



City of Ketchum

**CITY COUNCIL MEETING AGENDA MEMO**

Meeting Date:  Staff Member/Dept:

Agenda Item:

**Recommended Motion:**

**Reasons for Recommendation:**

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

**Sustainability Impact:**

**Financial Impact:**

**Attachments:**

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**File Code:** 6400

**Date:** June 5, 2023

Dear Mayor Neil Bradshaw and Ketchum City Council:

The United States is in the midst of national housing shortage. The shortage, which began in the wake of 2008 financial crisis, has persisted for more than a decade, and was greatly exacerbated by the recent COVID-19 pandemic. This shortage is especially acute in the Western U.S. where the bulk of USDA Forest Service (Forest Service) employees work and live. We understand that this problem is not unique to the Forest Service and, in fact, impacts the communities that the Forest Service operates in along with local business, ultimately impacting local economies. This housing crisis is exponentially problematic in resort communities such as the Wood River Valley.

Forest Service leadership has challenged local units to find creative solutions to the affordable housing shortage that is hindering the ability to recruit, hire and retain employees. The Sawtooth National Forest is exploring opportunities that exist within current legislation, specifically the 2018 Farm Bill Section 8623, that allows the United States (US) Government to identify underutilized federal lands and enter a lease with a municipality or private entity for purposes that benefit the United States Government.

The Sawtooth National Forest identified underutilized land at 330 Lewis Street within the industrial district of Ketchum. The Lewis Street property was acquired by the US Government in 1992 and currently houses a warehouse facility, bunkhouse and administrative space utilized by the Forest Service. Renderings of maximum utilization of this property have shown that the 330 Lewis location could potentially meet and exceed the current use of the Forest Service along with providing needed parking, light industrial space, and up to 80 affordable housing units that would be available to Forest Service employees as well as other workers in the Wood River Valley. This conceptual plan would achieve management objectives and meet Forest Service facilities planning requirements. The potential for further development through the 2018 Farm Bill would be through a standard administrative site lease that can be found at [FS-2700-14-Lease-for-Administrative-Sites-20200910.docx \(live.com\)](#).

This land leasing concept is new to the Forest Service as it has not been executed anywhere in the nation at this time. However, we are interested in pursuing this innovative option to provide a win-win solution for the Forest Service (new administrative, warehouse, and housing facility) and the local community (additional affordable housing).

Based on 2018 Farm Bill Section 8623 policy, one of the first steps in the leasing approval process is to request, in writing, for the municipality or county in which the administrative site is located to indicate their interest in applying to lease the site for the purposes described above. This letter is the official communication to the City of Ketchum and Blaine County to inquire if either entity is interested in pursuing this leasing opportunity. I respectfully request a response within 90 days either documenting your first right of refusal or interest in applying to lease the



land. Thank you for your time, and if you have any further questions, please contact me by email at [jacob.strohmeier@usda.gov](mailto:jacob.strohmeier@usda.gov) or by phone at (208) 423-7501.

Sincerely,

JAKE STROHMEYER  
Forest Supervisor

CC: Blaine County Commissioners



City of Ketchum

June 12, 2023

Mr. Jake Strohmeyer  
Forest Supervisor  
Sawtooth National Forest Supervisor's Office  
370 American Avenue  
Jerome, ID 83338

RE: City of Ketchum's First-Right-of-Refusal under Public Law 115-334, Section 8623, Paragraph 5

Dear Mr. Strohmeyer:

We are in receipt of your letter dated June 5, 2023, requesting the City of Ketchum's interest in applying to lease the site located at 330 Lewis Street, Ketchum, Idaho for the purposes of providing affordable housing units for Forest Service employees and other workers in the Wood River Valley.

Pursuant to Public Law 115-334 passed on December 20, 2018 (2018 Farm Bill), Section 8623, Paragraph 5, the City of Ketchum holds a Right-of-First-Refusal (ROFR) to lease the U.S. Forest Service lot referenced above.

The City has reviewed the proposed redevelopment of the site, which is focused on creating needed workforce housing in Ketchum's industrial core. That proposal aligns with the City's affordable/workforce housing goals.

The City generally supports the U.S. Forest Service's proposed use of the site and does waive the exercise of its ROFR at this time in connection with this proposal. The City does reserve the right to hold and exercise such ROFR in the event the proposed redevelopment is not pursued or able to proceed.

Sincerely,

Neil Bradshaw  
Mayor