Dawn Hofheimer

From: Juanita Young <mysunvalleyhome@gmail.com>
Sent: Tuesday, May 26, 2026 9:12 PM
To: Participate
Subject: lot increase

Mayor Prekeges and Members of the Ketchum City Council,

I am writing as a long-time Ketchum resident and small-business owner to express serious concerns about the City's current LOT policies and housing programs.

First, I **oppose any increase to the LOT on retail, groceries, or general goods**. Locals are already taxed to the point where many of us no longer shop in Ketchum. I regularly drive to Hailey for groceries, gas, and basic necessities because it is significantly cheaper. So much for "shopping locally." I also personally know of **four Ketchum businesses that have recently closed**, which shows how fragile our local economy already is.

If the City needs additional revenue, it should come from the sectors that benefit most from tourism. I strongly support a **25% increase to the hotel LOT** and short-term rentals. Stop taxing residents to death while tourism continues to grow.

I also urge the City to **end the air LOT**. Airlines are charging record-high ticket prices and fees. They are not struggling, and they do not need additional support from Ketchum taxpayers.

Regarding housing, the City must stop claiming that LOT dollars are supporting the local workforce when you are **recruiting people from Twin Falls to live at the Bluebird**. That is not serving Ketchum workers. I also know of a family living in the Bluebird where the husband works in Hailey, while people who actually work in Ketchum are excluded because of income ceilings. If this program is truly for the local workforce, then **priority must go to people who work in Ketchum**.

These programs require better oversight. The City needs staff who know how to properly investigate and verify eligibility so that housing dollars benefit the people they are intended to serve.

Ketchum must stop placing the burden on residents and start prioritizing the people who live and work here every day.

Thank you for your time.

Dawn Hofheimer

From: John Kaiser <pkresource.inc@gmail.com>
Sent: Tuesday, May 26, 2026 6:32 PM
To: Participate
Subject: LOT

SV is plenty popular, how many years, advertorials and magazine covers has the resort been "ranked top ten". We do not need to fund marketing or advertising campaigns that the resort itself should be paying for. Maybe one time it was important, but surely no more. The word is out, we are plenty busy during the seasons as it is.
john kaiser
resident of unincorporated Ketchum

Dawn Hofheimer

From: Carol Klick <carolklick@gmail.com>
Sent: Tuesday, May 26, 2026 3:10 PM
To: Participate
Subject: Lot Tax

Good Afternoon,
I firmly believe that the LOT tax should be only for tourists to pay.
No taxing building materials and other consumer products in Ketchum.
It is hard enough to keep business in the city of Ketchum without adding an additional tax to their burden.
Lodging tax appears to be the correct way to collect from tourists.
Thank you for considering my opinion. My husband and I own a commercial condo in Ketchum, in addition to owning two businesses in Ketchum.
Respectfully submitted,
Carol Klick

Dawn Hofheimer

From: Gabrielle Tierney <gigi_eric@hotmail.com>
Sent: Tuesday, May 26, 2026 1:44 PM
To: Participate
Subject: Agenda Item May 28th: LOT Taxes

Dear Ketchum City Council Members,

I am writing to urge the Council to reconsider the current structure of the Local Option Tax (LOT) allocations, which I believe are placing an undue burden on Ketchum residents.

The recent passage of the ambulance levy is concerning, as it does not appear to address the underlying financial challenges facing emergency services — and it adds yet another cost to residents who are already shouldering a disproportionate share of expenses for services that benefit the entire Wood River Valley.

I respectfully request that the Council consider the following adjustments to the LOT framework:

- **Eliminate the LOT on AIR.** This allocation is unnecessary given the volume of flights into the area.
- **Eliminate the LOT on Housing.** Municipal governments are generally not the most effective or well-positioned entities to address housing development, and these funds could be better deployed elsewhere.
- **Increase the LOT on Lodging.** Lodging represents the most direct and equitable point of intersection with the tourist population that drives demand for our local services. Increasing this levy ensures that visitors contribute meaningfully to the infrastructure and services they rely upon.

These changes would create a fairer, more sustainable tax structure — one that protects Ketchum residents while ensuring that the costs of tourism-driven services are borne more appropriately by those who generate them.

Thank you for your service to our community and for your thoughtful consideration of this request.

