



P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

July 20, 2020

Chairman and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

Chairman and URA Commissioners:

**RECOMMENDATION TO APPROVE FUNDING REQUEST FOR
COMMUNITY HOUSING AT 480 EAST AVENUE (CITY HALL)**

Recommendation and Summary

Staff recommends the KURA provide direction on funding infrastructure associated with a tax credit project located at 480 East Avenue and the rear parking lot. If the funding is approved, it is requested the Board authorize the Chair to sign a letter supporting the project and adopt the following motion:

"I move to approve \$564,860 in KURA funding to support the infrastructure costs for the 480 East Avenue community housing project and authorize the Chair to sign a letter of support for the project"

Introduction/History

The Ketchum Community Development Corporation and GMD Development will be submitting a tax credit application to secure 9% tax credits to construct affordable housing at 480 East Avenue, the City hall site and rear parking lot. Up to 56 units could be constructed on the site. The project is in design and would be subject to review and approval by the Planning and Zoning Commission.

To help make the application more competitive, the KURA is being asked to commit financial assistance for infrastructure (Attachment A). This request is similar to the request made and approved by the KURA for the project in July of 2019.

Current Report

The tax credit application deadline is in September. The lower the cost of construction is for each unit, the more competitive the tax credit application may be. Therefore, if the cost for infrastructure could be funded by the KURA, those costs would reduce the

requested tax credit funding for the project. The Board is being asked to make a commitment up to \$564,860 for infrastructure improvements.

Financial Requirement/Impact

The total funding request from KURA is \$564,860. Should the KURA decide to participate and provide funding for this project, funding would come from FY 20/21 infrastructure funds. As outlined in the Attachment B, the Board has previously ranked community housing as a priority 2 out of 10 for KURA funding.

Funding could be allocated over several years in lump sum payments. Staff does not recommend this funding be provided through the typical increment funding agreement.

Attachments:

Attachment A:	KURA Application and cost estimate
Attachment B:	KURA Funding Priorities
Attachment C:	Funding Analysis

APPLICATION FOR PROJECTS REQUESTING FUNDING FROM THE KURA

Applicant and Project Information

Applicant Name: City of Ketchum
 Representative: Greg Dunfield
 Phone: 206-745-3699
 Email: greg@gmddevelopment.com

Name of Project: Bluebird Village

Project Description: Construction of deed restricted affordable housing units at 480 East Avenue

Project Location: 480 East Avenue, City Hall and rear parking lot

Date Submitted:
7/14/2020

Estimated Date of Completion:
2022

Application Submittal Requirements

- ☐ Brief narrative describing the proposed public benefit of the project
- ☐ Map of project location
- ☐ Attached professional bids, if applicable
- ☐ Attached preliminary/construction drawings, if applicable

Notes on Submittals

 _____ N/A _____

Projects Questions:

1. Is this project identified within the Urban Renewal Plan for KURA?
2. If identified in the Urban Renewal Plan, indicate section and page:
3. Estimated assessed value of project after completion (*taxable value*):
4. Will any KURA board members or staff financially benefit from the project?
5. New or retained jobs resulting from project:
6. Approximate return on public fund investment. (I.e. Public\$/Private\$)
7. Funding amount requested:

Yes: ☒ No: ☐
 Section: Development Page: 12
 \$ N/A
 Yes: ☐ No: ☒
 Full Time: N/A Part Time: N/A
 \$ N/A
 \$564,860

Bluebird Village Multi-Use Facility
Off-Site Improvements (URA)



