



CITY OF KETCHUM, IDAHO

CITY COUNCIL *SPECIAL MEETING* - START TIME UPON CONCLUSION OF *SPECIAL
JOINT MEETING* WITH KETCHUM URBAN RENEWAL AGENCY AND NO EARLIER THAN

4:15 PM

Monday, November 13, 2023, 4:15 PM

191 5th Street West, Ketchum, Idaho 83340

AGENDA

PUBLIC PARTICIPATION INFORMATION

Public information on this meeting is posted outside City Hall.

We welcome you to watch Council Meetings via live stream.

You will find this option on our website at www.ketchumidaho.org/meetings.

If you would like to comment on a public hearing agenda item, please select the best option for your participation:

- Join us via Zoom (*please mute your device until called upon*)

Join the Webinar: <https://ketchumidaho-org.zoom.us/j/81343435491>

Webinar ID: 813 4343 5491

- Address the Council in person at City Hall.
- Submit your comments in writing at participate@ketchumidaho.org (*by noon the day of the meeting*)

This agenda is subject to revisions. All revisions will be underlined.

CALL TO ORDER: By Mayor Neil Bradshaw

ROLL CALL: Pursuant to Idaho Code Section 74-204(4), all agenda items are action items, and a vote may be taken on these items.

COMMUNICATIONS FROM MAYOR AND COUNCILORS:

1. Public comments submitted

CONSENT AGENDA:

ALL ACTION ITEMS - The Council is asked to approve the following listed items by a single vote, except for any items that a Councilmember asks to be removed from the Consent Agenda and considered separately.

2. Recommendation to approve minutes of November 6, 2023 – City Clerk Trent Donat
3. Recommendation to receive and file monthly Treasurer's financial reports - Treasurer Shellie Gallagher
4. Recommendation to approve Resolution 23-015 with the State of Idaho Department of Environmental Quality authorizing the Mayor to sign all applications, funding agreements, and

other documents relating to Wastewater Collections Project - Wastewater Division Supervisor Mick Mummert

- [5.](#) Recommendation to approve Agreement 24040 with ReconMR for Ketchum's Community Survey - City Administrator Jade Riley
- [6.](#) Recommendation to approve Emergency Medical Services Agreement 24895 between the City of Ketchum and Blaine County Ambulance District - City Administrator Jade Riley
- [7.](#) Recommendation to approve Contract 24041 with David Hamre & Associates, LLC for the purpose of an Urban Avalanche Analysis - Assistant Chief/Fire Marshal Seth Martin
- [8.](#) Recommendation to approve and adopt the Bigwood Year Round Restaurant Planned Unit Development Conditional Use Permit application Findings of Fact, Conclusions of Law, and Decision for the Bigwood Year - Associate Planner Adam Crutcher
- [9.](#) Recommendation to approve Task Order No. 2 with Clarion Associates for Phase 2 of the Comprehensive Plan & Code Update project - Senior Planner Abby Rivin
- [10.](#) Recommendation to reject both bids received and re-bid the Variable Frequency Drivers (VFD) for the Ketchum/SVWSD Water Reclamation Facility - City Clerk & Business Manager Trent Donat

PUBLIC HEARING:

NEW BUSINESS:

- [11.](#) Recommendation to approve Letter of Credit to BCHA for Silvercreek Living - Housing Director Carissa Connelly

ADJOURNMENT:



CITY OF KETCHUM
MEETING MINUTES OF THE CITY COUNCIL
Monday, November 6, 2023

CALL TO ORDER: 4:00PM *(00:00:12 in video)*

Mayor Bradshaw called the meeting of the Ketchum City Council to order at 4:00 p.m.

ROLL CALL:

Mayor Neil Bradshaw
Michael David
Jim Slanetz
Amanda Breen
Courtney Hamilton

ALSO PRESENT:

Jade Riley—City Administrator
Trent Donat—City Clerk & Business Manager
Shellie Gallagher—City Treasurer
Morgan Landers—Director of Planning and Building
Abby Rivin—Senior Planner
Adam Crutcher—Associate Planner
Matt Johnson—City Attorney
Harry Griffith—Sun Valley Economic Development
Darcie White—Clarion

COMMUNICATIONS FROM MAYOR AND COUNCIL:

- Amanda Breen reminded everyone to vote, and that polls will be opening at 8:00 am on November 7. *(00:00:43 in video)*
- Mayor Bradshaw reminded the public of the two upcoming open houses being held this week, covering the Main Street project. Wednesday at 5:30 pm at the Limelight Hotel and Thursday at 11:30 am here at City Hall. *(00:00:59 in video)*

CONSENT AGENDA: *(00:02:06 in video)*

Motion to approve consent agenda items number 2-14. *(00:02:20 in video)*

MOVER: Amanda Breen

SECONDER: Jim Slanetz

AYES: Michael David, Amanda Breen, Jim Slanetz, Courtney Hamilton

RESULT: ADOPTED UNANIMOUS

PUBLIC HEARING: *(00:02:36 in video)*

15. Recommendation to hold a public hearing and approve the Bigwood Restaurant and Bar Planned Unit Development and Conditional Use Permit.

Presented by: Adam Crutcher *(00:03:15 in video)*

Public Comment Open: *(00:010:31 in video)*

None

Public Comment Closed: *(00:11:41 in video)*

Questions, comments, and discussion by Council *(00:11:44 in video)*

Motion to approve the Bigwood Restaurant and Bar Planned Unit Development Conditional Use Permit amendment with conditions one and two and direct staff to return with Findings of Fact, Conclusions of Law, and Decision. *(00:15:39 in video)*

MOVER: Courtney Hamilton

SECONDER: Jim Slanetz

AYES: Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

RESULT: ADOPTED UNANIMOUS

Motion to recommend approval of the 4th Bigwood Development Agreement Amendment.
(00:16:06 in video)

MOVER: Amanda Breen

SECONDER: Courtney Hamilton

AYES: Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

RESULT: ADOPTED UNANIMOUS

NEW BUSINESS: *(00:17:09 in video)*

16. Presentation of Sun Valley Economic Development Quarterly Report

Presented by: Harry Griffith *(00:17:31 in video)*

Questions, comments, and discussion by Council *(00:30:15 in video)*

17. Recommendation to review and provide feedback on the comprehensive plan audit, community engagement plan, and scope/schedule/budget for Phase 2 of the Comprehensive Plan and Code Update.

Presented by: Morgan Landers and Abby Rivin *(00:33:32 in video)*

Questions, comments, and discussion by Council *(01:13:05 in video)*

18. Review fiscal year 2023 encumbrances and re-budgets

Presented by: Jade Riley *(01:32:27 in video)*

Questions, comments, and discussion by Council throughout presentation.

ADJOURNMENT:

Motion to adjourn *(01:48:00 in video)*

MOVER: Michael David

SECONDER: Courtney Hamilton

AYES: Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

RESULT: UNANIMOUS

Neil Bradshaw, Mayor

ATTEST:

Trent Donat, City Clerk



City of Ketchum

MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

Idaho State Statute 50-208 establishes requirements for monthly financial reports from the City Treasurer to the Council. The Statute provides that the Treasurer “render an accounting to the city council showing the financial condition of the treasury at the date of such accounting.”

Idaho State Statute 50-1011 establishes an additional requirement for a quarterly financial report “indicating salaries, capital outlay and a percentage comparison to the original appropriation.” Such quarterly reports require publication on the City website within 30 days of the end of the quarter pursuant to 50-208. Finally, 50- 708 creates the requirement that “at least once in each quarter of each year, the council shall examine by review of a quarterly treasurer’s report included upon the city council agenda the accounts and doings subject to management by the chief financial officer of the city.”

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

Financial Impact:

Attachments:

-
-
-

Item 1



FY 2024

Monthly Financial Reports

As of October 31, 2023

This packet is divided into three sections: (1) General Fund (2) Original LOT (3) In-Lieu Housing (4) City/County Housing Fund (5) Enterprise Funds.