Respectfully,

Gabrielle Tierney
415.944.0099

"When we tug at a single thing in nature, we find it attached to the rest of the world."

— John Muir.

Dawn Hofheimer

From: James Hungelmann <jim.hungelmann@gmail.com>
Sent: Saturday, May 23, 2026 6:28 AM
To: Peter Prekeges; Tripp Hutchinson; Matthew McGraw; Randy Hall; Spencer Cordovano; Participate
Subject: Submission for Public Record – The Government's New Narrative Slush Fund

Dear Mayor and Council Members,

The attached commentary is respectfully submitted for inclusion in the public record of the next Ketchum City Council meeting.

Although focused on a current federal issue, the larger theme concerns the importance of careful evidentiary discipline in light of the ongoing barrage of political spectacle and increasingly uniform narrative amplification throughout the press and government at every level.

Thank you.

The Government's New Narrative Slush Fund

The newly proposed federal "Anti-Weaponization Fund" represents a dangerous departure from the foundational evidentiary architecture of the American legal system — one that risks embedding politically curated narratives and institutionalized spectacle into the public consciousness while further eroding the evidentiary discipline upon which a functioning republic depends.

Under ordinary principles of law, allegations do not establish liability. Political narratives do not substitute for admissible evidence. Compensation does not precede proof. Americans alleging wrongful prosecution, governmental misconduct, constitutional violations, or selective enforcement already possess established legal remedies through courts operating under procedural safeguards, burdens of proof, adversarial testing, and individualized determinations of liability and damages.

That system already exists.

Further, the United States Treasury is the ultimate backstop for lawful judgments and settlements properly established through due process. There is therefore no legitimate structural necessity for a politically branded compensation fund designed to distribute nearly two billion dollars based upon broad and heavily contested historical narratives.

The danger lies not merely in the money itself, but in the assumptions embedded within the structure.

Once government establishes compensation systems around politically charged categories of alleged victimhood, institutional pressures inevitably emerge to relax evidentiary rigor, dilute standards of proof, and transform disputed public narratives into quasi-official historical conclusions. The very existence of such a fund risks communicating to the public that liability already has been established even where many underlying factual assertions remain hotly contested.

That is not how a functioning evidentiary system is supposed to operate.

Courts are designed to separate allegation from proof through adversarial testing, evidentiary standards, procedural safeguards, and individualized findings. Public narratives, by contrast, are often shaped through repetition, emotional framing, institutional amplification, and political momentum. Increasingly, public narratives are treated as established fact before being subjected to the evidentiary scrutiny traditionally required to separate allegation from proof.

Equally troubling is the opportunity such a structure creates for political favoritism, administrative abuse, consultant-class enrichment, attorney profiteering, influence networks, and corruption masquerading as justice. Vast pools of politically allocated money almost inevitably attract institutional self-interest and opportunism. History repeatedly demonstrates that once bureaucratic compensation mechanisms are established, categories of eligible claimants expand while objective evidentiary scrutiny contracts.

Supporters may argue that some individuals truly were subjected to unjust treatment or politically motivated enforcement. That may be true in particular cases. But if so, those claims should succeed through ordinary judicial standards supported by admissible evidence and adversarial proceedings — not through politically curated administrative frameworks that risk converting contested allegations into institutionalized public mythology.

American history contains numerous examples of genuine governmental overreach, selective enforcement, politically motivated investigations, and institutional abuse directed across ideological, racial, and political lines. Indeed, if the nation is to seriously examine governmental abuse and institutional accountability, the scope of concern necessarily extends far beyond any single contemporary political constituency. It extends to questions involving wrongful convictions, unequal enforcement, prosecutorial misconduct, nonviolent drug sentencing, civil-liberties violations, and the long historical consequences of military conflicts initiated under intelligence assessments or public narratives many Americans later came to view as deeply flawed, misleading, or insufficiently scrutinized.

Most dangerous of all, however, may be the broader distraction such spectacles create.

At a time when the American public already faces escalating political spectacle, growing distrust of institutional narratives, and unresolved questions regarding the integrity of core constitutional safeguards themselves, the creation of highly politicized compensation theaters risks further consuming public attention while deeper structural issues remain insufficiently examined.

