



City of Ketchum

February 22, 2022

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Receive Update on the Ketchum Community Housing Action Plan & Provide Direction on Contract Amendment for Agnew::Beck and draft ballot language for Local Option Tax Election

Recommendation and Summary

City staff will provide a status update on actions to date and proposed next steps for the project. Staff would like guidance on the following two specific topics:

- review draft ballot language for May 17th Local Option Tax election. Staff plans to hold additional listening sessions with affected local businesses on Feb 23 & 24th.
 - First reading and public hearing is planned for March 7th.
- approval of interim budget change to fund (a) contract amendment for Agnew-Beck to complete remaining phases of the Housing Action Plan; and (b) one-time community engagement costs associated with educational activities leading up to May election.

Staff will review the draft attached PowerPoint on both topics to gain your direction.

Members of the public are encouraged to visit www.projectketchum.org to learn more about this project and provide feedback.

The reasons for the recommendation are as follows:

- The City Council expressed a desire for the creation of a Housing Action Plan.
- The Plan will outline specific goals, strategies, actions/projects, and associated funding strategies.
- The city intends to hold a May 2022 election on the collection of Local Option Taxes and community housing.

Introduction and History

During the FY22 budget development process, the City Council expressed a desire to formalize the city's overall community housing strategy. To that end, staff recommended in September the Council approve retaining Agnew::Beck to engage the community in the development of a Housing Action Plan. The City Council also later approved the use of professional service resources to retain Carissa Connelly as the City's Housing Strategist who will serve as the project manager both in development and execution of the plan.

Attachment #2 outlines the three phases of the project development. All elements of Phase one have been completed and robust community engagement is being conducted to provide feedback on the findings. Several elements of Phase two have been completed (draft vision, strategic framework, goals and actions). Phase one required significantly more staff and consultant time than originally scoped. Therefore, staff is recommending a budget adjustment with the Agnew::Beck contract to assist with the completion of phases two and three. Attachment three outlines the original scope and proposed budget adjustments to complete the action plan. Staff is also requesting up to \$15,000 in one-time funds to assist with community outreach activities between now and the May election. All city activities will focus on educational efforts as allowed by state law.

Regarding LOT ballot language; staff will review:

- two ballot format or style options
- financial analysis of adjusting up to four collection sources (lodging, retail, liquor and building materials)

Based on direction from the Council, staff will conduct additional listening sessions with local businesses and community members (Feb 23-March 4). Staff would bring final ballot language for first reading and public hearing on March 7th.

Sustainability Impact

Adequate community housing decreases the occurrence of trip generation and associated greenhouse gases.

Financial Impact

The Council Strategic Initiatives Fund (one-time local funds and use of federal ARPA funds) was originally budget at \$850,000. To date, the original contract for Agnew-Beck (\$45,100) and contract for Carissa Connelly (not to exceed \$95,000) was allocated to this account.

Attachments:

1. Discussion Presentation
2. Project phases and findings to date
3. Agnew::Beck original scope and proposed budget adjustment



February 14, 2022

Jade Riley, City of Ketchum Administrator
By email to jriley@ketchumidaho.org

Dear Jade –

Agnew::Beck has appreciated working with your team over the past five months on the Housing Matters Project. It has been an honor to be part of the City of Ketchum's effort to create an inclusive, community-driven housing plan, grounded in data, best practice research and robust communitywide dialogue. Much has been accomplished so far! Congratulations to you, your hardworking staff and City Council. Below we have highlighted accomplishments to date, performed through Phase 1 of our work and into Phase 2:

- ✓ **Local Coordination for Housing Launched:**
Task Force Meetings (2)
- ✓ **Understand Our Needs:**
General alignment on 2022 Housing Needs Data
- ✓ **Researched Our Options:**
Initiated Mountain Town Housing Toolbox
- ✓ **Funding for Housing in Progress:**
Outreach efforts moving forward to put a ballot to expand LOT to include housing before voters in May
- ✓ **Regional Coordination Kicked-Off:**
County Housing Partnership Framework Conversation
- ✓ **Housing Action Plan Framework Drafted:**
Vision, Principles, Goals, initial list of proposed priorities
- ✓ **Community Engaged:**
Interviewed businesses, employers, private funders, local housing experts, plus kicked off outreach efforts, and received 1,100 responses to community survey!