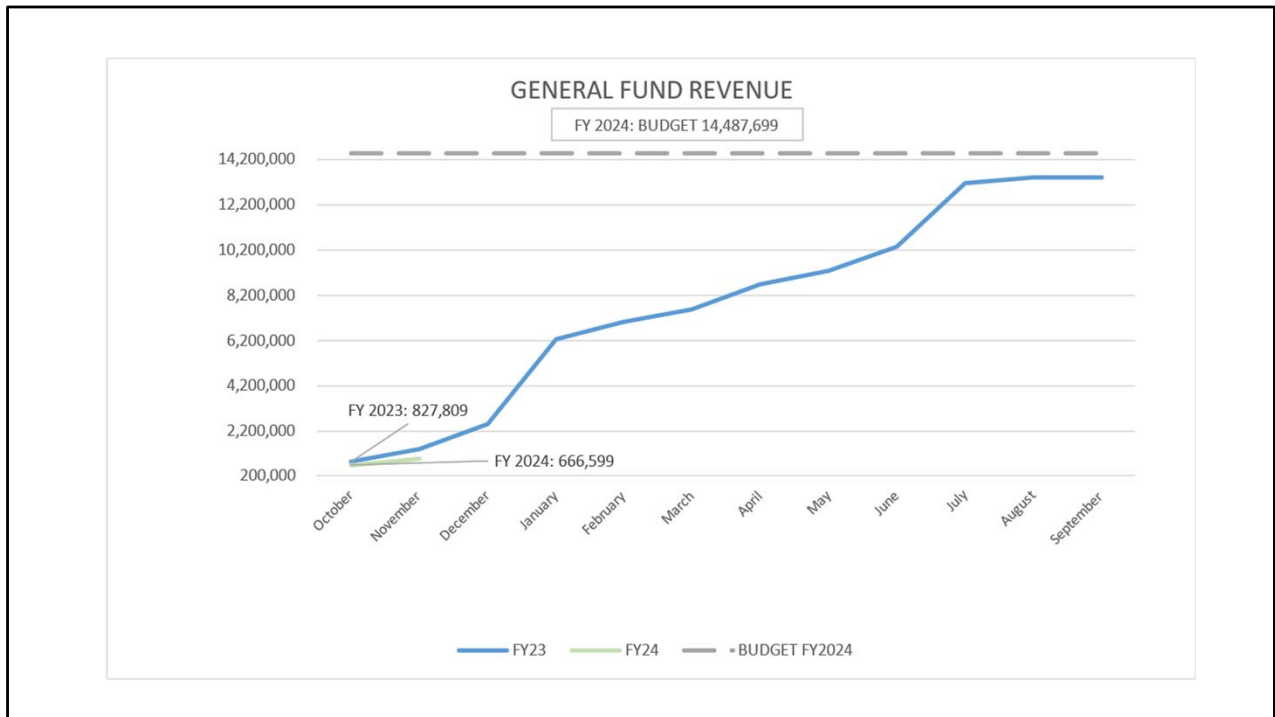
Slides includes information on current progress relative to the prior year and the current budget.

Summary

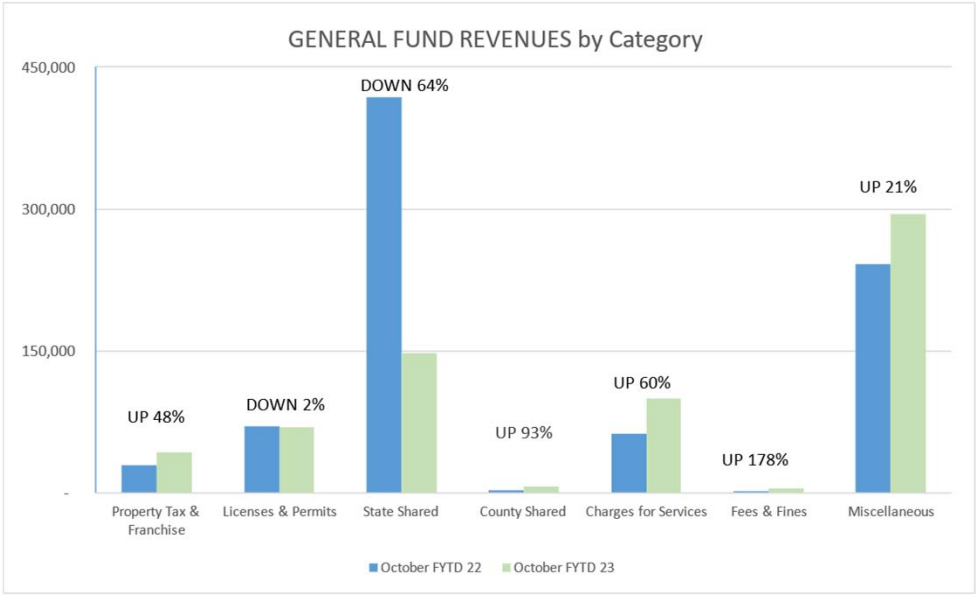
GENERAL FUND				
1. REVENUES	Year to Date	%	Remaining	%
Approved Budget	14,487,699			
Year to Date (YTD)	666,599	4.6%	13,821,100	95.4%
2. EXPENDITURES				
Approved Budget	14,487,698			
Year to Date (YTD)	889,927	6.1%	13,597,771	93.9%
3. Net Position	(223,328)			
4. Fund Balance Carry Over FY23	4,891,341			<i>not audited</i>
17% assigned by Council	2,462,909			

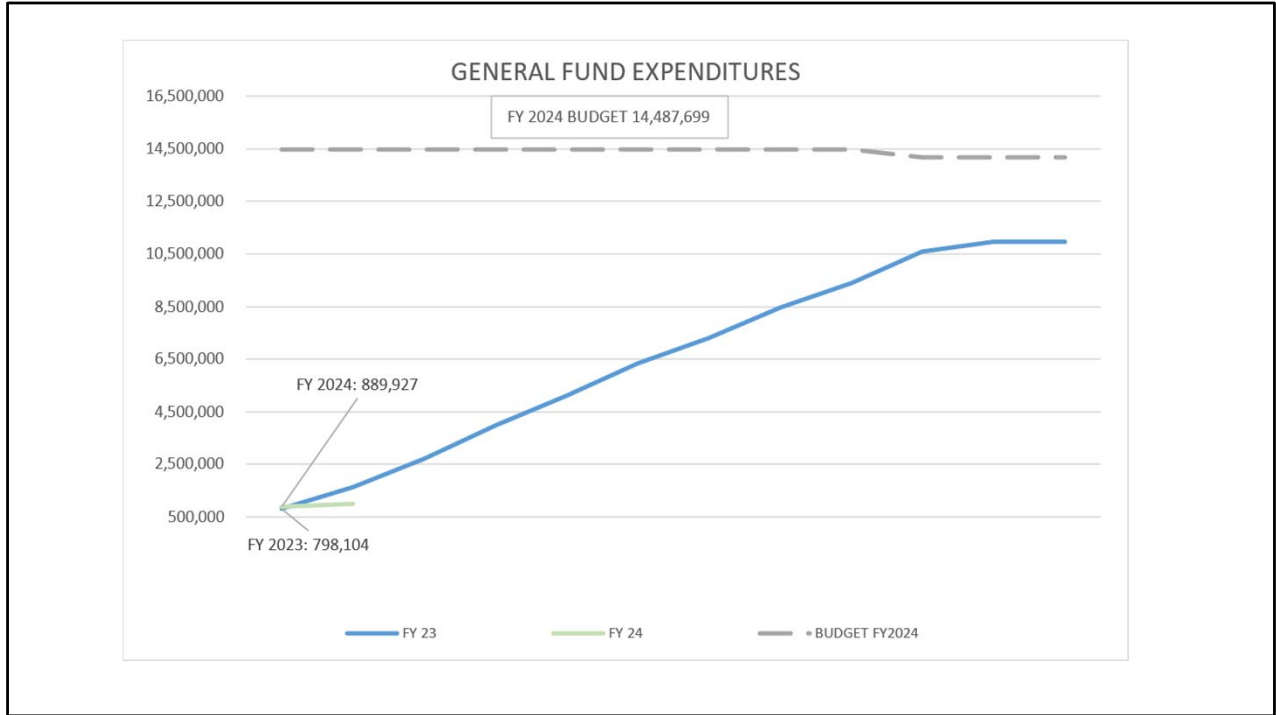
LOCAL OPTION TAX				
1. REVENUES	Year to Date	%	Remaining	%
Approved Budget (Amended)	3,299,890			
Year to Date (YTD)	340,905	10%	2,958,985	90%
Fund Balance YTD	400,563			
2. EXPENDITURES				
Approved Budget (Amended)	3,299,890			
Year to Date (YTD)	206,791	6%	3,093,099	94%
3. Net Position	134,114			
4. Fund Balance Carry Over FY23	1,024,106.47			<i>not audited</i>