At stake is something larger than any single political controversy. In an era increasingly dominated by spectacle and narratives repeatedly amplified through institutions presented to the public as an independent and competitive press, the preservation of a functioning republic depends upon the ability of the American people to distinguish evidentiary reality from emotionally amplified narrative projection. That requires renewed respect for critical reasoning, procedural fairness, and disciplined evaluation of evidence before claims harden into political mythology or historical fact.

A free society cannot survive if assumptions, narratives, and emotionally amplified assertions are permitted to harden into presumed fact without disciplined evidentiary scrutiny. The distinction between allegation and proof is not merely a courtroom technicality; it is one of the foundational safeguards of constitutional order, rational public discourse, and ultimately human sanity and survival itself.

Without widespread civic understanding of evidentiary principles, constitutional process, disciplined reasoning, and the distinction between allegation and proof, democratic societies become increasingly vulnerable to manipulation through narrative rather than governed through reality.

The rule of law cannot survive if evidentiary standards become subordinate to political narrative management.

If the American system is to retain legitimacy, liability must continue to be established through evidence, procedure, and due process — not through administratively manufactured assumptions embedded within politically fashionable compensation schemes.

James Hungelmann

The White Room LLC

May 2026

Dawn Hofheimer

From:	Eric Bindelglass <ebindelglass@hotmail.com>
Sent:	Wednesday, May 27, 2026 11:21 AM
To:	Participate
Subject:	Agenda Item May 28th: LOT Taxes
Follow Up Flag:	Follow up
Flag Status:	Completed

Dear Ketchum City Council Members,

I am writing to urge the Council to reconsider the current structure of the Local Option Tax (LOT) allocations, which I believe are placing an undue burden on Ketchum residents.

The recent passage of the ambulance levy is concerning, as it does not appear to address the underlying financial challenges facing emergency services — and it adds yet another cost to residents who are already shouldering a disproportionate share of expenses for services that benefit the entire Wood River Valley.

I respectfully request that the Council consider the following adjustments to the LOT framework:

- **Eliminate the LOT on AIR.** This allocation is unnecessary given the volume of flights into the area.
- **Increase the LOT on Lodging.** Lodging represents the most direct and equitable point of intersection with the tourist population that drives demand for our local services. Increasing this levy ensures that visitors contribute meaningfully to the infrastructure and services they rely upon.

These changes would create a fairer, more sustainable tax structure — one that protects Ketchum residents while ensuring that the costs of tourism-driven services are borne more appropriately by those who generate them.

Thank you for your consideration and for your work on behalf of our community.

Warm Regards,

Eric Bindelglass

253 Hillside Drive, Ketchum

Dawn Hofheimer

From: Wesley R. Fleuchaus <wfleuchaus@gmail.com>
Sent: Tuesday, May 26, 2026 9:12 AM
To: Participate
Subject: Comments for 5/28 LOT Meeting

Hi,
I would hope the Council thinks hard about returning LOT to its original purpose- taxing visitors for the burden they place on services in our small town. Broadly, this means 2 fixes:

1: Re-align the tax to target visitors
-Focus tax on hotels and STR and raise to maximum (25%)
-Stop taxing things residents use like retail, liquor, building materials or alternatively, provide a rebate to residents.
-For building materials, how about a LOT tax exemption for construction of a primary residence?

2: Spend tax revenues on services that visitors use and would otherwise need funding from residential property taxes. NOT on things that encourage/subsidize more tourists.
-Kill the LOT for Air and LOT for housing and return to one general LOT
-No more subsidizing airlines or Visit Sun Valley
-Use the LOT to fund exclusively emergency services, medical, road repair, and other Quality of Life programs for residents

Another non-LOT tax idea- Could Ketchum impose a "pied-a-terre tax" on second homes a la NYC's recent move?

Thanks for your consideration.

Wes Fleuchaus
Ketchum

Dawn Hofheimer

From: Jen L <jen.lively@outlook.com>
Sent: Tuesday, May 26, 2026 8:56 AM
To: Brent Davis; Peter Prekeges; Jade Riley; Participate
Subject: Concern Regarding Police Chief Compensation and Housing Feasibility

Dear Mayor Prekeges, Mr. Riley, and Members of the Ketchum City Council,

I am writing regarding the posted Police Chief position for the City of Ketchum. I understand the listed salary range is $130,000 to $160,000, and I fully recognize that this may appear competitive in many communities.

