

## City of Ketchum

February 21, 2023

Mayor Bradshaw and City Councilors City of Ketchum Ketchum, Idaho

Mayor Bradshaw and City Councilors:

#### Recommendation to Approve Transfer of Ownership of the Lift Tower Lodge

### Recommendation and Summary

Staff is recommending the Council approve transfer of ownership of the Lift Tower Lodge from the Blaine County Housing Authority to the City of Ketchum. On February 15<sup>th</sup>, the Blaine County Housing Authority Board voted to transfer the property with a deed covenant.

"I move to approve Resolution 23-004 to accept the transfer of ownership of Lift Tower Lodge from Blaine County Housing Authority and record the deed covenant."

The reasons for the recommendation are as follows:

- The city possesses a facility team that is experienced in managing physical assets
- City housing staff is experienced in tenant relationships and agreements
- The City is committed to manage the site until redevelopment in order to accommodate more housing.
  This would occur after the transfer of adjacent property from Sun Valley Company (per the River Run
  Development Agreement). The city could work on redevelopment in partnership with the Ketchum
  Urban Renewal Agency.

#### Introduction and History

The Ketchum Housing Action Plan outlines the following related objectives:

Goal 3: Expand + Improve Services to Create Housing Stability

Action 2. Expand residential capacity of Lift Tower Lodge

Action 8. Identify and support physical housing options for unhoused and at-risk households

Goal 1: Create + Preserve Housing

Action 2. Develop a new housing construction pipeline

On March 21, 2022, Council approved improving Lift Tower Lodge's sewer system, which enabled increasing capacity from 6 transitional units to 14. Blaine County covered additional upgrades. This completed Goal 3, Action 2 of the Housing Action Plan.

The Lift Tower Lodge land and adjacent land that will be transferred to the City from Sun Valley Company, could accommodate a master planned housing development. The City is beginning to review RFPs for architectural/land use firms to analyze the land-use feasibility of developing community housing on publicly owned properties, of which Lift Tower Lodge is one. If that analysis determines that a housing development is feasible from a land-use perspective, after the adjacent lots are transferred, then the City could consider developing the site and adjacent lots together. To facilitate such development, the City could transfer those sites to the Ketchum Urban Renewal Agency. The City could specify which income levels and housing types to include, such as maintaining or growing the number of transitional housing units currently on site.

#### Sustainability impact

Ability to house employees and community participants locally decreases commuter vehicular trips.

#### Financial Impact

The Lift Tower Lodge generates revenue through tenant rental payments of an estimated \$650 per month. To be conservative and account for turnover, the staff estimates a 93% occupancy rate. This equates to about \$111,000 in revenue each year. Expenses are estimated to be \$51,000, which includes a capital reserve that is slightly lower than an older building might otherwise warrant (20% instead of 30%). This is because, with anticipated redevelopment in the next few years, some capital expenses could potentially be held until redevelopment. Given these assumptions, operating the Lift Tower Lodge would generate a positive balance of about \$45,000 per year.

Attachments
Ketchum Resolution 23-004
BCHA Resolution
Quit Claim
Deed Covenant

## CITY OF KETCHUM RESOLUTION NO. 23-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, BLAINE COUNTY, STATE OF IDAHO, MAKING CERTAIN FINDINGS; ACCEPTING A TRANSFER OF THE LIFT TOWER LODGE FROM THE BLAINE COUNTY HOUSING AUTHORITY; AUTHORIZING THE MAYOR AND STAFF TO TAKE NECESSARY ADMINISTRATIVE STEPS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the City Council of the City of Ketchum, Blaine County, State of Idaho:

#### **Section 1. Findings**

- A. The Blaine County Housing Authority (BCHA) wishes transfer the real property known as the Lift Tower Lodge, 703 S Main St, Ketchum, Idaho 83340, legally described in Exhibit A (Property), to the City of Ketchum for purposes of operation as transitional housing until redevelopment occurs for additional affordable housing, including but not limited to transitional housing, deed restricted rental or ownership housing. BCHA has authorized such transfer pursuant to BCHA Resolution 2023-01, attached as Exhibit B.
- B. BCHA and the City both have the power and authority under Idaho Code to convey, transfer, acquire, and/or hold real property.
- C. City of Ketchum has invested in and has a proven track record of developing affordable housing on city-owned land and will be able to expand land at the site for affordable housing with the transfer of Sun Valley Company property adjacent and south, and will ensure that expansion of Highway 75 into the City will not diminish the access to, quality of life, and on-site parking at the Lift Tower Lodge.
- D. City of Ketchum intends to adopt, accept, and record the Deed Covenant drafted by the Blaine County Housing Authority in Exhibit C to guarantee that the Property will be dedicated to a minimum of fourteen (14) units of affordable deed -restricted housing units at the site.

