



# KURA 1<sup>st</sup> and Washington

Stakeholder Engagement Summary Report



## Project Overview

The Ketchum Urban Renewal Agency (KURA) is beginning the process to redevelop their property located at 1<sup>st</sup> St. E. and Washington Ave. The intent of the proposed development is to provide housing that supports people who are living and working in Ketchum, Idaho.

The process to date has included a robust stakeholder engagement initiative led by Agnew::Beck Consulting and the development of an RFP that will solicit proposals and bids from developers to help KURA achieve their goals on the site.

The development of the 1st and Washington site aims to meet the following goals:

- **Goal 1.** Provide local, affordable workforce housing downtown, particularly for professionals and those essential to a strong, diverse downtown economy.
- **Goal 2.** Provide structured public parking in anticipation of long-term downtown growth and development.
- **Goal 3.** Provide active ground floor opportunities to maintain the vibrancy of downtown.

These goals were established through a KURA Board-driven process with the intent to provide affordable housing in Downtown Ketchum while also maximizing the public benefit of the land. Additionally, a robust stakeholder and public engagement process was conducted that affirmed and informed these primary project goals.

## Site Context

The 1st and Washington property is half a downtown city block located one block west of Ketchum's Main Street along N Washington Ave., between 1st and 2nd Streets. The property is in a prime downtown location within a block or two of the newly constructed Limelight Hotel (an Aspen Ski Company property), Argyros Performing Arts Center, various shops and restaurants, a grocery store, and the historic Forest Service Park. This area of downtown is bustling year-round with weekly summer concerts/events in the park, patio events and music at the Limelight, Wagon Days, Trailing of the Sheep, and other events.

The property is four Ketchum Townsite Lots with a total of 22,000 square feet (.505 acres). The KURA purchased Lots 5 and 6 from the City of Ketchum in 2018 and has owned Lots 7 and 8 since 2006. The property is currently a public pay-to-park surface parking lot leased to the City of Ketchum.

The property is located within the City's Urban Renewal District and is zoned Community Core Subdistrict 2, which is intended for mixed-use development with a focus on promoting compact walkable commerce and aims to serve as a cultural center for Ketchum. In this zoning district, underground parking is encouraged.

The site has a development potential of a four- or five-story building depending on final use. A five-story development could be built if it was 100% allocated to provide community housing (See appendix C for definitions).



# Project Concept

## Residential Component

The heart of the proposed 1<sup>st</sup> and Washington development is to provide housing that meets the needs of individuals living and working in the City of Ketchum. A development that meets this important community need will be able to meet or exceed the deed-restricted rental unit split outlined below in either scenario A or Scenario B. While there is no specific requirement for unit sizes, the KURA Board and the involved stakeholders have indicated a preference for a split of units between studios, 1-bedroom and 2-bedroom apartments.

Additionally, ground floor housing units were generally not supported by area stakeholders, who indicated a desire for the first floor to contribute to the commercial use profile in downtown Ketchum.

### Scenario A

Unit Type	Required Percent
Deed restricted rental units serving households earning 80% to 100% Area Median Income	<b>30% or more</b>
Deed restricted rental units serving households earning 100% to 120% Area Median Income	<b>30% or more</b>
Deed restricted rental units serving households earning 120% to 210% Area Median Income	<b>10% or more</b>

### Scenario B

Unit Type	Required Percent
Deed restricted rental units serving households earning 60% to 100% Area Median Income	<b>30% or more</b>
Deed restricted rental units serving households earning 100% to 120% Area Median Income	<b>30% or more</b>
Deed restricted rental units serving households earning 120% to 210% Area Median Income	<b>20% or more</b>

## Commercial Component

Feedback from the KURA Board and the community at large has indicated a desire for this project to provide ground floor commercial spaces that serve the interests of the community. Retail, restaurant and community focused event spaces were identified as desired contributing uses to Ketchum's downtown.

## Parking Component

The project at 1<sup>st</sup> and Washington should provide adequate parking to meet the needs of building tenants as well as provide paid public parking to serve downtown users throughout the year. One or two floors of subgrade parking were identified by the KURA Board and many area stakeholders as the preferred parking strategy for this development.