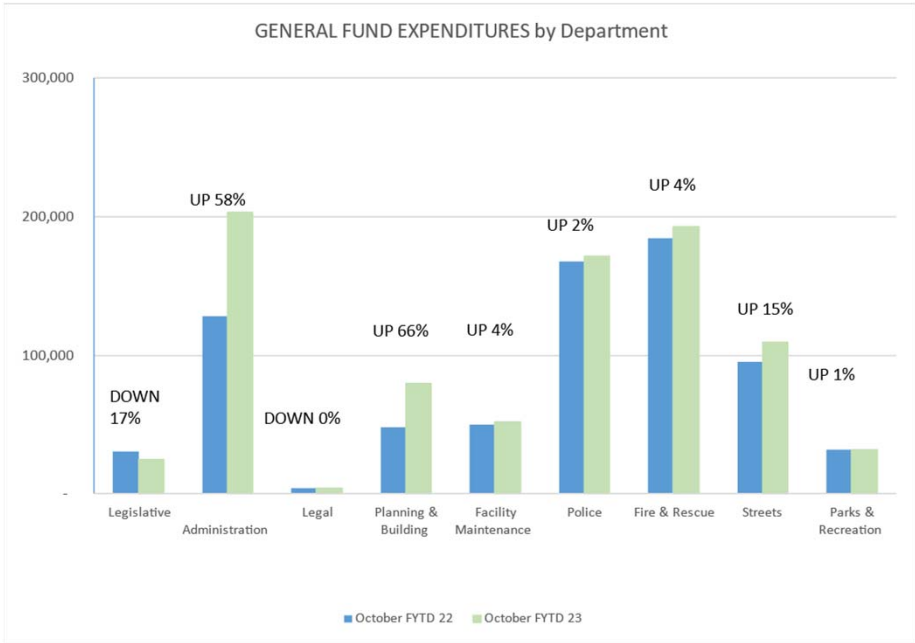


The General Fund revenues are down approximately \$161,210 (19%) compared to FY2023. The decrease is largely due to the timing of the State Shared revenue receipts that came in on November 1st.



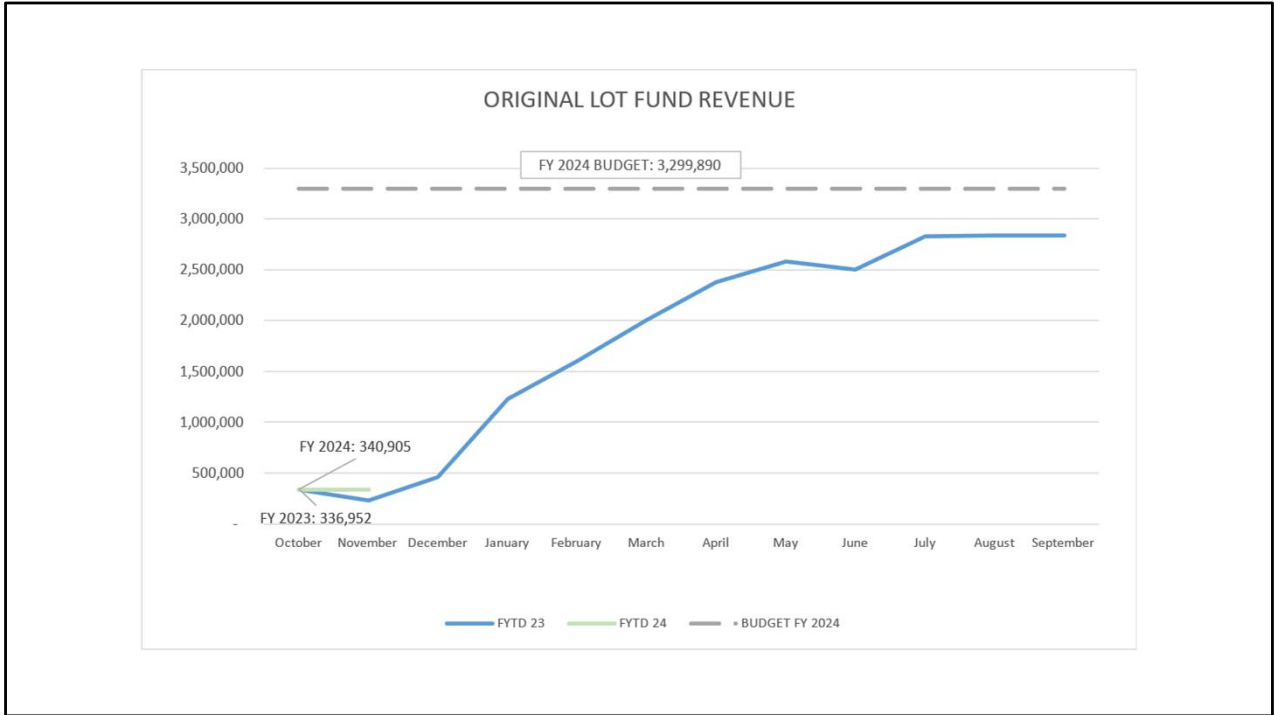


The General Fund expenditures are up 91,822 (12%) FYTD in comparison to last fiscal year. The increase is largely due to full payment of the ICRMP policy.