However, I wanted to respectfully raise a concern about whether this range is realistic for recruiting and retaining a highly qualified Police Chief in Ketchum's current housing market.
For a public safety executive relocating with a family, housing availability and affordability are not secondary issues. They directly affect whether a candidate can responsibly accept the position. Current rental data for Ketchum shows extremely limited and expensive housing options, with three bedroom rentals averaging around $5,000 per month. For a larger family, available housing may be even more difficult to find and substantially more expensive.

Using the common affordability standard that housing should not exceed approximately 30 percent of gross income, a $5,000 monthly rent would require roughly $200,000 in annual income before taxes. That is above the posted maximum salary for this role.

My concern is not simply about pay. It is about whether the City can realistically attract the level of leadership, experience, stability, and long term commitment expected from a Police Chief if the compensation package does not reflect the cost of living in Ketchum. This is especially important as the City transitions into operating its own police department and needs strong, stable leadership from the beginning.

I respectfully ask whether the City would consider one or more of the following:

Increasing the salary range to better reflect Ketchum's housing market

Offering a housing stipend or relocation assistance

Providing access to city supported workforce housing

Adding a compensation review based on local housing costs

Clarifying whether additional benefits or housing support are available for this position

Ketchum appears to be a beautiful and highly desirable community, but the compensation package must match the reality of living there. Otherwise, the City may unintentionally limit its applicant pool or lose strong candidates who simply cannot make the numbers work for their families.

Thank you for your time and consideration. I appreciate the work involved in building a strong public safety department and hope this feedback is received in the constructive spirit intended.

Respectfully,
Jennifer Lively

Dawn Hofheimer

From: HP Boyle <boylehp@yahoo.com>
Sent: Tuesday, May 26, 2026 7:59 AM
To: Participate
Subject: Public Comment on LOT for Council Meeting

Thank you,

Perry Boyle
Ketchum

Lodging Demand Elasticity to Hotel Tax in Mountain/Resort Towns

The Bottom Line

Demand is consistently inelastic (lodging taxes don't affect demand). The consensus empirical range is roughly **-0.13 to -0.70**, meaning a 10% price increase due to a tax reduces lodging demand by only 1.3% to 7%.

Key Studies

1. Combs & Elledge (1979) — The foundational resort-specific study *"Effects of a Room Tax on Resort Hotel/Motels," National Tax Journal 32(2): 201–207* https://www.journals.uchicago.edu/doi/10.1086/NTJ41862222

This is the earliest study directly focused on resort hotels and motels, motivated by the costs local governments face in providing services to resort-heavy counties and their reluctance to raise property taxes. Combs & Elledge demonstrated that tourist demand remains largely unaffected by room taxation. The tax burden largely shifts to visitors rather than operators — a shift that is particularly exploitable in resort contexts because visitors have no local political voice.

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2. Hiemstra & Ismail (1993) — Estimated elasticity of -0.44 *"Impacts of Room Taxes on the Lodging Industry," Journal of Hospitality & Tourism Research* https://doi.org/10.1177/109634809001400226

This study summarized the impacts of room taxes by estimating the U.S. average tax rates and assessing negative effects on room rentals. It first estimated the price elasticity of demand from a national probability survey of the lodging industry conducted in spring 1990. The elasticity estimate was **-0.44**, indicating inelastic demand — a 10% tax-induced price increase reduces demand by about 4.4%.

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3. Bonham, Fujii, Im & Mak (1992) — Hawaii interrupted time series *"The Impact of the Hotel Room Tax: An Interrupted Time Series Approach," National Tax Journal 45(4): 433–441* https://doi.org/10.1086/NTJ41788983

This paper used interrupted time-series analysis to estimate ex post the impact of a hotel room tax on real net hotel revenues in Hawaii, analyzing the time series before and after the tax's imposition. It found the tax had a negligible effect on real hotel revenues. Given the demographic of travelers, Hawaii is a useful proxy for captive-destination dynamics similar to those of mountain resorts.