As of January, 2022, we have expended our current contract budget, completing Phase 1 work.

However, we know there is work to continue with action planning and implementation, and opportunity to build on the momentum produced to date. We have started in on some of the Phase 2 work, as you know, since time is of the essence. To that end, and per your request, we have attached: (1) Project close-out report, itemizing work completed within Phase 1 and, (2) A proposal for additional A::B scope and budget for continuing Phase 2 work.

As you consider this next Phase of work, and communicate with City Council and Mayor, we wanted to share a few “lessons learned” from our work together to date:

- 1) *Housing Capacity-Building at the City:* Taking a proactive and community-based approach to developing housing solutions takes time and there are many unknowns. Six months ago, we outlined a plan with staff to develop a community housing action plan. We made assumptions about what tasks A::B would take on and which the City would take on. In order to be responsive to the needs of the City and keep

momentum moving forward with the planning process, our staff dedicated more hours working with City staff than we had originally discussed and scoped together. We feel the results of our joint commitment are reflected in the list of accomplishments above, and the Phase 1 project close-out. Additionally, because housing is a new work area for the City, an incredibly complex topic, and of great importance to the community, many of the products, materials, messaging were developed from scratch and refined through internal team work sessions. This kind of time investment is invaluable for building a lasting housing program, and we believe this was time well-invested for Ketchum.

- 2) *Expanded Engagement:* In order to make the Community Housing Action Plan truly community supported, in the course of Phase 1 we agreed to incorporate several additional meetings and many additional interviews to gather more expanded input from the community on the data and action plan framework. A::B also assisted with the development of outreach boards, graphic and translation of data into presentations that could reach a wider audience of stakeholders. Again, the results are better for this – for example, Ketchum now has a cross-section of active community members participating in a Housing Matters Task Force that is helping to vet and strengthen the Housing Actions. We are also seeing important movement among regional partners such as the County and Housing Authority, among others, to play a stronger role in housing action, which is incredibly exciting and due, in part, to the City's investment in this area.
- 3) *Expediated Timeframe:* Many communities take twice as long (or longer) to move forward on as many fronts as Ketchum has in the past 5 months. Working within current funding and election deadlines has necessitated pushing on several fronts at once, and using A::B's time to add to the City's capacity during this push.

In summary, we wanted to offer two options:

- **Option 1:** Close out Phase 1 and turn over all future work to City staff (effectively immediately);
- **Option 2:** Continue work with A::B in Phase 2, as outlined in our attached scope.

We are open to adjustments to our proposed Phase 2 scope, which is proposed as time-and-materials with a not-to-exceed amount. The level of time and budget is consistent with that spent in Phase 1, which we believe is a good guide for the Phase 2 level of effort.

A::B is here to serve the City of Ketchum, the Housing Matters Project, and Mayor, City Council and staff however we can. We pride ourselves in defining a scope of services, budget and schedule and sticking to it. That said, we also value being responsive and supporting staff requests. The Housing Matters project has accomplished so much in a short amount of time and part of this was the “all hands on deck” approach your staff and our team took over the past few months to get the results we did.

Thank you again for the opportunity to work with the City of Ketchum. Regardless of the City's decisions related to continued work with A::B, we are confident the momentum we see already afoot in Ketchum will propel you to further housing successes.

