



## City of Ketchum

September 6, 2022

Mayor Bradshaw and City Councilors  
City of Ketchum  
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

### **Recommendation to Adopt Resolution 22-031 Approving Program Policies for Wood River Valley Lease to Locals**

#### Recommendation and Summary

*Goal 1: Create and preserve housing*

*Action 8: Incentivize long-term rentals: Implement "Lease to Locals" workforce rental program. Analyze additional incentives such as property management and bond/guarantee.*

Staff is recommending the City Council adopt Resolution 22-031 approving Program Policies with "Wood River Valley Lease to Locals," developed by City Staff and Landing Locals, to be administered by Landing Locals. The Program Policies define tenant eligibility, incentive amounts, and property owner responsibilities.

**"I move to adopt Resolution 22-031 approving the Program Policies for Wood River Valley Lease to Locals."**

The reasons for the recommendation are as follows:

- Program Policies were developed using Landing Locals' and Ketchum staff experience and knowledge.
- The program targets any available housing and room while target renters under 120% AMI, as per the Housing Action Plan.

#### Timeline & Marketing Considerations

Landing Local's anticipated launch is October 2022, with first leases starting October 1. Once Program Policies are adopted, marketing to homeowners can begin. Staff recommend marketing and incentivizing for within City of Ketchum limits, while Landing Locals will track interested owners outside of city limits. Landing Locals has found this a helpful method for providing real data to other jurisdictions about potential supply of housing units for this program. In relation to the City's commitment to spend 20% of housing funds outside of City limits, currently 18% of program funds and 35% of total budget are allocated to actions that operate countywide.

Given the housing market and prominence of vacant homes and short-term rentals, government provided incentives nudge these homes to transition to long-term rentals. Landing Locals specifically needs an anchor institution, of which the City of Ketchum is as of the contract approved by City Council on August 1<sup>st</sup>. Landing

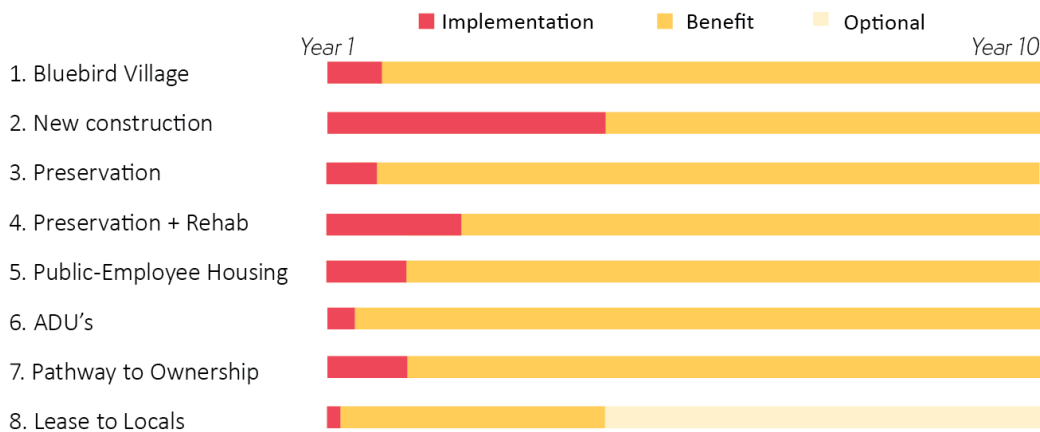
Local’s administration fee is \$7,500 per month, with anticipated marketing expenses of about \$15,000 for the first year. The remaining ~\$395,000 of the \$500,000 commitment would be set-aside to provide incentives to owners of vacant/seasonal/short-term rentals who match with, and lease to, tenants. The City of Hailey is reviewing a commitment of \$20,000 to \$25,000 towards this administration fee, which will reimburse the City of Ketchum. The incentives will only be paid out if there is a match between a homeowner and tenant.