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4. Canina & Carvell (2005) — Lowest elasticity estimate at -0.13 *"Lodging Demand for Urban Hotels in Major Metropolitan Markets," Journal of Hospitality & Tourism Research 29(3)*

Canina and Carvell estimated the price elasticity of demand at -0.13, one of the lowest estimates in the literature, indicating near-complete inelasticity. Their focus on urban hotels is less directly applicable to mountain resorts but is widely cited as a lower-bound benchmark.

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5. Sharma, Perdue & Nicolau (2020) — Group vs. transient segmentation *"The Effect of Lodging Taxes on the Performance of US Hotels," Journal of Travel Research 61(1): 108–119*https://journals.sagepub.com/doi/abs/10.1177/0047287520971044

This study, using data from more than 7,000 observations across more than 100 urban submarkets from 2013 to 2018, found that lodging taxes have a more negative effect on hotel performance (RevPAR) for group bookings than for transient bookings. Because groups usually have greater flexibility in choosing event locations, they can more easily select a different destination if a tax increase is observed. Hotels may also be more inclined to offer discounts to groups, thereby absorbing some of the tax increase.

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6. Mills, Rosentraub & Jakar (2019) — Florida spatial spillovers *"Tourist Tax Elasticity in Florida: Spatial Effects of County-Level Room Tax Rate Variation," Tourism Management Perspectives 31: 174–183*

Mills, Rosentraub and Jakar (2019), using county-level data from Florida, argue that tourists are relatively price-insensitive in their demand for hotel rooms. They also found that tax changes in a given county did not create significant spillovers to adjacent counties — travelers didn't simply shift to the next county when one raised rates.

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7. Singh & Corsun (2023) — Pandemic-era confirmation of inelasticity *"Price Elasticity of Demand and Its Impact on Hotel Revenue Performance During the COVID-19 Pandemic," Journal of Hospitality & Tourism Research*https://journals.sagepub.com/doi/10.1177/19389655231184475

Using annual operating performance data on over 2,500 hotels from 2018 to 2021, this study provides empirical evidence of relatively inelastic demand in the lodging sector. Price has a significant negative effect on lodging demand, while results show a significantly greater positive impact of pricing on RevPAR penetration for hotels that raised rates relative to those that dropped rates.

Resort-Specific Caveats That Matter for Mountain Towns

Cabins and other more expensive lodging are considered more elastic services and tend to be more price-sensitive than other forms of lodging. However, high degrees of customer loyalty and satisfaction reduce price sensitivity, and those who can afford more expensive lodging tend to be in higher income strata and are less price-sensitive to price changes.

The net implication: **luxury mountain resort lodging** is less elastic because the clientele is wealthy and brand-loyal.

Conclusion: In a destination with limited substitutes (i.e., you can't ski Baldy at another mountain), lodging demand is reliably inelastic to moderate tax increases. The tax burden is effectively shifted to non-resident visitors, which is why these taxes are politically attractive.

Dawn Hofheimer

From: Chris Spain <john.chris.spain@gmail.com>
Sent: Sunday, May 24, 2026 5:03 PM
To: Participate
Subject: LOT

This is become one big free-for-all. Should be accountable to the public so we can see what’s going on here. This should be used to deflect the effective tourism on our city not to encourage more tourism or spend money where it could not be spent!
Sent from my iPhone

From: abigail lufkin <ablufkin@gmail.com>
Sent: Sunday, May 24, 2026 3:13 PM
To: Participate
Subject: Lot Tax

Hello-

I am a Ketchum home owner and I am writing to express my views on the LOT tax because I am unable to attend the May 28th meeting. I am in support of Perry Boyle's idea that he proposed the week in the Ketchum Sun. That is to end the LOT for air and LOT for housing tax and just do one general LOT that is in full control of elected officials and accountable to the public.

I agree with him that the most important thing we can do is stop taxing locals in a tax that is supposed to be on tourists. Boyle proposes we do this by raising the LOT on lodging- suggesting a 20 or 25 percent tax. Boyle states that "studies show that lodging demand is immune to sales taxes." I am in favor of the council raising the LOT on lodging and eliminating it on locals.

Thank you for all of your time and effort to keep our community the amazing place it is!

Best, Abigail

Abigail Lufkin
Individual and Couples Psychotherapy
Sport Psychology Consultant
www.AbigailLufkin.com
www.AbigailLufkinSports.com