## Elements of Design

In addition to providing the City of Ketchum with housing units, commercial spaces and adequate parking, the development at the 1<sup>st</sup> and Washington site should be designed to match the character of Downtown Ketchum. The KURA Board and the public have indicated that the final design for this project should go

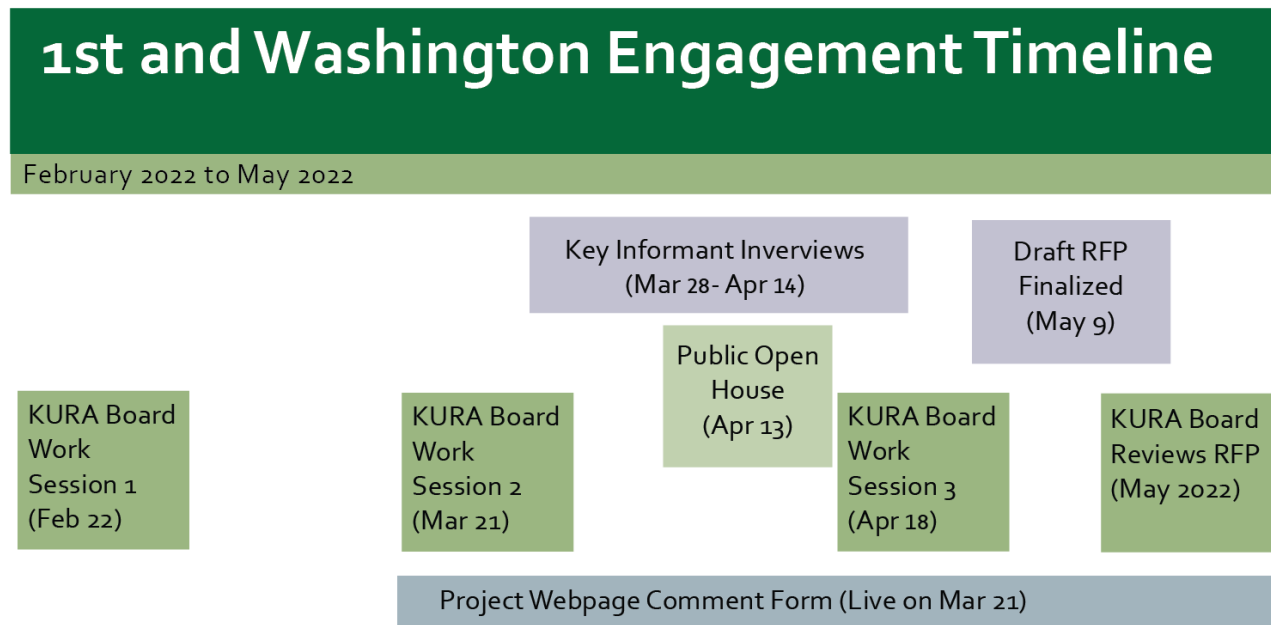
beyond a 4-story box style development and should provide texture and reliefs that help mask the large scale of the project. Whenever possible, the final project design should consider the importance of protecting the viewsheds in Ketchum.

## Stakeholder Engagement Overview and Findings

### Process Overview

A robust stakeholder engagement process informed the development of the RFP that will go live for bids in May of 2022. The process featured key informant interviews from nearby property owners and businesses, a community open house, a project webpage, and a series of work sessions with the KURA Board. The following timeline details the major milestones in the engagement process.

### Project Schedule



## Engagement Key Findings

Conversations with key stakeholder groups as well as the public identified that it was desired for the proposed development at 1<sup>st</sup> and Washington to at a minimum:

- 1. Provide housing that is available and affordable to individuals living and working in Ketchum.** Providing deed-restricted housing units that are only available to individuals who can show qualifying income and employment restrictions within certain geographic boundaries was supported by the public and key stakeholders. The exact split of unit types and affordability ranges would need to be feasible to a developer, but should have at least 30% of units supporting households earning 60-100% AMI, 30% of units supporting 100-120% AMI and at least 10% of units supporting households earning 120-210% AMI.
- 2. Be designed in a way that complements the feel and function of downtown Ketchum.** Stakeholder engagement revealed that the design and integration of the proposed building was an important consideration for development. The building would ideally be four stories in height to provide a meaningful number of housing units, but architecturally stylized to have a unique aesthetic that fits in with downtown Ketchum.
- 3. Enhance Ketchum's commercial environment downtown.** The public and key stakeholders want to see a mix of restaurants, retailers and event spaces that help activate Ketchum's downtown. Input from stakeholders recognized that Ketchum could use more active spaces that enhance the mix of uses and increase the times when there are things to do in downtown.
- 4. Provide adequate parking that meets the needs of future building tenants and provides public parking that supports a multitude of uses downtown.** Stakeholders were concerned about the impact this development might have on housing in Ketchum's downtown core and were generally most excited about sub-grade parking that would help offset the development and maintain a desired parking function on the lot.

See appendix A, B, and E for additional analysis related to the key informant interviews, public open house and general comments from the public and stakeholder groups.

# Appendices

## Appendix A: Key Informant Interviews Summary

The KURA Board identified nearby neighbors to inform the project concept through one-on-one interviews. All identified neighbors were contacted, and to date five interviews have been conducted. Our team is looking to schedule the remaining two interviews in the near future. Interviews in this round of outreach included:

- US Bank Building
- Engel and Associates
- Nourish Me
- Thunderpaws
- Limelight Hotel

### Interview Themes and Findings

- **Project Concepts**
  - A 4-story project was generally well-received if designed to match the character of the area
  - A 5-story building was not positively received.
  - Ground floor housing units were not well-received as they do not contribute to street level activation, and ground floor residential was not viewed as attractive for tenants.
  - Respondents felt that luxury housing downtown is not currently in high demand.
  - Including structured public parking was generally supported.
  - Respondents wanted more information about the parking plan for residents – retailers in particular wanted to protect parking for customers.
  - Breaking down the scale of the building and setting back the upper floors to protect views was desired.
- **Protecting the charm and viewsheds in Ketchum is important to Ketchum locals and the visitor-based economy.**
- **Protecting the commercial core of downtown is important** – Ketchum has some unique and special commercial spaces that support both the local residents and the tourism economy. There was generally more support for active retail/commercial space on the ground floor as opposed to first floor residential uses.
- **High levels of support for housing that supports people living and working in Ketchum** – interviewees made it clear that finding solutions to providing housing was important and this project could be a part of that larger strategy.
- **Housing for people making \$15-20/hour is very difficult to find in Ketchum** – Many retail/food service employees who make \$15-20/hour cannot find housing in Ketchum and have to look to Bellevue and other communities farther away, and/or need to live with their parents. Interviewees indicated a desire to see this project provide housing options to individuals in this hourly wage bracket.
- **Be clear about the potential project gap funding options** – public parking and workforce housing seem likely to require this be part of the project and developers will likely want to know what KURA can bring to the effort.

- **Find ways to mitigate the potential (temporary) impacts of construction** – Construction on the site would be disruptive to nearby businesses, and there were some concerns that there was not a good staging area for such a large development.
- **Interviewees recognize that growth and change are inevitable and can be uncomfortable** – With new development, particularly larger developments, come changes to the fabric of downtown.



## Appendix B: Public Open House – Key Themes and Findings

On April 13, 2022, the Ketchum Urban Renewal Agency alongside Agnew::Beck Consulting organized and hosted a public open house regarding the potential development of the property located at 1<sup>st</sup> and Washington Ave. The open house was open to the public between 4:00-6:30pm and was designed to both educate attendees on the current needs for housing, parking, and commercial space downtown, and to allow participants to provide feedback on possible design scenarios and elements of design.

Over the course of the open house, a total of 21 members of the public and 5 KURA Board members provided input and discussed the potential development with our open house staff.

This summary was developed based on written and verbal comments submitted during the open house.

### Housing Access and Affordability

- The proposed unit split of at least 60% of units serving households earning \$50,000-\$72,000 annually (80-120%) AMI was generally supported.
- General agreement to allow developer to include market rate housing if that helps the project financing/allows inclusion of more affordable housing units.
- Participants indicated that this housing should serve individuals who want to live and work in Ketchum.
- The currently proposed unit affordability prevents many single individuals who live and work in Ketchum from accessing these units.
- Retailers struggle to find staff who are able to live in Ketchum and these spaces do not currently serve retail or restaurant employees.
- Ketchum has a need for more rental units.