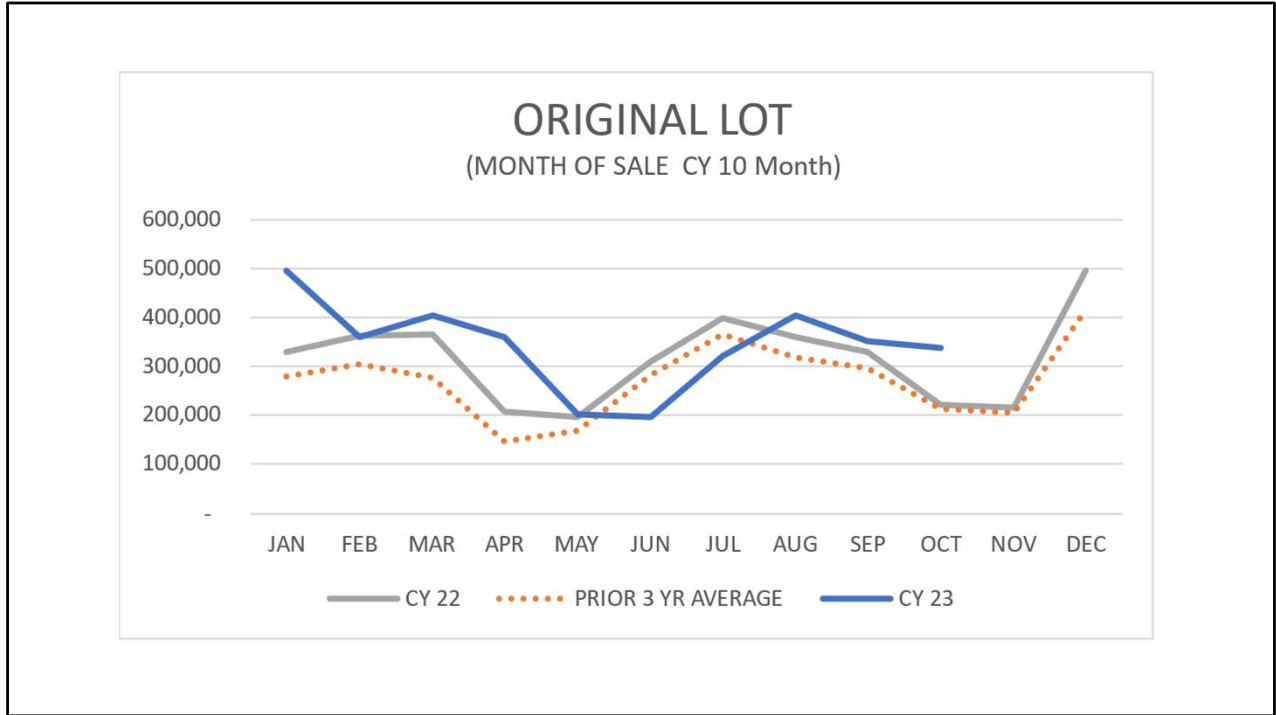




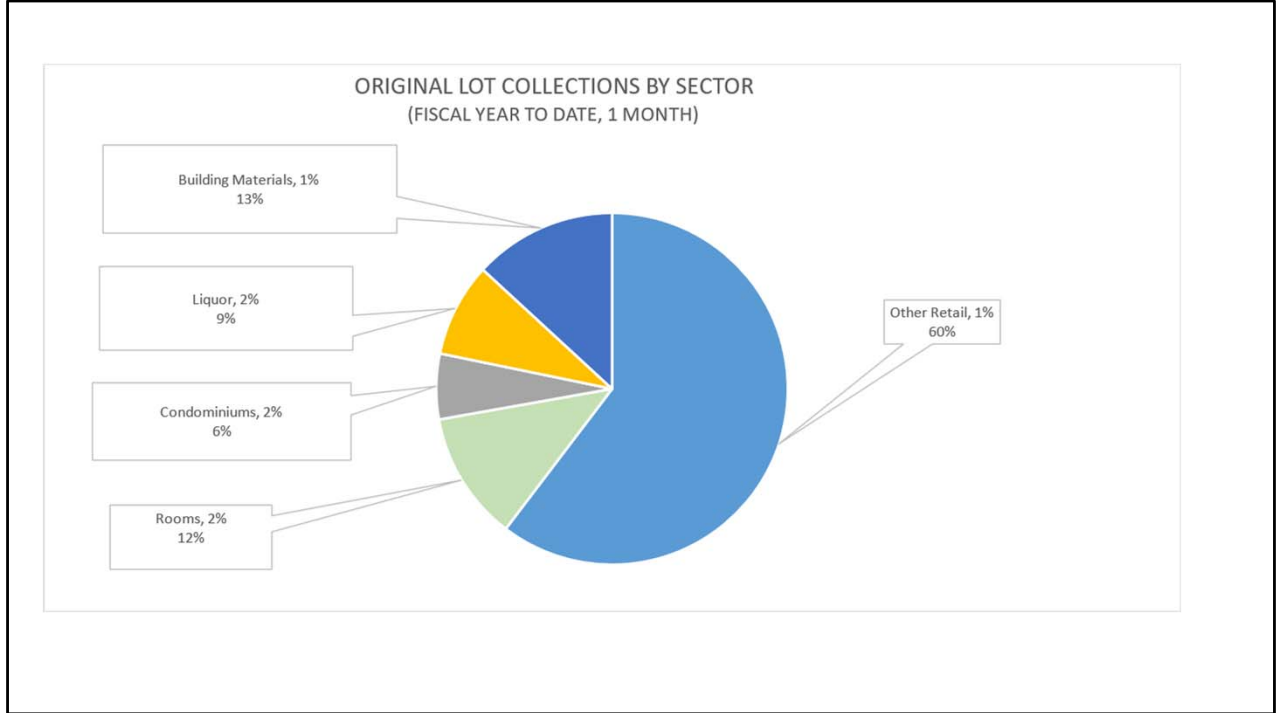
LOT Analysis



Revenue to the Original LOT Fund is up approximately \$3,953 (1%) FYTD.

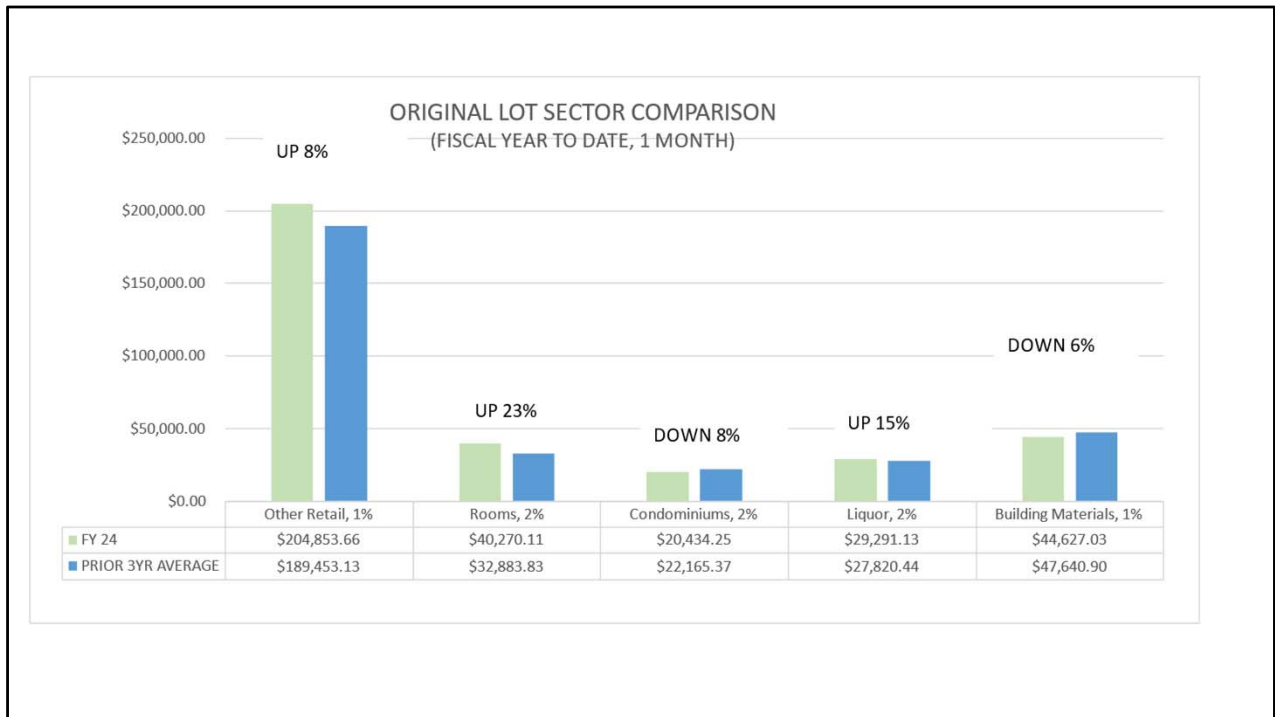


Original LOT for September month of sale are up approximately 6.5% compared to last year and up approximately 19% compared to the prior three-year average.



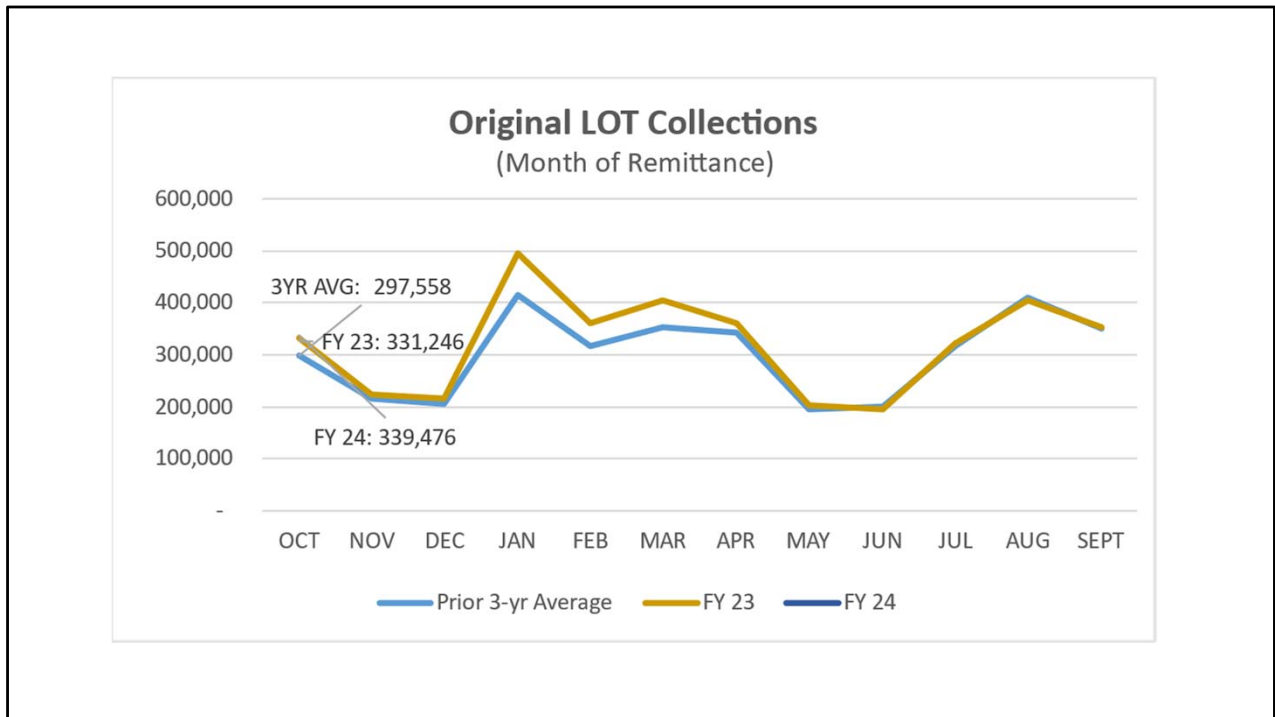
To date in FY 2024 (1 month), Original LOT collections have been generated by each sector as follows:

1. Retail has generated 60% of the total.
2. Building Materials have generated 13%.
3. Liquor has generated 9%.
4. Rooms have generated 12%.
5. Condominiums have generated 6%.