7/14/2020	Qty. Unit Unit \$			Estimated Costs					Previous	Current	Total	Notes
Division 1 - General Conditions	01030 Survey	24 chrs	\$ 130.00					\$ 3,120.00	\$ 3,120.00			Current Bid
	01040 Project Manager	120 hrs	\$ 85.00					\$ 10,200.00	\$ 10,200.00			PM allowance
	01050 Civil Engineering				\$ 2,500.00			\$ 2,500.00	\$ 2,500.00			Civil Engineering allowance
	01051 Landscape Design				\$ 2,500.00			\$ 2,500.00	\$ 2,500.00			Landscape Design allowance
	01045 Mechanical Engineering				\$ 1,800.00			\$ 1,800.00	\$ 1,800.00			ROW Snowmelt Pro Rata Allocation
	01056 General Liability Insurance						\$ 6,069.00	\$ 6,069.00	\$ 6,069.00			Liability Insurance Expense
	01034 Permits and Fees (allowance)						\$ 4,000.00	\$ 4,000.00	\$ 4,000.00			Pro rata allocation allow. for Water, Sewer, Gas
	01034 IPCO Engineering Service, Trans, Sector						\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			Idaho Power Engineering Fee, Transformer and Sector Allowance
	01034 Exist. Sewer Water Lines Cap-Off Permit						\$ 1,500.00	\$ 1,500.00	\$ 1,500.00			Cap-Off existing Sewer and Water into property Permit Fee/Inspect
	Total			\$ -	\$ -	\$ 6,800.00	\$ 34,889.00	\$ 41,689.00				
Division 2- Sitework within the Public ROW	02025 Id.Power West Site Work Underground	1 allow			\$ 20,000.00			\$ 20,000.00	\$ 20,000.00			Site Work Underground/Boring in Alley for Transformer and Sector
	02025 Century Link Underground	1 allow			\$ 10,000.00			\$ 10,000.00	\$ 10,000.00			Bid from Century Link
	02025 Cox Underground	1 allow			\$ 10,000.00			\$ 10,000.00	\$ 10,000.00			Allowance for COX undergrounding
	02025 Intermountain Gas Underground Work	1 allow			\$ 5,000.00			\$ 5,000.00	\$ 5,000.00			Allowance for Intermountain Gass undergrounding
	02100 Demolition Curb, Gutter, and Sidewalk	1 allow			\$ 28,940.00			\$ 28,940.00	\$ 28,940.00			Off Site Work Demolition in Pedestrian Right of Way
	02200 Excavation, Grade, and Prepare Pavers	1 allow			\$ 11,040.00			\$ 11,040.00	\$ 11,040.00			Ex., Bkfill, Grade, Compact, and Prepare new Asphalt Paving and Patch
	Prepare for new Curb, Gutter, and AC Patch	1 allow			\$ 5,280.00			\$ 5,280.00	\$ 5,280.00			Prepare for new Curb, Gutter, and AC Patch Back
	02200 New Sewer Line into Property	1 allow			\$ 18,875.00			\$ 18,875.00	\$ 18,875.00			demo and dispose old line
	Cap Off Old Sewer Line into property	1 allow			\$ 4,500.00			\$ 4,500.00	\$ 4,500.00			allowance to cap off old sewer line
	02200 New Water Line into Property	1 allow			\$ 11,500.00			\$ 11,500.00	\$ 11,500.00			New 6" Water Main/Fire Main into property
	Cap Off Old Water Line into property	1 allow			\$ 3,800.00			\$ 3,800.00	\$ 3,800.00			allowance to cap off old water line
	02200 Drywell in the Alley between Buildings	1 allow			\$ 5,800.00			\$ 5,800.00	\$ 5,800.00			Drywell in the Alley