Potential Impact & Goal

Ketchum’s total incentive commitment could house up to 100 people, which is about 10% of Ketchum’s households who are unstably housed (i.e. cost burdened, experiencing homelessness, in severe overcrowding or substandard housing). This would signify unlocking about 1.5% of potential, available housing – vacant homes as well as bedrooms and Accessory Dwelling Units in owner-occupied homes (about 40 of 3,200 units / 100 of 6,700 bedrooms).

This is an action with immediate results and if the market changes or ample affordable homes come online, could be scaled back, or stopped in later years. This is not meant to be a silver bullet (as there are none) but is one tactic to be used in tandem with other long-term interventions (like building new and preserving housing).

The goal is to provide housing as quickly as possible, not establish a long-term program. That is one of many benefits of working with Landing Locals: There is no commitment to unlocking additional housing in the future nor commitment to onboarding staff to administer the program. Their expertise, template forms, online



platform, capacity for customer service, and staff would temporarily extend the capacity of the City of Ketchum.

History

On August 1, 2022, Ketchum City Council approved contract for services with Landing Locals. Ketchum experienced a substantial increase in housing demand with the onset of COVID. Between 2019 and 2020 alone, Ketchum’s population increased by 25% compared to the historic annual increase of 1%. This demand pushed up rents and sales prices on homes, displacing workers South or out of the region all together. Restaurants, businesses, and community members are struggling to continue functioning here and will continue to do so without adequate housing. Such displacements – compounded with the stress of the pandemic – has negative impacts on residents’ mental, physical, and economic health.

Landing Locals unlocks new housing opportunities by marketing to owners of vacant, seasonal, and short-term rentals and facilitates financially incentivizing their conversion to long-term rentals. They began in Truckee in

2019 and have since expanded to North and South Lake Tahoe, Summit County, and are committed to implementing in additional markets. In the Town of Truckee, they housed 108 locals in 107 bedrooms (55 units). They found that ~85% of homeowners renewed for a second year.

Sustainability impact

Ability to house employees and community participants locally decreases commuter vehicular trips. Preservation of existing buildings uses fewer resources than new construction.

Attachment:

Resolution 22-031  
Program Policy

CITY OF KETCHUM  
RESOLUTION NO. 22-031

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, BLAINE COUNTY, STATE OF IDAHO, ADOPTING THE LEASE TO LOCALS PROGRAM GUIDELINES FOR THE CITY OF KETCHUM; DIRECTING THE CITY CLERK TO RETAIN IN OFFICIAL RECORDS OF THE CITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Ketchum's Housing Action Plan sets forth goals to encourage construction and maintenance of safe, decent, and sound affordable housing in Ketchum; and

WHEREAS, Ketchum's Housing Action Plan sets forth goals to promote housing opportunities that meet the specific needs of residents and workers in Ketchum; and

WHEREAS, Ketchum's Housing Action Plan includes policies to facilitate expanded housing opportunities that are affordable to the workforce of Ketchum; and

WHEREAS, the Lease to Locals Program Guidelines set forth an incentive program to preserve housing for the local workforce; and

WHEREAS, the Council finds the Lease to Locals Program will increase the available stock of affordable rental properties, resulting in a public benefit for the City's residents and local workforce; and

WHEREAS, the Council further finds that the Lease to Locals Program Guidelines are consistent with the provisions of the Comprehensive Plan and in compliance with applicable requirements of State and Federal law; and

WHEREAS, the City has contracted with Landing, Inc. as an independent contractor to administer and implement the Lease to Locals Program; and

WHEREAS, the City authorizes the Housing Strategist, or designee(s) in the name of the City, to conduct program administration, execute required documents, and implement minor modifications to the guidelines and related documents as needed to effectuate the Program purposes.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO deems it appropriate under the current conditions to incorporate the Lease to Locals Program Guidelines, as set forth in Exhibit 1, attached hereto.

This Resolution will be in full force and effect upon its adoption this 6<sup>th</sup> day of September 2022.