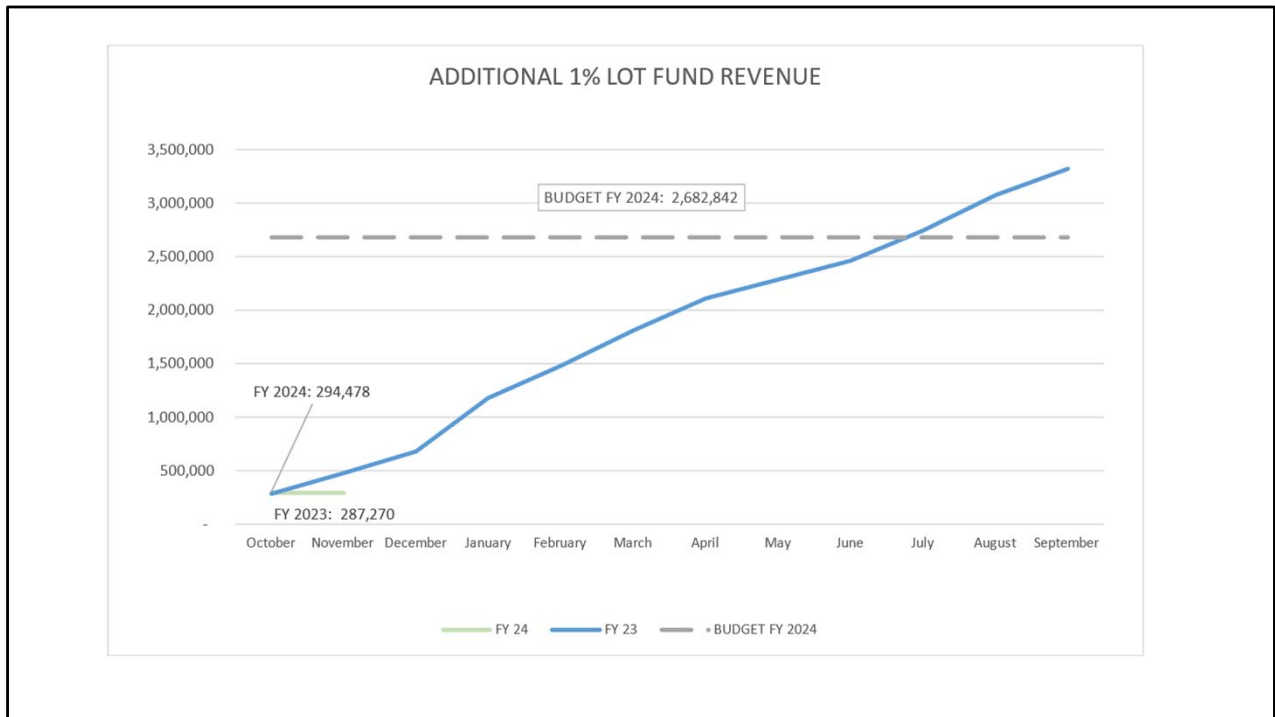
Through the eleven month of FY 2024, collections compared to the prior three-year average are as follows:

1. Retail is up 8%.
2. Rooms are up 23%.
3. Condominiums are down 8%
4. Liquor is up 15%.
5. Building Materials are up 6%.



Revenues from Original LOT covered sales are up approximately 14.1% compared to the average of the prior three years.





Revenue to the Additional LOT Fund is up approximately \$7,209 (2.5%) FYTD, September 2023 month of sale.

Additional 1% - LOT						
1.	REVENUES		Year to Date	%	Remaining	%
	Approved Budget (Amended)		2,682,842			
	Year to Date (YTD)		294,478			
	Fund Balance			11.0%	2,388,364	89.0%
2.	EXPENDITURES					
	Approved Budget (Amended)		2,682,842			
	SUN VALLEY AIR SERVICE BOARD		-			
	SVASB RELEASE FUND BALANCE		-			
	TRANSFER TO ORIG LOT-DIR COST		5,521			
	TRANSFER TO HOUSING		147,239	5.7%	2,677,321	99.8%
3.	MOS June					
4.	Net Position		141,719		SVASB payment scheduled November	
5.	Fund Balance Carry Over FY23		398,343		not audited	

SEPTEMBER MOS	Retail	Room	Condos	Liquor	Building	Totals	
Total	409,707.26	60,405.17	30,651.37	43,936.69	89,254.06	=	633,954.55
Sum Divided by	/2	/3	/3	/3	/2		
1% Additional Tax	204,853.60	20,135.06	10,217.12	14,645.56	44,627.03	=	294,478.37
Equals Add .5% SVASB	102,426.80	10,067.53	5,108.56	7,322.78	22,313.52	=	147,239.19 23.2%
Equals Add .5% HOUSING TRANSFER	102,426.80	10,067.53	5,108.56	7,322.78	22,313.52	=	147,239.19 23.2%
KETCHUM City Tax	204,853.66	40,270.11	20,434.25	29,291.13	44,627.03	=	339,476.18 53.5%
							633,954.55 100.0%

This report shows September 2023 month of sale (MOS).

Note: July 2023 MOS the split approved by voters between SVASB .5% and Community Housing (City/County) Transfer .5%.



In-Lieu Housing Fund

IN-LIEU HOUSING					
1. REVENUES		Year to Date	%	Remaining	%
Approved Budget		1,320,000			
Year to Date (YTD)		8,561	0.6%	1,311,439	99.4%
Fund Balance YTD		-			
2. EXPENDITURES					
Approved Budget		1,320,000			
Year to Date (YTD)		-	0.0%	1,320,000	100.0%
3. Net Position		8,561			
4. Fund Balance Carry Over		2,291,856		<i>to be used for Bluebird</i>	
FY 2022 Budgeted for projects		2,500,000			
FY 2023 Bluebird Additional Funding		800,000		3,300,000	Committed to Bluebird Project
		3,300,000		(551,551)	Paid to KCD Bluebird 8-2022
				2,748,449	Restricted for Bluebird FY2023 Budget
				(768,449)	paid to Blaine Co Title 11-2022
				(1,320,000)	unpaid Bluebird committed FY 2024
				(660,000)	unpaid Bluebird committed END OF PROJECT
				-	

In-Lieu Housing fund balance carry over is restricted for Bluebird Village.