#### Section 2. Authorizing/Adopting

- 1. The City Council does hereby approve and accept the transfer of the Property from BCHA to the City.
- 2. The City Council does hereby authorize the Mayor and/or City staff as appropriate to take administrative steps and execute deeds and/or other legal documents reasonably necessary to effectuate this transfer.

## **Section 3. Directing the City Clerk**

The City Clerk is hereby directed to file this Resolution forthwith in the official records of this City.

#### **Section 4. Effective Date**

This resolution shall be in full force and effect upon its passage.

Ketchum Resolution 23-\_\_\_\_: Acceptance of Transfer of Lift Tower Lodge

APPROVED by the Council of t	the City of Ketchum this 21st day of February, 2023.
ATTEST	Neil Bradshaw, Mayor
Trent Donat, City Clerk	

#### RESOLUTION NO. 2023-01

A RESOLUTION OF THE BLAINE COUNTY HOUSING AUTHORITY BOARD OF COMMISSIONERS APPROVING AND DIRECTING THE TRANSFER OF THE LIFT TOWER LODGE PURSUANT TO IDAHO CODE TITLE 31, Chapter 42 Section 04 (D) TO THE CITY OF KETCHUM WITH CERTAIN COVENANTS, CONDITIONS AND RESTRICTIONS

WHEREAS, Idaho Code 31-4202 gives the Blaine County Housing Authority (BCHA) powers and authorities as an independent public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act; and

WHEREAS, specific powers and authorities include the ability to sell, lease, exchange, transfer assign, pledge or dispose of any real or personal property or any interest therein; and

WHEREAS, the Blaine County Housing Authority wishes to transfer real property known as the Lift Tower Lodge, 703 S Main St, Ketchum, Idaho 83340, legally described in Exhibit A and the Survey described in Exhibit B to the City of Ketchum for operation as transitional housing until redevelopment occurs for additional affordable housing, including but not limited to transitional housing, deed restricted rental or ownership housing and.

WHEREAS, the City of Ketchum has invested in and has a proven track record of developing affordable housing on city-owned land and will be able to expand land at the site for affordable housing with the transfer of Sun Valley Company property adjacent and south, and will ensure that expansion of Highway 75 into the City will not diminish the access to, quality of life, and on-site parking at the Lift Tower Lodge; and

WHEREAS, the City of Ketchum agrees to provide adequate notice to Lift Tower tenants of redevelopment plans, will help them secure, and finance as needed, replacement housing for the tenants of the Lift Tower Lodge for up to one year after move-out is required, and

WHEREAS, the City of Ketchum has adopted and recorded the Deed Covenant drafted by the Blaine County Housing Authority to guarantee that the property will be permanently dedicated to a minimum of 14 units of permanently affordable deed -restricted housing units at the site; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE BLAINE COUNTY HOUSING AUTHORITY:

Section 1. Pursuant to Idaho Code Chapter 31, Title 42 (d) the Board of the Blaine County Housing Authority approves the transfer of the subject property described in Exhibit A and in the Site Survey in Exhibit B to the City of Ketchum to maintain 14 units of transitional housing until there is redevelopment at that site to add additional affordable housing, including but not limited to transitional housing, deed restricted rental or deed-restricted ownership

housing and will abide by the Recorded Deed Covenant that travels with the land until the property is redeveloped; and

Section 2. The City of Ketchum agrees that any net operating profit after operation/maintenance/capital expenses and emergency reserve will be paid to the Blaine County Housing Authority on a quarterly basis. The City will keep detailed financial records and provide these records annually to BCHA. This obligation for payment shall end upon redevelopment of the subject property or dissolution of BCHA as an entity or upon a force majeure style event, such as disaster or condemnation, that renders the property unusable for the intended purposes.