Sincerely,



Ellen Campfield Nelson, Principal/Co-Owner
Agnew::Beck

A::B Phase I Close-Out Report - Ketchum Community Housing

<p>City of Ketchum - Housing Matters Community Housing Strategy & Action Plan Phase I CLOSE-OUT REPORT Timeframe: Phase I: September 2021 to January 31, 2022 <i>Submitted by Agnew-Beck February 4, 2022</i></p>	
SCOPE of WORK	WORK STATUS
Task 1: Start-Up, Scoping and Scheduling	COMPLETED
<i>Key deliverables from Task 1: (1) Updated project plan and scheduled; monthly progress reports, (2) Stakeholder Engagement Plan.</i>	Completed Tasks and Deliverables
<p>1A. Project Team Kick-Off. Meet with City team to refine scope and timeline, transfer documents and information, and clarify roles. Meet regularly (approximately bi-weekly) to update on progress and adjust tasks, schedule and deliverables, as needed, throughout the project period.</p> <p>1B. Stakeholder Analysis and Engagement Planning. Identify key stakeholder groups within the City and region who have information and influence over housing, and the ability to contribute to and implement solutions. Develop a stakeholder engagement plan that includes a list of key informants to interview, intended audiences for community survey, and other people and organizations who should be invited to participate in and contribute to community housing planning and activities.</p>	<ul style="list-style-type: none"> • Kick-off meetings and bi-weekly project coordination meetings conducted. • 60-day work plan and subsequent updates presented. • Bi-Weekly Project Coordination Meetings • Stakeholder Analysis and Engagement Planning - in-person stakeholder analysis/engagement/publicity planning meetings. • Key informant interview list developed; audience, publicity and communications tools development and "Housing Matters" copy and press release quotes developed and shared.
Task 2: Housing Needs and Solutions Assessment	COMPLETED
<i>Key deliverables from Task 2: (1) Updated community housing supply/demand data, (2) Community Housing strategy and assessment toolkit, (3) Brief findings and recommendations memo, and (4) Task 2 summary presentation.</i>	Completed Tasks and Deliverables
<p>2A. Housing Supply/Demand Analysis. Determine the level of demand and current supply for housing with the City and County. Use 2020 Census and other available data to update the current demand for housing by household income levels. Pre-release supply/demand numbers when available for reference in partner initiatives and other projects.</p> <p>2B. Mountain Town Community Housing Toolkit. Conduct and compile results from a research scan to evaluate the impact of past/existing and potential/new housing strategies, locally and in comparable communities. Identify impacts of various strategies and their availability for local use. This task could also include interviews with project developers - e.g., property owner/managers, architects and financial institutions to verify cost assumptions about development and financing and understand the key financial levers available within the community. Bundle strategies, key indicators (e.g., available, buildable land and assets, housing equity measures, etc.) and the financial portfolio and tools available to develop local community housing into a community housing toolkit. Present preliminary findings to City team.</p> <p>2C. Key Findings. Summarize the preliminary results and key findings of the research tasks. Create a report and a short, graphic explainer presentation that can be shared online or in meetings with stakeholders and the community.</p>	<ul style="list-style-type: none"> • In-depth analysis of relevant housing data and development of housing data workbook shared with City. • Comprehensive data presentation and graphics developed and refined to share key trends and relevant information. • Weekly data review and development meetings held with City Project Team to review and respond to key data trend questions identified through community outreach and stakeholder interviews. • Initial work on housing projections model and assumptions. • Reviewed Housing Toolkit developed by City. • Assisted with development of Housing Lexicon for community outreach. • Initial financial model framework and consultations with City Project Team.
Task 3: Stakeholder Engagement	COMPLETED
<i>Key deliverables from Task 3: (1) Key informant interviews and survey results, (2) Materials for City/Council work sessions, (3) Materials and documentation from County Housing Work Group meetings.</i>	Completed Tasks and Deliverables
<p>3A. Local Informant Interviews and Research. understand the community context and readiness for further housing development. Interviews will likely include City of Ketchum and other local agencies tasked with regulating, managing and developing housing and land uses; major</p> <p>3B. City of Ketchum Work Sessions. Meet with City of Ketchum staff and officials up to three (3) times in the course of the project to confirm the project charter, survey initial findings and present final recommendations. Address questions in a work session format.</p> <p>3C. Regional/County Community Housing Work Group. If invited, participate in approximately 3 meetings of Blaine County's Community Housing Working Group to discuss relevant topics such as: (1) Valley wide/shared housing goals, including number of units in specific AMI ranges, (2) discuss and identify specific strategies and potential projects that could be employed in north and south valley areas, (3) discuss potential structure for ongoing collaboration and action.</p>	<ul style="list-style-type: none"> • 30+ community stakeholder interviews conducted. • Draft and revisions to public-facing interview summary report. • Community housing survey design, collection and analysis. • Support publicity and outreach efforts to obtain 1,100+ survey responses. • Formation of and two meetings with Housing Matters Task Force. Design meetings with City Project Team, prepare materials and provide facilitation. • Develop and provide presentation to facilitated conversation with Countywide Housing Work Group to share and evaluate housing partnership framework concept and housing data. • Prepare for and facilitate Joint Work Session with City Council and Planning and Zoning Commission (and URA - invoiced separately). • Follow-up with key community stakeholders to conduct supplemental conversations and develop partnerships. • Advise on outreach strategy and materials for community workshops. • Support development of workshop boards and key graphics. • Conduct two on-site visits to Ketchum in conjunction with above Task Force meetings. • Weekly City Project Team meetings to coordinate, review and respond to project needs, conduct tasks and create materials.
Task 4: Housing Action Plan (Jan-Apr)	COMPLETED
<i>Key deliverables from Task 4: Final action plan report and supporting materials.</i>	Completed Tasks and Deliverables
<p>4A. City of Ketchum Community Housing Action Plan. Based on activities in all prior Tasks, work with City staff to finalize a housing action plan that identifies specific strategies and projects that meet with City's community housing goals and relates these goals to the Valley's regional needs.</p>	<ul style="list-style-type: none"> • Drafted Housing Action Plan document outline and proposed elements. • Developed, vetted and refined Housing Action Plan Framework. • Draft development of key housing infographics such as the "Ketchum Housing Bridge."
Phase I Project Budget = 45,100	Budget Remaining = \$0 <i>(See also monthly project invoices)</i>