### Elements of Function and Design

- Most participants wanted to see the building fill a mixed-use role with commercial, office and retail spaces that complement a diversity of housing unit sizes and affordability. A few people felt there was enough retail space already downtown.
- Four stories were strongly preferred over a five-story development.
- A strong desire for the building to match the unique character of downtown Ketchum. Some examples of how this might be achieved include matching the areas average glass-to-wall ratio and using older surface treatments such as brick or wood siding. Also setting back upper floors to maintain scenic views and the feel of a smaller-scaled building.
- Interest in architectural design that adds texture and form – and goes beyond a large box-like development.
- Streetscaping that highlights trees and greenery.

### Parking

- There was a strong desire for this site to provide parking that meets the needs of all tenants as well as public parking to serve other downtown functions such as retail and restaurant use.
- Underground parking was generally supported but there were concerns that this approach might not provide enough parking or would be too cost-prohibitive.
- Preserving alley access for deliveries to local businesses is vital.



- Currently, the existing paid parking lot is utilized for larger vehicle parking (RVs, campers, snowmobile trailers, etc.) and some participants questioned where this traffic would go. Similarly, the parking lot is used for deliveries and sometimes construction staging, so participants were interested to understand how those uses would be redirected.

#### **Additional suggestions**

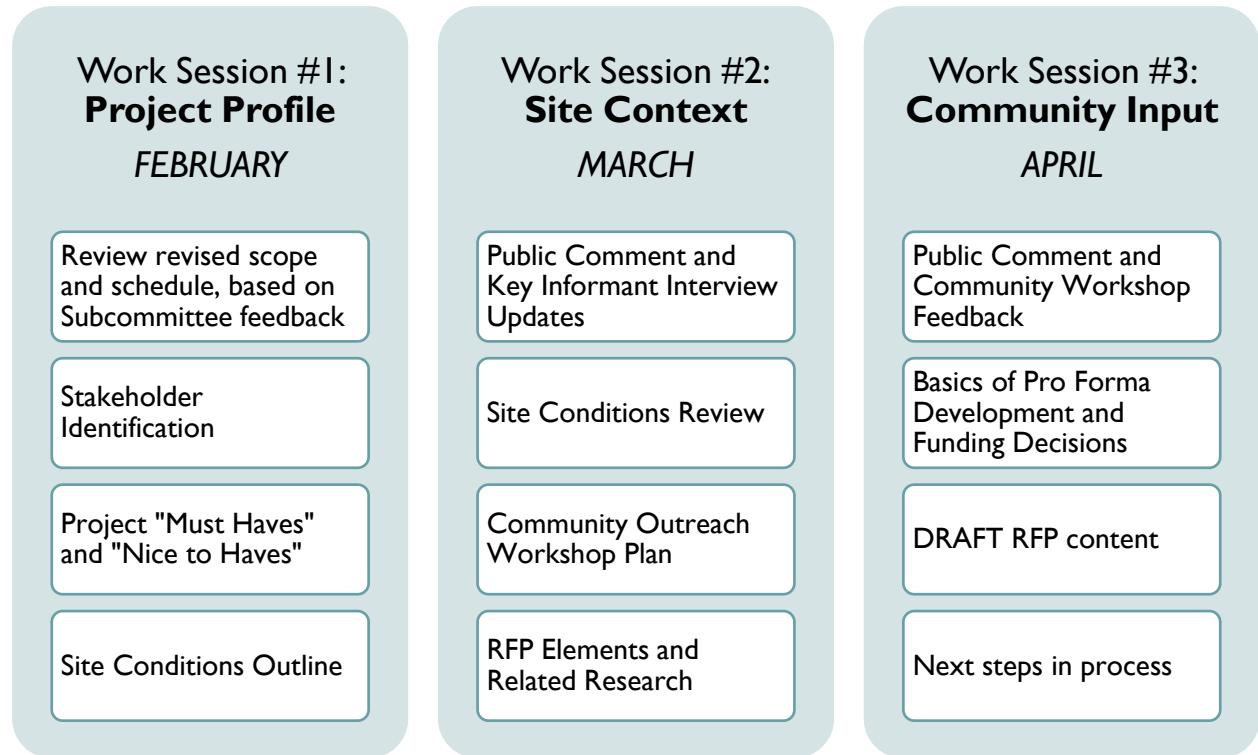
- Community rooftop spaces – could either be places to serve building tenants, publicly open restaurants/bars, and or larger patio style developments for penthouses.
- Solar panels on the roof to help reduce utility expenses and build sustainability.
- Bike racks and accessible bike parking areas.
- Green roofs and/or rooftop gardens; green building/LEED certified.
- Restaurants and bars – ideally places that are open later and bring community vibrancy.
- Incorporate childcare.