Section 3. The Board authorizes and directs the Board Chair and the Executive Director to execute the legal documents necessary to complete and record the transaction.

APPROVED this 4 day of Month 2 2023

ATTEST:

Sarah Michael, Interim Executive Director

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Keith Perry, Board Chair

BLAINE COUNTY HOUSING AUTHORITY BOARD OF COMMISSIONERS

# EXHIBIT "A" LEGAL DESCRIPTION

TOWNSHIP 4 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO

Section 18: A parcel of land within the SW1/4 SW1/4 more particularly described as follows:

Commencing at a Brass Cap marking the Section Comer common to Sections 13 and 24, T4N, R17E, B.M. and Sections 18 and 19, T4N, R18E, B.M., Blaine County, Idaho; Thence

North 89°08'54" East, 1,381.41 feet along the section line common to said Sections 18 and 19 to a Brass Cap Marking the West 1/16 Corner of Sections 18 and 19; Thence

South 89°08'54" West 84,89 feet along said section line to a point on the westerly boundary of State Highway 75, said point being the TRUE POINT OF BEGINNING; Thence

Continuing along said section line South 89°08'54" West, 172,16 feet; Thence Leaving said section line North 09°29'55" West, 111.73 feet; Thence

South 88°49'19" East, 10.21 feet to a 5/8" rebar marking the southwest corner of Westridge Condominiums Phase II, according to the official plat thereof, recorded as Instrument No. 455409, records of Blaine County, Idaho; Thence Along the boundary of said Westridge Condominiums Phase II by the following courses:

South 88°49'19" East, 70,79 feet; Thence

North 00°23'59" East, 97,74 feet; Thence

South 88°31'14" East, 105.17 feet to a point on the westerly boundary of said State Highway 75; Thence

Leaving said Westridge Condominiums and along said westerly boundary of State Highway 75 by the following courses:

South 00°53'38" East 169.94 feet: Thence

31.11 feet along a curve to the left, said curve having a central angle of 02°22'39", a radius of 749.68 feet and a chord length of 31.10 feet that bears South 02°04'57" East to the TRUE POINT OF BEGINNING.

Also known as TL 7983

## RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of Ketchum P.O. Box 23/5 Ketchum, Idaho 83340

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## **QUIT CLAIM DEED**

FOR VALUE RECEIVED, Grantor, the Blaine County Housing Authority, a political subdivision of the State of Idaho, does hereby convey, release, remiss and forever quitclaim unto the Grantee, the City of Ketchum, Blaine County, Idaho 83340, any and all right, title and interest Grantor has in the following described real estate, situated in the City of Ketchum, Blaine County, State of Idaho, to-wit:

The Lift Tower Lodge, 703 S Mail St, Ketchum, Idaho 83340 LEGAL DESCRIPTION

TOWNSHIP 4 NORTH, RANGE 18 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO

Section 18: A parcel of land within the SW¼ SW¼ more particularly described as follows:

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South 89°08'54" West 84,89 feet along said section line to a point on the westerly boundary of State Highway 75, said point being the TRUE POINT OF BEGINNING; Thence

Continuing along said section line South 89°08'54" West, 172,16 feet; Thence Leaving said section line North 09°29'55" West, 111.73 feet; Thence

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Also known as TL 7983; and described on the Record of Survey Recorded Instrument 523384 om 7/21/2005/

TOGETHER WITH all and singular tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining thereto.

Dated this 15 day of 2023	Wary 3.	
Grantor Signature:	Weith Reins	
	By: Keith Perry, Chair, Blaine County Housing Authority	r
STATE OF IDAHO	) ) ss:	
COUNTY OF BLAINE	)	