CITY OF KETCHUM, IDAHO

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Neil Bradshaw  
Mayor

ATTEST:

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Lisa Enourato  
Interim City Clerk

# **Wood River Valley Lease to Locals Pilot Program**

## **Program Description and Policies September 2022**

## 1 PILOT PROGRAM OVERVIEW

The Lease to Locals Pilot Program (the “Program”), offers cash incentives to homeowners who rent their homes to qualified local employees. The goal of the program is to increase the supply of housing available for employees working within the geographic boundaries of Ketchum, Idaho.

## 2 PROGRAM DEFINITIONS

- (a) Adult: An adult is any individual 18 years or older.
- (b) Housing Unit: A housing unit is a house, condominium, multifamily, mobile home, accessory dwelling unit, a single room, or multiple single rooms that is intended for occupancy living quarters (excluding commercial lodging) that has not been rented full-time in the past 12 months. Excludes deed-restricted and subsidized units.
- (c) Long-Term Lease: A long-term lease is a lease of 12 months or greater.
- (d) Property Owner: The individual(s) or legal entity that holds fee title to the property, as reflected on the recorded documents.
- (e) Qualified Household: A Qualified Household is any group of individuals living together in one home as their primary residence, where at least half of the adults are Qualified Tenants. A Qualified Household’s income is based on the average of gross income for each person (including children), which cannot exceed \$77,552 per person per year.
- (f) Qualified Tenant: A Qualified Tenant is an adult who is not of blood relation to the Property Owner and who meets at least one of the following criteria:
  - a. A Qualified Tenant’s gross annual income cannot exceed \$77,552 (120% of the area median income).
  - b. employed at least 20 hours per week (1,000 hours per year) at an employment site within Blaine County,
  - c. Pursuing work in Blaine County by:
    - i. applying for work with local businesses for up to four months
    - ii. have a job offer from a local business
    - iii. preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient
  - d. Meet one of the following exemptions:
    - i. A retired person over the age of 67 who, immediately preceding retirement, was a full-time employee of an entity located within Blaine County for at least five continuous years and continued living as a fulltime resident within Blaine County following their retirement
    - ii. A person unable to work or who does not have a work history due to qualifying for disability as defined by the Americans with Disabilities Act (ADA)
    - iii. A full-time, single parent or guardian of a child under the age of 4
    - iv. A full-time, informal caregiver of a child or an adult with a disability if either caregiver or care-recipient lived in Blaine County for at least the five previous continuous years. A caregiver is defined as a person who resides with a person(s) with disabilities who is:
      - 1. essential to the care and well being of the person(s);
      - 2. not obligated to support the person(s) with the disabilities; and
      - 3. would not be living in the unit except to provide the necessary supportive services.

- e. One child or multiple children under the age of 18 count towards one additional household member for grant and income calculation purposes.
- (g) Seasonal Lease: A seasonal lease is a lease of at least five (5) months but less than twelve (12) months.

### 3 PROGRAM ADMINISTRATION

The City will administer the Program, in coordination and with support from a third-party administrator and independent contractor, Landing, Inc. Landing, Inc. is a California Corporation, based in Truckee, California, which provides rental-matching services for communities in the Western United States.

#### 3.1 City of Ketchum Role

The County will oversee and fund the Program. This includes managing the contract with Landing, Inc., granting disbursements, and evaluating program metrics.

#### 3.2 Landing Locals Role

Under a contract with the County, Landing, Inc. will provide the following services for the Program: program development, customer service, marketing, compliance, reporting, and processing applications per Program Guidelines.

### 4 PROGRAM GRANT FUNDING

#### 4.1 Grant Amounts

The City will provide a \$2,000 grant per Qualified Tenant housed through the Program for a seasonal rental and a \$4,500 grant per Qualified Tenant for a long-term rental. Dependent children will count as one (1) additional Qualified Tenant, regardless of the number of children present. The maximum grant amount is for four (4) Qualified Tenants.

The table below shows the available grant amounts.