## Appendix C: Definitions

- **Community Housing** – Community Housing is residential housing that is restricted (through a deed restriction) to being as a rental unit or as a unit for sale to eligible persons and households, based on applicable income and residency requirements.
- **Workforce Housing** – A type of housing targeted for those earning up to 120% of the area median income.
  - *Disambiguation:* “Workforce housing” can be used to describe any housing priced for households at 120% AMI and below. It is sometimes misused to signify housing priced for households at 80% to 120% AMI only and contrasted with “affordable housing.” Affordable housing is a price that can be determined at all levels of AMI and is specific to a household, based on income. “Workforce housing” is somewhat of a misnomer as households within every AMI breakdown contain workers and non-workers, alike.
  - *Fair Housing Act:* Workforce Housing does not need to include a “worker,” but rather refers to a typical salary range for lower-income workers. A requirement that households qualifying for this type of housing include a “worker” would violate protections for people experiencing disabilities, older adults, and in-home caregivers under the Fair Housing Act.
- **Affordable Housing** – Housing is considered affordable to a household if they are paying 30% or less of their income to housing costs (either rent or mortgage). When specifically identifying housing units, affordable housing indicates any housing unit that has a rent or mortgage that is below market-rate. Often the property will include a government subsidy, either for the capital costs or to assist with the rent. Some affordable housing is naturally occurring.

## Appendix D: KURA Board Work Sessions Overview Graphic

The KURA Board Work Sessions that took place as part of this process were formatted to accomplish the items listed in the graphic below.



## Appendix E: Public Input Summary Table

	Elements Reviewed	Stakeholder Preferences	Board Options/Decision Points
Housing Component	<ul style="list-style-type: none"> <li>• <i>Y/N support?</i></li> <li>• <i>Number of Units</i></li> <li>• <i>Types of Units</i></li> <li>• <i>Unit Affordability</i></li> </ul>	Yes – support housing, range of units, types of units and support spread of affordability	<i>Determine whether or not to adjust unit affordability based on public input.</i>
Commercial Component/ Ground Floor Activation	<ul style="list-style-type: none"> <li>• <i>Y/N Support?</i></li> <li>• <i>Preferred uses</i></li> <li>• <i>Preferred design elements</i></li> </ul>	Yes – general support for ground floor retail	<i>Affirm preference for at least some ground floor commercial in RFP?</i>
Parking	<ul style="list-style-type: none"> <li>• <i>Public parking inclusion</i></li> <li>• <i>Structured parking</i></li> <li>• <i>Below-grade parking</i></li> </ul>	Yes – structured parking, below-grade parking supported. Inclusion of public/private parking highly supported.	<i>Request or require underground parking?</i>
Design Elements	<ul style="list-style-type: none"> <li>• <i>Project design parameters</i></li> <li>• <i>Design style/character examples</i></li> </ul>	Yes – supportive of 4 stories, upper floor setbacks, “not a box,” protect viewsheds as much as possible, consistent with existing style/designs	<i>No decision on height needed – use mix requires 4 (or fewer) stories. Could award points or indicate preference in RFP for specific elements.</i>
Other Uses, Concepts or Features?		<p>Think creatively about first floor and top floor uses</p> <p>Emphasize green/sustainable building</p>	<i>Could award points or indicate preference in RFP for specific elements.</i>