A::B Phase 2 Budget Proposal

City of Ketchum - Housing Matters Community Housing Strategy & Action Plan Phase 2 BUDGET PROPOSAL Timeframe: Phase 2: February 1 to April 30, 2022 <i>Submitted by Agnew:Beck February 4, 2022</i>		Principal		Project Manger, Senior Associate and Senior Analyst		Data Analyst and Project Support		Total
Phase 1 Timeframe: February to April 2022		hours	rate	hours	rate	hours	rate	
			\$175		\$155		\$105	
Task 1: Housing Action Planning and Implementation		44	\$7,700	70	\$10,850	50	\$5,250	\$23,800
<i>Key deliverables from Task 1: (1) Updated project plan and schedule; regular progress reports; meetings notes and task assignments, (2) Materials produced as part of TA requests, (3) further refined Housing Action Plan and supporting materials and graphics</i>								
<p>1A. Project Team Coordination Meetings</p> <p>Support City Project Team coordinate the several essential components of the Housing Action Plan and related implementation efforts. Essential components include ongoing community outreach, engaging key partners and stakeholders in action plan development and implementation, sharing back research and analysis to inform housing policy and programs, managing Task Force timetable and work sessions, developing supporting materials and graphics for all tasks. This task includes weekly project management coordination meetings and weekly strategy/technical assistance work sessions with City Project Team, as well as 60-Day Work Plan development and updates.</p> <p>1B. Housing Technical Assistance</p> <p>Provide housing technical assistance, as requested, in the following areas to strengthen the Housing Action Plan, implementation strategies and City policies and programs. Technical assistance during this phase could include:</p> <ul style="list-style-type: none"> • Updates to housing supply/demand analysis and projections model • Financial modelling to inform project and program development decisions and City budgeting • Design, feasibility and impact of specific projects, policies and programs and contributions to Housing Toolkit <p>1C. Housing Action Plan Implementation</p> <p>Continue to work with City Project Team to on the Housing Action Plan with a focus on gaining agreement from stakeholders about specific, vetted strategies and projects that meet the City's community housing goals and relates these goals to the Valley's regional needs.</p>								
Task 2: Outreach and Engagement		46	\$8,050	60	\$9,300	30	\$3,150	\$20,500
<i>Key deliverables from Task 3: (1)Task Force presentations and materials, (2) Materials and documentation from special meetings and focus groups, (3) Graphic materials and content for community engagement efforts, (4) Materials for City/Council work sessions.</i>								
<p>3A. Task Force Facilitation</p> <p>Conduct 1-2 Task Force meetings to review draft action plan and prioritize recommendations. Create materials and presentations to support meeting facilitation.</p> <p>3B. Special Stakeholder and Partnership Meetings and Focus Groups</p> <p>Meet with other partners and stakeholders, as identified, to better inform the Housing Action Plan and implementation steps. Key groups may include private and nonprofit housing development partners, local employers and housing services providers, planning and zoning stakeholders, or property owners within potential housing development projects.</p> <p>3D. Community Engagement</p> <p>Support continued outreach to share the City's housing work transparently with the broader community, and continue to collect community input. Make contributions to website content, explainer graphics and provide general messaging, graphic design and communications support to build a strong "Ketchum Housing Matters" brand and continually familiarize the community with progress on housing action.</p> <p>3D. City of Ketchum Work Sessions.</p> <p>Participate in 1-2 meetings or work sessions with City of Ketchum Mayor and Council, as requested, to present on progress and discuss key topics related to Housing Action Plan.</p>								
Expenses								\$0
TOTAL COST ESTIMATE for PHASE 2		90	\$ 15,750	130	\$ 20,150	80	\$ 8,400	\$ 44,300