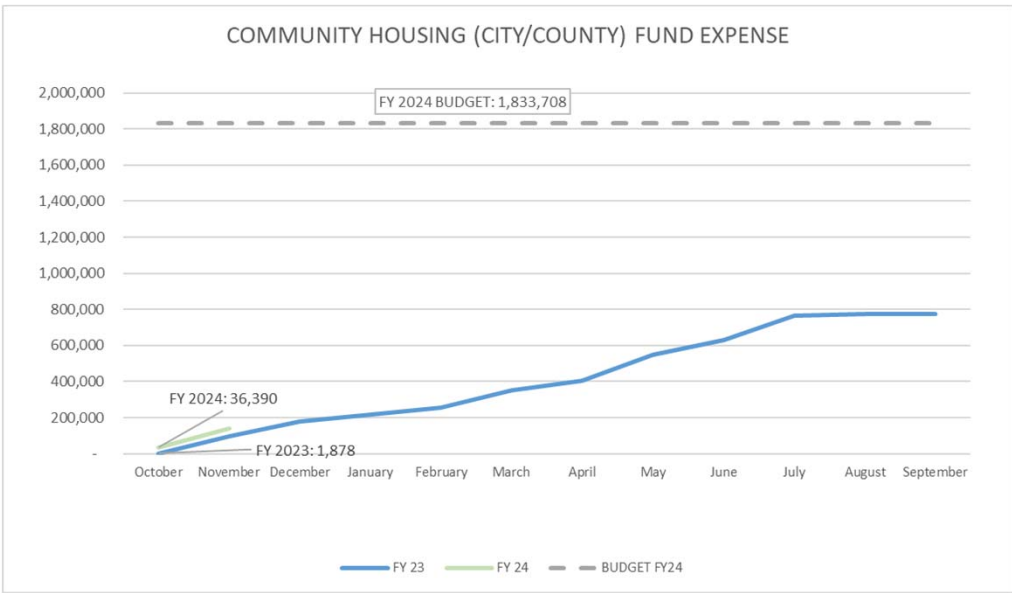


Community Housing (City/County) Fund

Community Housing (City/County) Fund

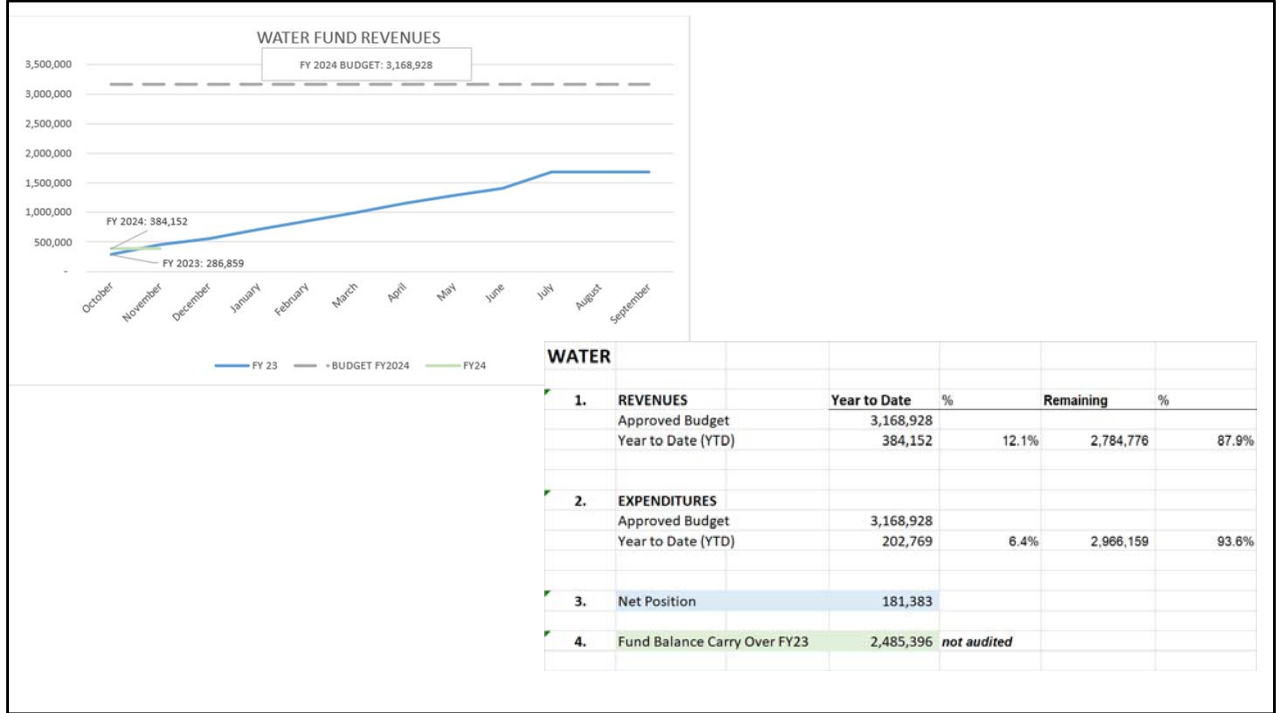
	<u>Year to Date</u>	<u>%</u>	<u>Remaining</u>	<u>%</u>
1. REVENUES				
Approved Budget	1,441,434			
Year to Date (YTD)	231,720	16.1%	1,209,715	83.9%
Fund Balance YTD	380,536			
2. EXPENDITURES				
Approved Budget	14,141,434			
Year to Date (YTD)	36,390	0.3%	14,105,044	99.7%
3. Net Position	575,865			
4. Fund Balance Carry Over	304,553	not audited		

LOT September Month of sale transfer is \$147,239.19.



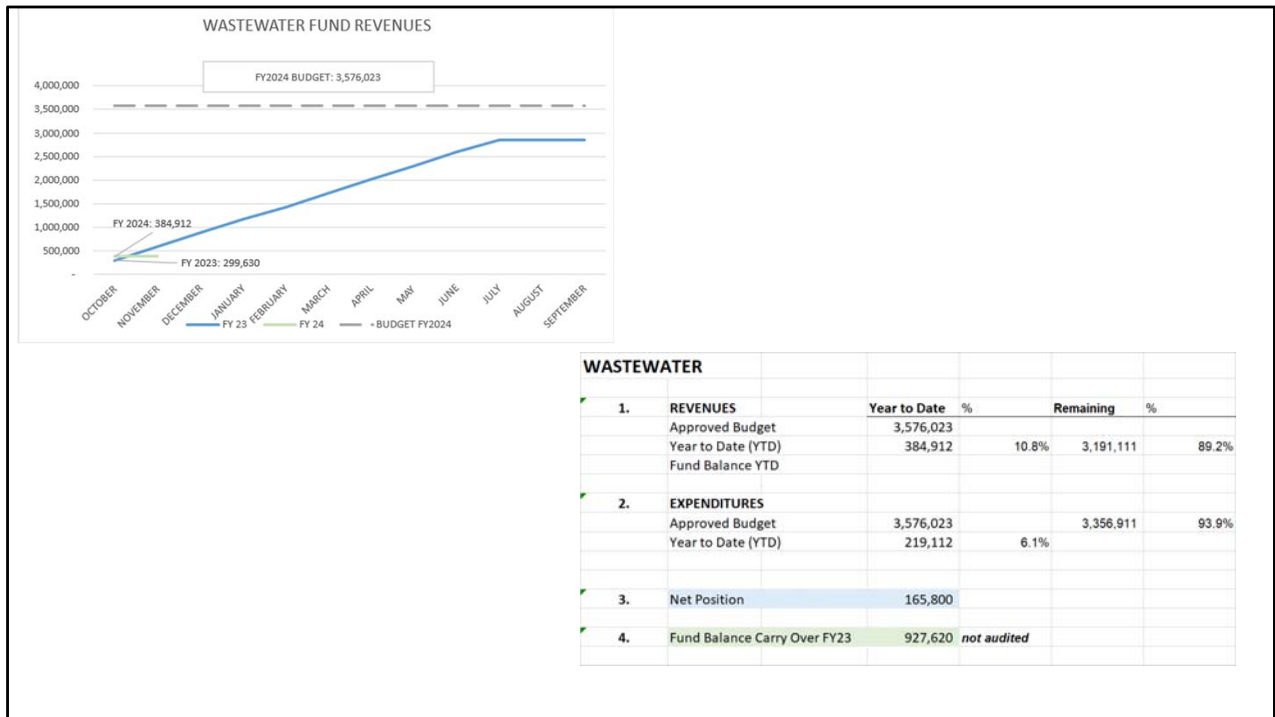


Enterprise Funds



The Water Fund revenues are up \$97,293 (33%) FYTD compared to last fiscal year.

WATER CIP					
1.	REVENUES	Year to Date	%	Remaining	%
	Approved Budget	785,000			
	Year to Date (YTD)	66,488	8.5%	718,512	91.5%
2.	EXPENDITURES				
	Approved Budget	785,000			
	Year to Date (YTD)	1,330	0.2%	783,670	99.8%
3.	Net Position	65,158			
4.	Fund Balance Carry Over FY23	578,410	not audited		



The Wastewater Fund revenues are up \$85,282 (28%) FYTD compared to last fiscal year.