<b>Number of Qualified Tenants</b>	1 Qualified Tenant	2 Qualified Tenants	3 Qualified Tenants	4 Qualified Tenants
Seasonal	\$2,000	\$4,000	\$6,000	\$8,000
Long-Term	\$4,500	\$9,000	\$13,500	\$18,000

#### 4.2 Grant Disbursement

- (a) Prior to disbursing grants, the City will review documentation submitted by Landing, Inc. including:
  - i. A copy of the fully executed lease agreement(s),
  - ii. Proof of local employment for Qualifying Tenants,
  - iii. Property Owner W-9, and
  - iv. Check request form.
- (b) The City will issue the first half of the grant payment to the Property Owner within thirty

- (30) days of the Qualified Household taking occupancy of the Housing Unit.
- (c) The City will issue the second half of the grant payment to the Property Owner within thirty (30) days of the end of the lease.
  - (d) Payments shall be issued to the Property Owner, as their legal name(s) appear on recorded property ownership documents.

## 5 PROPERTY OWNER ELIGIBILITY & REQUIREMENTS

### 5.1 Grant Application

Property Owners must submit a complete on-line form and sign a self-certification checklist with Landing, Inc. and comply with the following criteria to have their home considered for the grant program.

### 5.2 Eligibility & Requirements

To participate in the Program, Property Owners must meet the following requirements.

- (a) Location: The Housing Unit must be located within the City of Ketchum, except the Light Industrial District and – from November 15<sup>th</sup> to April 15<sup>th</sup> – the avalanche zone.
- (b) Type: A whole home or room(s) in a home can be rented, but there is a maximum of one grant per property.
- (c) Status: The Housing Unit must be a legally permitted dwelling unit and each bedroom in the property must have a door and window.
- (d) New Rental: The Housing Unit must have not already been leased as an existing long-term rental (unless through this Program) in the past 12 months.
- (e) Eligible Properties: The Housing Unit must be single-family homes, townhomes, privately-owned condos, multi-family, Accessory Dwelling Units, or vacant rooms in owner-occupied properties. Hotels and motels are not eligible for the program.
- (f) Ownership: The Property Owner must hold fee title to the Housing Unit.
- (g) Property Condition: The Housing Unit must meet basic health and safety criteria as may be required per Idaho law and regulations.
- (h) Signed Agreement with Landing, Inc.: The Property Owner must sign an agreement with Landing, Inc. for tenant-matching services.
- (i) Signed Lease Agreement and Complete Lease Packet: The Property Owner must complete an application and sign a Seasonal Lease or Long-Term Lease with a Qualified Household or Qualified Tenant.
- (j) Lease Compliance Checks: The Property Owner must comply with the lease agreement for the full length of the lease and will be checked for compliance by Landing, Inc., at six (6) months or at the midway point in the lease, whichever is sooner. Failure to comply with the lease requirements at any time shall disqualify the Property Owner for grant payments.
- (k) Rental Affordability Cap: The Property Owner cannot charge over \$3,500 per month in rent per property. Suggested rents are \$700 to \$1,200 per bedroom.
- (l) Fair Housing Act Compliance: The Property Owner must comply with Ketchum's Resolution 12-002 reaffirming the Federal Fair Housing Act, Policy 9.24 which prohibits discrimination on the basis of sexual orientation and gender identity/expression, and the Federal Fair Housing Act which prohibits discrimination on the basis of race, color, religion, sex, or national origin.



### 5.3 Contingencies

- (a) Change of Ownership: If the property is sold during the lease period, the lease remains intact, and the new owner receives the second half of the incentive if they remain qualified. An executed agreement between the buyer and seller must describe new Property Owner's obligations under this program, plus the following:
- i. Abide by the lease terms, or
  - ii. If the new owner desires to pursue breaking the lease, they must provide 30-day notice to the tenant and Landing Locals and pay the lessee the amount equal to monthly rent times the number of remaining months, rounded up.

In this case, Landing, Inc. would work to place the tenants into another property.