HOUSING MATTERS

Ketchum Action Plan

Housing Matters / LOT Update

February 22, 2022

ProjectKetchum.org



HOUSING MATTERS

Ketchum Action Plan

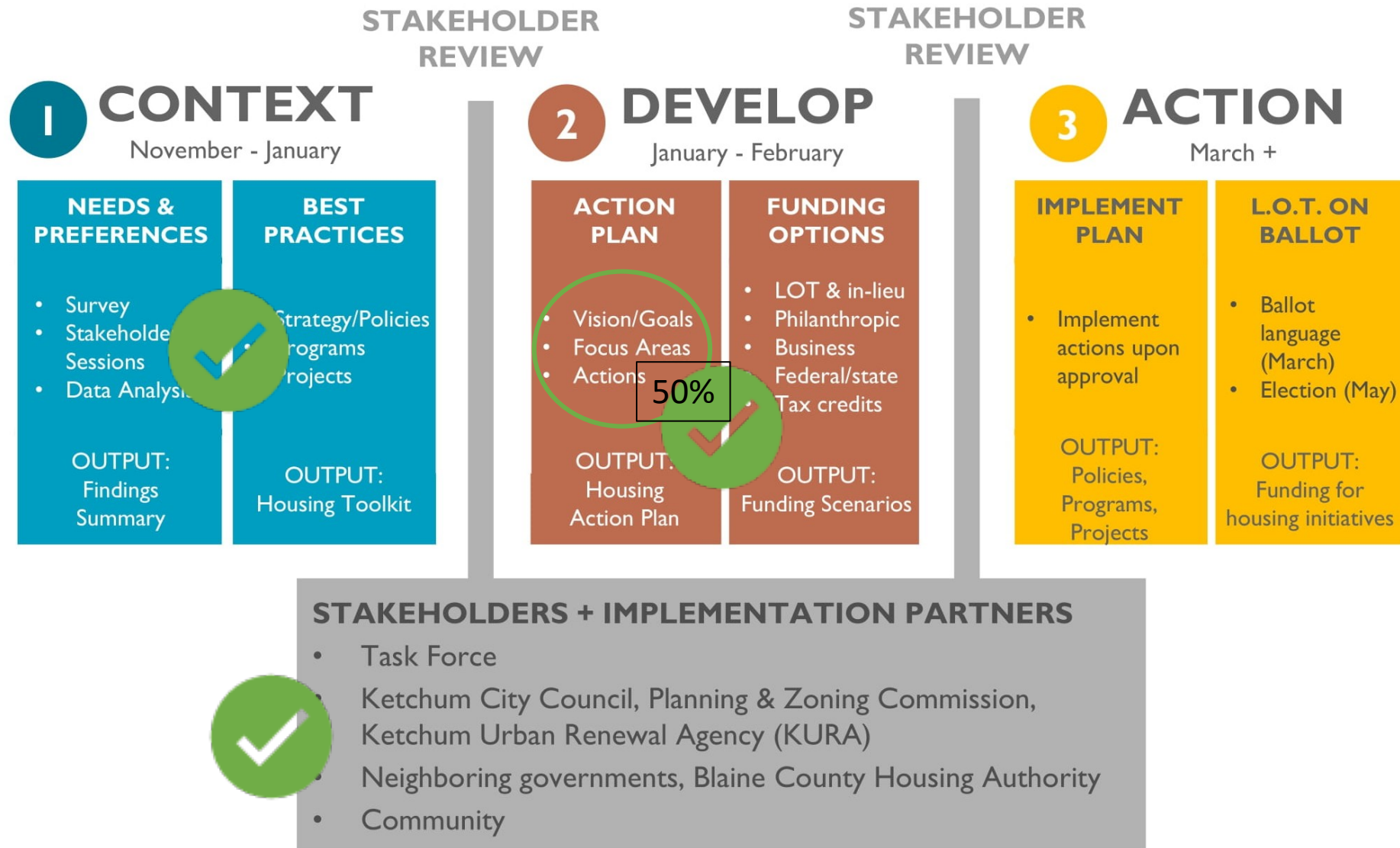
Today's Discussion Items:

- General project update
- Proposed budget adjustment for:
 - Agnew::Beck contract
 - One-time community engagement costs
- Local Option Tax Election
 - Ballot language layout options
 - Rate changes in which collection categories



HOUSING MATTERS

Ketchum Action Plan





HOUSING MATTERS

Ketchum Action Plan

Proposed Budget Adjustments:

- Agnew::Beck contract – 300 hours = \$44,300
 - Additional assistance with Phases 2 and 3 Implementation:
 - Team coordination meetings, technical assistance, action plan implementation, Task Force facilitation, etc.
- One-time community engagement costs - \$15,000
 - Education efforts between now and the May election
 - Materials, advertisements, PSAs, social media boosts, brochure printing & mailing, translations services, etc.



HOUSING MATTERS

Ketchum Action Plan

Ballot Language Options



HOUSING MATTERS

Ketchum Action Plan

Option #1

One question addressing all matters

Option #2

- One question allowing LOT use for housing
- One question for change in collection percentages

Option #3

All separate questions:

- One for community housing use
- Up to four more (lodging, retail, liquor, building materials)



HOUSING MATTERS

Ketchum Action Plan

Collection Rate Adjustments



HOUSING MATTERS

Ketchum Action Plan

FY21 Sales	Original LOT		SV ASB (1% for Air)		Total Collections		Potential Revenue Increase (for housing)		Parity with Sun Valley	
Retail	\$1,235,247	1%	\$1,235,247	1%	\$2,470,494	2%	\$1,235,247	1%	3%	3%
Lodging	\$698,508	2%	\$349,254	1%	\$1,047,762	3%	\$349,254	1%	4%	4%
Liquor	\$1,373,527	2%	\$686,764	1%	\$2,060,291	3%	\$686,764	1%	4%	4%
Building	\$481,360	1%	\$481,360	1%	\$962,720	2%	TBD	1%	2%	2%
	\$3,788,642		\$2,752,625		\$6,541,267		\$2,271,265			

Ketchum Housing Model Projection	Historic Growth	High Growth
Units needed per year	66	98



HOUSING MATTERS

Ketchum Action Plan

Council Feedback:

- Align all categories with Sun Valley?
- Add an additional 1% to Building?
- Add additional %s to other categories?



HOUSING MATTERS

Ketchum Action Plan

Next Steps:

- Second round of listening sessions with potential affected LOT businesses – February 23 & 24th
- Hold first reading and public hearing – March 7th
- Designate up to two special meetings/public hearings (dependent on collapsed readings) to finalize ballot language – March 7th-17th
- **Final ballot language due to the County – March 18th**



HOUSING MATTERS

Ketchum Action Plan

Questions?
Other topics not addressed?