WASTEWATER CIP					
1.	REVENUES	Year to Date	%	Remaining	%
	Approved Budget	3,923,653		3,837,114	97.8%
	Year to Date (YTD)	86,539	2.2%		
2.	EXPENDITURES				
	Approved Budget	3,923,653		3,865,033	98.5%
	Year to Date (YTD)	58,620	1.5%		
3.	Net Position	27,919			
4.	Fund Balance Carry Over FY23	8,753,314	not audited		



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

-
-

Sustainability Impact:

Financial Impact:

<input type="text" value="None OR Adequate funds exist in account:"/>	<input type="text" value="If awarded, this grant will pay \$50,000.00 towards the \$133,200.00 cost of the Collections Facility Plan."/>
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Attachments:

-

**State of Idaho
Department of Environmental Quality**

**AUTHORIZING RESOLUTION 23-015
Attachment SRF-03**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM AUTHORIZING THE MAYOR TO SIGN ALL APPLICATIONS, FUNDING AGREEMENTS, AND OTHER DOCUMENTS RELATING TO WASTEWATER PROJECT (PROJECT).

WHEREAS, the City intends to develop a Project for Wastewater facilities for the City wastewater system, such Project being necessary to determine the needs of the area for health, safety, and wellbeing of the people; and

WHEREAS, the Project is to be developed in accordance with the requirements in Idaho “Rules for Administration of Planning Grants for Drinking Water and Wastewater Facilities” (IDAPA 58.01.22), “Rules for Administration of Wastewater and Drinking Water Loan Funds” (IDAPA 58.01.12) and will set forth wastewater facilities required to be constructed to serve the needs of the area; and

WHEREAS, the costs of the Project of the wastewater facilities are eligible for state funding;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Ketchum, Idaho, that the Mayor is/are duly authorized to sign applications, grant agreements and amendments, and other documents relating to wastewater Projects.

Passed and adopted by the City Council of the City of Ketchum, Idaho on the 13th day of November, 2023.

By the following votes:

AYES: Number of Yes Votes

NAYS: Number of No Votes

ATTESTED BY:

City Clerk

Mayor



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

-
-
-

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

Financial Impact:

Attachments:

-
-



Request for Proposal: City of Ketchum, ID

Comprehensive Plan Update – 2023 Community Survey
UPDATED OCTOBER 2023

a division of



Submitted by:

Nathan Wiggin
VP of Consumer Insights and Solutions
nathan@comengage.us
206.659.7220

Proposal Prepared by:

Sam Fleishman
Client Relationship Manager
sam@comengage.us
206.349.2485

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Cover Letter

April 12, 2023

Jade,

ComEngage has deep Idaho roots that it would like to maintain and grow. For this reason, it gives us great pleasure to submit this proposal to the City of Ketchum. We are also enthusiastic about our proposal for the task at hand, gathering statistically valid, inclusive community feedback on the 2014 Comprehensive Plan as part of an audit and focused update.

Like many towns and cities across the country, especially those offering a unique location and character, Ketchum is grappling with soaring housing costs and a lack of affordable housing options. This leaves the city faced with difficult decisions in how to balance the need for housing diversity and housing creation with the desire to preserve its special character.

We applaud the city for recognizing the value of engaging residents in this process with a robust and statistically valid survey. We also applaud the city's commitment to ensuring that the survey effort is inclusive of all residents, notably those traditionally underrepresented in survey research. We are excited to propose an innovative methodology, conjoint analysis, we just used for Bellevue WA's Comprehensive Plan Update. We provided Bellevue with clear, valuable insight into the characteristics of neighborhoods residents want to live in and the tradeoffs they are willing to make. We look forward to tailoring a similar methodology to the specific challenges Ketchum faces and providing the city with a valuable tool in rewriting land use regulations.

ComEngage, a division of ReconMR, focuses exclusively on serving the public sector and not-for-profit organizations to provide reliable, valid insights that guide forward-thinking decisions. We strive to be the go-to resource for best practices in community engagement and research programs by . . .

- Using best-in-class technology to collect and report on quantitative and qualitative research data.
- Blending state-of-the-art research, engagement, and reporting processes with collaborative planning and methodological rigor to deliver the insights you need in a timely manner.
- Providing the opportunity and ability for everyone in the community to be included.
- Developing sustainable designs that can be replicated over time, providing insights now and into the future.

We have developed robust platforms and a streamlined community survey process that is tailored to each community's objectives. Our process uses city resources efficiently and delivers a finished product that can be shared with the community in a filterable dashboard.

We look forward to meeting with you to discuss our proposed approach in more detail.

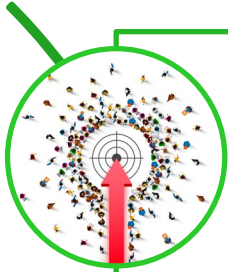
Nathan Wiggin

Nathan Wiggin

VP of Consumer Insights and Solutions

206.659.7220; nathan@comengage.us

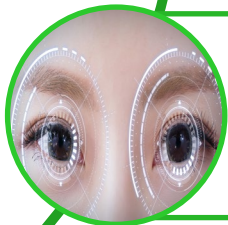
Who We Are



ComEngage, a division of ReconMR, was established from a desire to be the go-to resource for best practices in inclusive research and engagement practices enabling our clients to be better informed when making decisions that impact how we and future generations live, work, and play. We are reinventing the traditional research process—moving from the model of periodic, single touch research to ongoing two-way dialog between citizens, customers, and stakeholders to fully incorporate the voice of the communities they serve in their decision process.



ComEngage connects **public, regulated, and not-for-profit organizations** with the communities and customers they serve by providing the expertise, resources, and technology needed to design and deliver tailored research and engagement programs that inform decisions about policies, programs, and projects and strengthen relationships with the public and communities they serve.



ComEngage fosters an inclusive, research-based community research and engagement process that proactively and continuously allows the voice of the community to be fully integrated into transparent and responsive conversations that drive decision-making and build goodwill.

BEST-IN-CLASS TECHNOLOGY

- Powerful, multi-mode quantitative technology platform integrates data collection, analysis, and reporting
- Community management and online platform to support asynchronous and in-person qualitative activities
- Text analytics software to analyze, code, and transform open-ended responses into valuable insights
- Fully mobile and WCAG compliant

TAILORED BUT EFFICIENT

- Questionnaire library includes tested measures to assess key performance or customer experience metrics and inclusive demographics
- Custom questions are based on extensive background research
- Multi-method approaches represents best practices in quantitative and qualitative research and engagement

HIGHLY COLLABORATIVE BUSINESS MODEL

- Onboarding process ensures client trust and buy-in to process and results
- Operational efficiency delivers high quality services for a lower cost
- Strategic partnerships provide resources to meet specific project needs

INCLUSIVE

- Access for limited English proficiency populations
- Reach underserved and historically under-represented communities and individuals through targeted outreach and recruitment
- Customized content ensures an engaging user experience

SUSTAINABLE

- Programs / solutions are easily updated providing long-term, sustainable solutions
- Designed to minimize environmental impact



Project Understanding

The City of Ketchum recognizes the value in conducting the first general community survey in over ten years. It also wants to conduct a statistically valid and inclusive community survey specifically focused on the current effort to update the 2014 Comprehensive Plan. This is part of a robust regional effort to address severe challenges facing the community, particularly in housing and land use policies.

The city can only conduct one survey at a time, and each survey can only cover so much ground. While ComEngage would be happy to discuss a multi-phase research effort for the future, this proposal focuses on conducting a single community survey this summer, leaving additional work for future discussion.

For this first survey, we set out to outline an approach that:

- Provides the ideal mix of survey content and survey length to meet the most pressing current research objectives.
- Aligns with the city's focus on achievable goals that have a reasonable chance at implementation.

We conducted extensive background research on the issues facing Ketchum, including other research studies, the Ketchum Housing Action Plan, and the existing Comprehensive Plan. There are many important and interesting topics that merit exploration, but we have limited access to residents' bandwidth. We will work with you in the questionnaire design process (described below) to flesh out the most pressing research objectives, but we suggest the following as a starting point for the discussion:

1. The survey would begin with a short and very general section focused on an overall evaluation of the city and city government performance.
2. A Community Vision section would measure residents' alignment with current priorities by ranking them and measuring the relative importance of each one. See page 12 for an example of the output.
3. The conjoint analysis section will allow residents to make tradeoffs between different combinations of land use goals and policies, helping you to identify the most important ones and to identify ideal combinations, and allowing you to probe deeply into the preferences and objections from different groups of residents. It is a powerful tool that provides more meaningful and actionable results than simple importance scales or preference ratings.

We explain this in greater detail below and we are more than happy to discuss it with you further to design a project that suits your specific needs.