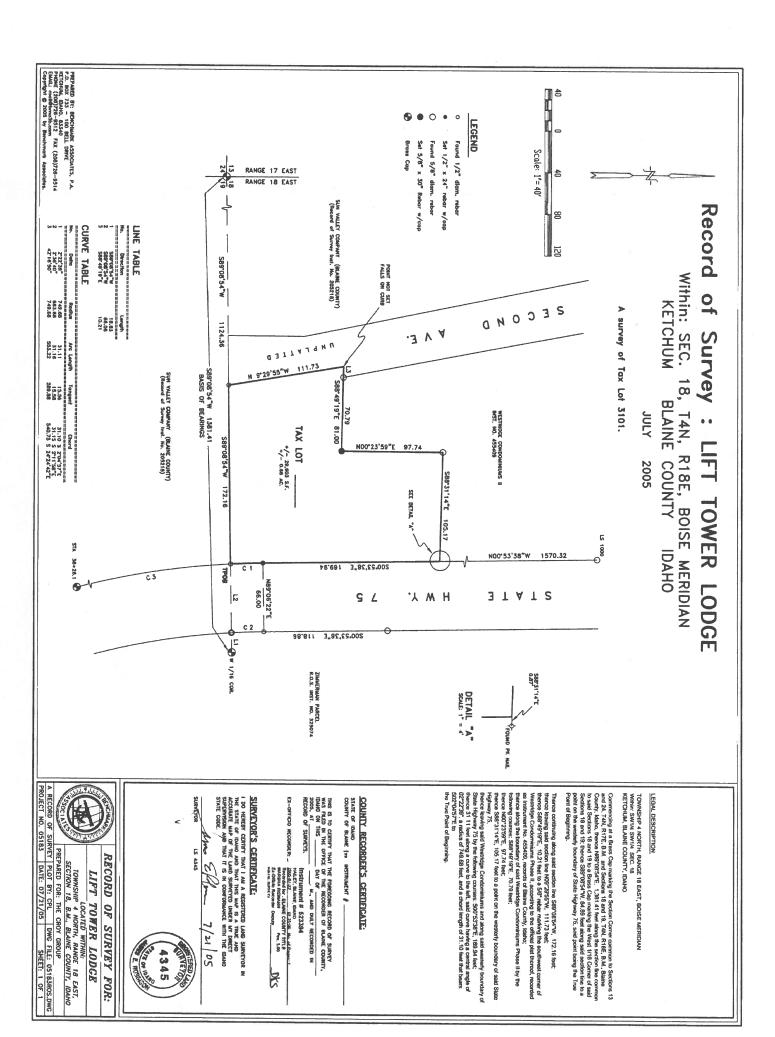
This record was acknowledged before me on 15th February, 2023, by Keith Perry, Chairperson of the Board of the Blaine County Housing Authority, who hereby affirms that she has been authorized to act on behalf of the Blaine County Housing Authority.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on the date and year in this certificate first above -written.

Notary Public in and for the State of Idaho Residing at Blaine County

My commission expires 11 15 28





Recording Requested By and When Recorded Return to:

Blaine County Housing Authority P.O. Box 4045 Ketchum, ID 83340

SPACE ABOVE THIS LINE FOR THE RECORDER'S USE ONLY

#### COMMUNITY HOUSING COVENANT RUNNING WITH THE LAND

This Agreement for Community Housing Covenant Running with the Land is made and is effective as of the first day of recording of this Covenant ("Effective Date"), by and between the City of Ketchum, Idaho, a public body corporate and politic ("Declarant") and the BLAINE COUNTY HOUSING AUTHORITY, an Idaho independent public body corporate and politic ("BCHA").

## Section 1: Agreement

- 1.1 To satisfy the condition of transfer of the Lift Tower Lodge, 703 S Main Street, Ketchum, Idaho, to the City of Ketchum, Idaho, without compensation, Declarant and BCHA are entering into this Covenant.
- 1.2 Declarant and the BCHA hereby agree that the Declarant will maintain the existing use of the property with 14 units of transitional housing, with parking and current amenities at the site, until there is approval and financing for the redevelopment of the property into permanent affordable housing, including but not limited to, transitional housing, deed-restricted rental units and/or deed restricted for sale housing units, with a minimum of 14 units available for Categories 1-6 based upon HUD annual affordable housing indexes.
- 1.3 Declarant agrees to ensure that the expansion of Highway 75 at Serenade Lane and Highway 75 adjacent to the Lift Tower Lodge into the City of Ketchum will not diminish the access to, quality of life, and on-site parking at the Lift Tower Lodge. Under the City's Conditional Use Permit, Lift Tower residents are limited to one year of occupancy.
- 1.4 Declarant agrees to provide notice, help to secure and to finance any rent differential and moving costs, as needed, with replacement housing for the tenants of the Lift Tower Lodge for up to one year after move-out is required.