	Storm Drain, Catch Basin, and Drywell	1 allow			\$ 21,300.00			\$ 21,300.00	\$ 21,300.00			Catch Basin and Drywell in East 5th Street
	02800 Landscaping and Irrigation	1 allow			\$ 64,200.00			\$ 64,200.00	\$ 64,200.00			Landscaping Planters, Trees, and Irrigation
	02880 Pedestrian Sidewalk Pavers East Ave.	1 allow			\$ 27,000.00			\$ 27,000.00	\$ 27,000.00			East Ave. Pedestrian Pavers 900 sf
	Pedestrian Sidewalk Pavers E. 5th Str.	1 allow			\$ 62,220.00			\$ 62,220.00	\$ 62,220.00			E. 5th Street Pedestrian Pavers 2074 sf
	02513 Asphalt Paving and Patching	1 allow			\$ 27,490.00			\$ 27,490.00	\$ 27,490.00			Asphalt Paving Alley, Utility Patch, and Crub and Gutter Patch Back
	02513 Asphalt Striping	1 allow			\$ 1,000.00			\$ 1,000.00	\$ 1,000.00			Asphalt Paving Markings
	Total			\$ -	\$ -	\$ 337,945.00	\$ -	\$ 337,945.00				
Division 3- Concrete Sidewalks, Curb & Gutter	Alley Concrete Cross Walk Approach	1 allow			\$ 3,200.00			\$ 3,200.00	\$ 3,200.00			Concrete Cross Walk at Alley Entrance between Buildings
	Landscape Planters	1 allow			\$ 30,000.00			\$ 30,000.00	\$ 30,000.00			Concrete for Planter Walls
	New Curb and Gutter East Ave.	111 lf	\$ 45.00		\$ 4,995.00			\$ 4,995.00	\$ 4,995.00			East Ave. new Curb and Gutter with Pedestrian Ramps
	New Curb and Gutter E. 5th Street	244 lf	\$ 45.00		\$ 10,980.00			\$ 10,980.00	\$ 10,980.00			E. 5th Street new Curb and Gutter with Pedestrian Ramps
	Total			\$ -	\$ -	\$ 49,175.00	\$ -	\$ 49,175.00				
Division 5 - Miscellaneous Fabricated Steel	Tree Grates at Planters	8 ea	\$ 325.00		\$ 2,600.00			\$ 2,600.00	\$ 2,600.00			Retaining Wall Railing and Pedestrian Stair Railings
	Christmas Outlet low post at trees	8 ea	\$ 125.00		\$ 1,000.00			\$ 1,000.00	\$ 1,000.00			Painting the Pedestrian Railings
	Total			\$ -	\$ -	\$ 3,600.00	\$ -	\$ 3,600.00				
Division 15/16 - MEP	Snow Melt the Pavers on East Ave.	900 sf	\$ 15.00		\$ 13,500.00			\$ 13,500.00	\$ 13,500.00			Snow Melt Area in the Upper and Lower Alley Asphalt
	Snow Melt Pavers on E. 5th Street	2074 sf	\$ 15.00		\$ 31,110.00			\$ 31,110.00	\$ 31,110.00			Snow Melt Area on 1st and 4th Street
					\$ -			\$ -	\$ -			Snow Melt Area at the neighbors 1st street frontage
	Related Electrical Work Snow Melt	1 allow			\$ 10,000.00			\$ 10,000.00	\$ 10,000.00			Snow Melt Area
	East Avenue and E. 5th Street Lt Poles 4ea.	1 allow			\$ 36,000.00			\$ 36,000.00	\$ 36,000.00			4 each Ketchum City Standard Street Light
	Total			\$ -	\$ -	\$ 90,610.00	\$ -	\$ 90,610.00				
	Subtotal				\$ 488,130.00		\$ 34,889.00	\$ 523,019.00				
	Contractor Fee							\$ 31,381.14				6% Contractors Fee
	Contingency							\$ 10,460.38				2% Contingency Allowance
	Total Estimate							\$ 564,860.52				