- (b) Failure to Comply with Lease: If the Property Owner plans to evict a tenant, Property Owner must notify Landing Locals and Tenant 30 days in advance and work with Tenant to see if an alternative agreement can be reached. Landing Locals may require owner to promptly and adequately respond to mediation services. This applies unless the tenant
- i. is found by Owner or staff to be producing a controlled substance on the property (must provide at least a three (3) day eviction notice);
  - ii. is convicted of assaulting or threatening the Owner, their family, employees, or other tenants (must provide at least a three (3) day eviction notice). If domestic violence is suspected, the Owner must respect the victim's requests and refer them to the Advocates (24/7 Helpline 208.788.4191).

If the Property Owner does not meet lease agreements at the six-month mark because of an eviction or move-out, Landing, Inc. will work with Property Owners to rectify the situation. If an agreement cannot be reached, the Property Owner will be disqualified from receiving the second installment of the grant disbursements but will not be required to pay back the first installment of the grant.

- (c) Property Condition: If the Housing Unit is deemed in violation of Idaho law or regulations the grant payment(s) may be withheld.

## 6 TENANT ELIGIBILITY & REQUIREMENTS

### 6.1 Individual & Household Qualification

Individuals and households applying to the program must meet the definitions set forth in Section 2 of these guidelines.

### 6.2 Documentation

As part of the application, each adult member of the household must submit the following:

- (a) Copy of current driver's license or other photo ID
- (b) Copy of most recent tax return or W-2

Each qualifying tenant must submit the following:

- (c) Two (2) paystubs from the past consecutive three (3) months to verify employment or

audited financial statements (if self-employed)

(d) For prospective tenant is pursuing work in Blaine County:

- i. If on unemployment benefits and actively applying for work with local businesses for the previous four months, prospective tenant must provide evidence of unemployment benefits and weekly reports.
- ii. If offered a job with a local business, prospective tenant must provide employer notice letter of hire with pay and prospective hours
- iii. If preparing for local work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, they must submit acceptance letter from the training agency and description of how this work will fulfill a local need upon completion of the program.

(e) If requesting work exemption:

- a. (f.c.i.) A retired person over the age of 67 who, immediately preceding retirement, was a full-time employee of an entity located within Blaine County for at least five continuous years and continued living as a fulltime resident within Blaine County following their retirement:
  - i. Letter from employer verifying former employment or other form of employment verification or tax returns from the five years preceding retirement until most recent tax year
  - ii. Document providing evidence of social security retirement benefits
- b. A person unable to work or who does not have a work history due to qualifying for disability as defined by the Americans with Disabilities Act (ADA):
  - i. If the head or spouse of a family indicates that he/she is receiving disability benefits through Social Security Administration, verification of income will serve as verification of disability
  - ii. For family members claiming a disability but not receiving disability payments from SSA, if disability is not readily apparent,
    1. A note from the tenant's medical or therapeutic provider, including a non-medical service agency or reliable third party, or
    2. [HUD's Disability Verification form](#)
- c. A full-time, informal caregiver if caregiver lived or worked in Blaine County for at least the five previous continuous years. To confirm care recipient:
  - i. Child under the age of four – birth certificate, verification of adoption, guardianship or custody documents issued by a magistrate or judge
  - ii. Disabled child or adult
    1. A note from the tenant's medical or therapeutic provider, including a non-medical service agency or reliable third party, demonstrating historical care and need for full-time care;
    2. Award letters showing benefits paid on behalf of a minor or disabled adult; or
    3. [HUD's Disability Verification form](#)

## 7 PROGRAM DURATION

- (a) The Program is a one-year pilot that starts on October 1, 2022. If the Council takes no action to extend or renew this program, it shall automatically expire on September 30, 2023.
- (b) City staff will review program progress, housing needs, and the services being provided by Landing, Inc. and will provide periodic updates and recommendations to the City Council regarding the continuance of and/or modifications to the Program.

At a minimum, at least three (3) months before the end of the pilot term, City staff will provide a report to the City Council using the following criteria to measure success of the program:

- i. Number of people served (including children)
- ii. Number of homes unlocked
- iii. Types/Sizes of units unlocked
- iv. Rental prices for each home, average per room
- v. Income of renters (area median income of each adult in the home) being served
- vi. Number of rentals extended beyond 12-month lease program