#### Section 2: Transfer

2.1 Declarant may enter into contracts or agreements that provide for the development of the property as affordable housing as long as the long-term ownership of the property remains with the City of Ketchum, the Ketchum Urban Renewal Agency, or another Idaho public corporate body and provides a minimum of 14 affordable housing units including but not limited to, transitional housing, deed-restricted rental units and/or deed restricted for sale housing units, with a minimum of 14 units available for Categories 1-6 based upon HUD annual affordable housing indexes.

Any transfer of the Property not in compliance with this Covenant is void.

#### Section 3: Notices.

3.1 All notices given pursuant to this Covenant shall be in writing and shall be given by personal service, by United States certified mail or by United States express mail or other established express delivery service (such as Federal Express) with signature confirmation required, postage or delivery charge prepaid, addressed to the appropriate party at the address set forth below. If a notice is delivered to Declarant by personal service or by United States express mail or other established express delivery service (such as Federal Express), such notice may be delivered to the Property. If a notice must be given to a person other than one designated below or otherwise sent to Declarant, such notice shall be sent to the person and address shown on the then current real property tax rolls of the county in which the Property is located. All notices given to the appropriate party shall be sent to the address set forth below:

To Declarant:

City of Ketchum

P.O. Box 2315 Ketchum, ID 83340

To BCHA:

**Executive Director** 

BLAINE COUNTY HOUSING AUTHORITY

P.O. Box 4045 Ketchum, 83340

The person and address to which notices are to be given may be changed at any time by such party upon written notice to the other party. All notices given pursuant to this Covenant shall be deemed given upon receipt.

#### Section 4: General Provisions

4.1 Runs with the Land; Termination. The covenants, conditions and restrictions of this Covenant shall run with and bind the Property and shall inure to the benefit of and shall be enforceable by the *BCHA*, its legal representatives, successors, and assigns until the City of Ketchum or its agents fulfill the terms and conditions of the covenant upon redevelopment of the property, issuance of long term affordability requirements on the new property, and after the relocation of the tenants. Termination of the BCHA interest in the covenant shall expire in an instrument in writing (Notice of Termination of Covenant), signed by the BCHA or any successor agency and the Declarants certifying that the terms and conditions of this covenant have been met. This covenant shall expire on December 31, 2099, unless otherwise amended or terminated.

The termination shall be effective upon recordation of the Notice of Termination of Covenant signed by the BCHA and the Declarant.

4.2 This Covenant may be amended by a written agreement signed by Declarant and BCHA that identifies itself as an amendment to this Covenant and recorded.

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the day and year above first written.

THE BLAINE COUNTY HOUSING AUTHORITY	CITY OF KETCHUM	
By Seur mickel		
Title: Executive Director	Title:	

STATE OF IDAHO	)		
COUNTY OF BLAINE	)	) ss	
a Notary Public in and for the Sta me, or proven to me by oath and ic this instrument, and acknowledged	ite of Idaho a dentification	o, personally appe a representative of n, to be the persor	n whose name is subscribed to
of said company.  IN WITNESS WHEREOF, i above written.	f have here	eunto set my hand	and seal the day and year firs
Name: Notary Public for Idaho Residing at		······································	
My commission expires			
STATE OF IDAHO	,	)	
County of BLAINE		)ss. )	
On this 15 <sup>th</sup> day of Februar a Notary Public, in and for the State known or identified to me to be the Authority, an Idaho independent poinstrument or the person(s) who exacknowledged to me that such book	e of Idaho, e Executive ublic body, xecuted the	personally appear Director of the Bl corporate and po instrument on be	red <u>Sarah Michael</u> , aine County Housing litic, that executed the within
IN WITNESS WHEREOF, if have labove written	hereunto s	et my hand and se	eal the day and year first
Name: Suranne We Cod Notary Public for Idaho Residing at Kekchum My commission expires	11/15/28		NOTAD LA MOTAD LA MOT

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Also known as TL 7983

Also shown on the 2005 Record of Survey 523394