
- Consider variety of factors: unit type, location, how unit meets goals and needs of community

## Program Eligibility: Deed-Restriction Terms

### ■ Residency and Local Employment

- Resident: Year-round (own or rent)
- Worker: Average 30 hours / week for local business
- Retiree: Provisions for retirement

### ■ Income

- “Locals” programs often have no limit
- Minimum % of household income earned locally
- Category-based limits (Maximum % AMI)

### ■ Assets

- “Locals” programs typically have no limit
- Maximum % of sale price
- Category-based limits

### ■ Other Property

- Some prohibit owning other residential property

## Limits on Appreciation

### ■ Index-Based Formulas

- Inflation (CPI)
- Prime Rate / Interest Rates
- Growth in AMI

### ■ Income-Based (BCHA Method)

- Based on income needed to pay mortgage, fees, etc. within established income category

### ■ None - Market Establishes Price

- Common in peer “locals” programs
- Restriction has impact on market appreciation