Bluebird Village
Off-Site Improvements Scope of Work
7/14/2020



Off-Site Improvements Scope of Work

East Elevation Side of Building and (Alley Work)

- Idaho Power Company Feed Underground to new Building
- Cox Underground to new Building
- Century Underground to new Building
- Intermountain Gas Underground to new Building (trenching/backfill)

North Elevation Side of Building (E. 5th Street)

- Snowmelt Heated Pedestrian Pavers up E. 5th Street
- New Curb and Gutter and Drop Inlet Catch Basin with Drywell
- New Sewer Line into Property off 5th Street
- New 4" or 6" Water Main Line, Tap, and Meter to new Building
- New Pedestrian Pavers sidewalk up to East Ave.
- New HC Ped. Truncated Domes
- Concrete Landscape Planters, Trees, and Shrubs - Irrigation
- Miscellaneous Electrical Conduit, Christmas Tree Outlets, Steel Grate
- Two New Ketchum City Standard Street Lights
- Miscellaneous Asphalt patch back

West Side of Building (East Ave.)

- Snowmelt Heated Pedestrian Pavers East Ave.
- New Curb and Gutter
- New 6" Water Line, Tap and 2" Meter or off E. 5th
- New Pedestrian Pavers sidewalk along East Ave.
- New HC Ped. Truncated Domes
- Concrete Landscape Planters, Trees, and Shrubs - Irrigation
- Miscellaneous Electrical Conduit, Christmas Tree Outlets, Steel Grate
- Two New Ketchum City Standard Street Lights
- Miscellaneous Asphalt patch back

South Side of Building - No ROW Work Along Neighbors Property

- Misc. Utility Work along South Property Line

[illegible]

Criteria Category	Standard	Policy Language	Compliance	Staff Comments
General Funding Criteria for All Projects				
General: Section 1	A	The KURA is not obligated to fund any project, even when the project meets all funding criteria. Funding a project is a discretionary decision by the Ketchum Urban Renewal Board.	N/A	The KURA has the discretion of funding any project or no project, regardless of the participation policy.
	B	Funds generated from projects within the Revenue Allocation Area shall be used first and foremost for publicly owned infrastructure and for infrastructure that serves a direct public purpose.	Compliant	The expenses are for public infrastructure associated with the project.
	C	Public infrastructure located below ground or at-grade shall be given priority.	Compliant	Request is for public infrastructure and associated utility, street and sidewalk improvements.
	D	In rare circumstances, funding for a non-infrastructure request may be considered if it is found to meet the criteria described in the section below.	N/A	
	E	Projects specifically identified in the 2010 Ketchum Urban Renewal Plan shall take priority for funding in all cases.	Compliant	The 2010 KURA Plan identifies community housing as a key priority for the KURA.
	F	All requests for Tax Increment Financing shall be made no later than thirty (30) days after the applicant applies for a building permit.	Compliant	This project has yet to be submitted for Planning permits.
	G	The Agency shall not consider requests to fund public infrastructure that have been required by the City of Ketchum in exchange for development bonuses, such as density waivers, variances, and other development bonuses. In these situations, the public infrastructure that was required in exchange for development bonuses shall be paid by the private developer.	Compliant	The infrastructure planned is required for all projects and the proposed project did not receive any development bonuses in exchange for public infrastructure.

	H	All requests for Tax Increment Financing shall be made no later than thirty (30) days after the applicant applies for a building permit	Compliant	No building permit has been filed
Funding for Non-Infrastructure Requests				
Section 2A	1.	Tax increment funds generated by a project within the Revenue Allocation Area may be allocated for reimbursement of public infrastructure expenses incurred by the private development.	Compliant	Staff is recommending the funding be allocated from the KURA budget instead of reimbursed via an Owner Participation Agreement.
	2.	Reimbursement for public infrastructure shall commence after the project is generating a tax increment benefit to the Agency	Compliant	Staff is recommending the funding be allocated from the KURA budget instead of reimbursed via an Owner Participation Agreement.
	3.	No more than 50% of the total tax increment revenue generated from a project may be used for reimbursement to the project developer	Compliant	
	4.	Commitments for reimbursement in Owner Participation Agreements shall not be greater than five years from the time the project is generating property tax revenue to the Agency.	Compliant	Staff is recommending the funding be allocated from the KURA budget instead of reimbursed via an Owner Participation Agreement.