Our Approach

Our overall approach to designing and implementing a research solution tailored to your goals and objectives is one of collaboration. Your first-hand knowledge of the community, its residents, and the decisions you face plays a crucial role in crafting relevant survey questions that generate actionable data. Our Community Management Team (CMT) will work with your team to ensure all research objectives developed in this process are clearly understood and documented. We then develop a detailed work plan designed to meet your objectives and work with you throughout the process to ensure we are on-track.

Our collaborative effort typically consists of four steps, detailed on the following pages. In addition, we will outline the steps unique to incorporate an exercise that used conjoint analysis, encouraging residents to participate in the trade-offs communities are making today to meet the challenges outlined above. We used this approach for a Comprehensive Planning Survey for the City of Bellevue WA.

Step 1: Project Setup and Management

Understand Study Objectives: Upon being awarded the project, we schedule a series of meetings to ensure everyone clearly understands the overall purpose and scope of the project, the study objectives, the research question(s) and to define the necessary steps to move the project forward. We often hold the first of these meetings prior to the contract being finalized. While most of these meetings can be held remotely, we recommend at least one onsite meeting during which your CMT can meet individually with work group members and other stakeholders to better understand their needs and expectations for this research effort.

Document: After the kickoff meeting, ComEngage begins the documentation process in the form of the Work Plan. Initially, the proposal serves as guidance for the Work Plan. The plan is updated as study objectives are solidified, specific methodologies and procedures are decided upon, and the scope is fully documented. The Work Plan includes a detailed timeline. We have reviewed the dates outlined in the RFP and we can commit to these dates. We have included a more detailed timeline for the project in the appropriate section below.

Management: We believe in the PEER (Plan, Evaluate, Execute, Review) approach to project management. At each major step in the Work Plan, we take a moment to **evaluate** progress and the current situation to see if anything has changed that might impact the plan. We then **execute** that step of the plan. The final step in our management plan is **review**. After each major task, cycle, or project, we like to hold a debrief meeting. The purpose is to recap what was planned and what happened, as well as to note improvements and things that worked well.



Step 2: Study Design (Questionnaire and Outreach Materials)

Understand Research Questions: This is very similar to understanding the study objectives, but with a narrower focus on the questions you need answered. This is the most important and sometimes difficult part, and it requires the most input from your team. It involves a short series of meetings over 2 to 4 weeks, during which ComEngage works with your work group to uncover the core elements of what you want to know. This creates the foundation from which the questionnaire is written.

Questionnaire Development:

- Starting with the research questions, we will produce draft questionnaires for your review and discussion. Survey length affects response rates, which begin to decline significantly after 10 minutes.
- We will work with your team, to develop a questionnaire that is focused on a set of simple, core measures capturing a deep understanding of basic resident and community needs and perceptions that can be used to highlight areas of strength and identify opportunities for growth.
- We will use previous surveys as a starting point in an iterative process, retaining questions that provide meaningful longitudinal measures and/or drive key performance indicators, but updating the survey wherever possible to be more user-friendly and provide more actionable results.
- The questionnaire is programmed early in the development process, making it easier for reviewers to get a sense of the respondent experience. Once we have a solid draft, ComEngage programs the survey and provides links for review. Viewing the programmed survey early in the process promotes efficiency.
- Testing, the programmed questionnaire is tested thoroughly through peer review and outside test participants. We do a random data generation to look for potential issues with answer patterns.

Given what we currently understand about the survey goals and objectives, we suggest including a conjoint activity to better understand how Ketchum residents and other stakeholders feel about different housing and land use options. Conjoint analysis is an effective tool for finding out how respondents prioritize different attributes (i.e., features, characteristics) of a product or policy by simulating real-world tradeoffs (ex: housing density and on-street parking, or horsepower and gas mileage) so that respondents must choose between several different combinations of attributes. It quantifies both the relative and absolute ratings of each

attribute, in terms of importance to respondents, so that you know the order of priorities and by what magnitude one is more important than another.

Conjoint is used in many academic, product development, healthcare service delivery, and transportation studies. It is widely recognized as a useful tool for understanding how people work through complex decisions. In product development, conjoint is used to gain insight on usefulness or desire for new products, designs, or features, however, conjoint is unknown to local governments.

Respondents are presented with a set of questions asking them to choose which option they prefer (see example).

Conjoint analysis has many advantages over traditional question formats. When using stated importance questions (e.g., “On a scale of 1-7, how important is X to you?”), respondents often respond that everything is important. However, this is rarely true and does not measure the tradeoffs they consider in real life decision-making. Ranking questions have similar problems. Notably, there is no measure of the magnitude of the difference between Rank #1 and Rank #2. A conjoint study solves both shortcomings.

Here are a few neighborhood designs you might like.
 For each one, indicate whether you could live here or not.
Don't spend too much time thinking this over, just go with your first instinct. You are not trying to pick your favorite, just you could live in the neighborhood or not.
This will be repeated six times and helps us understand what attributes are important to you.

(1 of 6)

	Neighborhood 1	Neighborhood 2	Neighborhood 3	Neighborhood 4
Affordability	No requirements for affordable housing.	Some requirements for affordable housing.	Some requirements for affordable housing.	No requirements for affordable housing.
Green space	Small park or trail within a 5-minute walk, no parking.	Large city parks with parking and many amenities within a 10-15 minute drive.	Large city parks with parking and many amenities within a 10-15 minute drive.	Small park or trail within a 5-minute walk, no parking.
Street Design	Pedestrian and bike oriented street design that prioritizes safety and slower speeds.	Pedestrian and bike oriented street design that prioritizes safety and slower speeds.	Pedestrian and bike oriented street design that prioritizes safety and slower speeds.	Streets designed for efficient automobile traffic.
Businesses	Denser development with small and large businesses within walking distance.	Some small businesses within walking distance.	Only residential zoning, must drive to all businesses.	Some small businesses within walking distance.
Housing Mix	A mix of small condos and apartment buildings, townhomes, single-family homes, and duplexes	Mostly apartment and condo buildings, 5-stories or taller	One house per lot.	Mix of one house per lot, duplexes, and townhomes.
	<input type="radio"/> I could live here	<input type="radio"/> I could live here	<input type="radio"/> I could live here	<input type="radio"/> I could live here
	<input type="radio"/> I could never live in this neighborhood	<input type="radio"/> I could never live in this neighborhood	<input type="radio"/> I could never live in this neighborhood	<input type="radio"/> I could never live in this neighborhood

[Back](#) [Next](#)

We have examples of the output from a conjoint study in a case study below.

Outreach Materials: While questionnaire design is critical, effective outreach materials are also important to ensure high and representative response rates. The example below is the double-sided postcard we used for the City of Bellevue. It has the message in English on the front and other languages on the back. We will translate the message into Spanish for the reverse side in Ketchum.



Access: ComEngage has long recognized that many stakeholders and individuals were underrepresented or being entirely left out of research and community engagement programs—in part because of unequal access to these programs. A guiding premise behind all that we do is to ensure that our work provides everyone with a seamless opportunity and ability to take part. By seamless, we mean access is **barrier free and equal**. This is important for the user experience, but also affects data quality.

We ensure that all potential respondents can easily access the research / engagement program in the language with which the respondent is most comfortable. We will make the survey accessible to all by translating all outreach materials and the survey into Spanish (both online and phone) to reach those with limited English proficiency. We also consider other capabilities—e.g., we have been leaders in addressing the ability of the visually-impaired to access and complete our studies.

Step 3: Listen

Design Methodology: *This is what sets us apart.* We propose an approach that uses best practices in community research to reach out to and engage all Ketchum households. In our experience, the biggest challenge for most community research projects is ensuring adequate participation from residents who are historically under-represented. While there is no magic formula to solve this, ComEngage takes it very seriously and has consistently been ahead of the curve for our industry in addressing this challenge.

Our approach is to:

1. Take the research to the respondents, rather than making respondents come to us.
2. Make it as easy as possible for residents to engage.
3. Engage these communities through organizations and leaders they trust.
4. Make a strong case about how participation will benefit them – consider immediate incentives like food and/or gift cards.

Our process is transparent and inclusive so your team, your staff, your elected officials, and residents can have confidence in the findings.

Reach out to all Residents: Census data from 2020 shows that Ketchum contains 3,659 housing units but is only home to 3,555 residents living in 1,567 households.

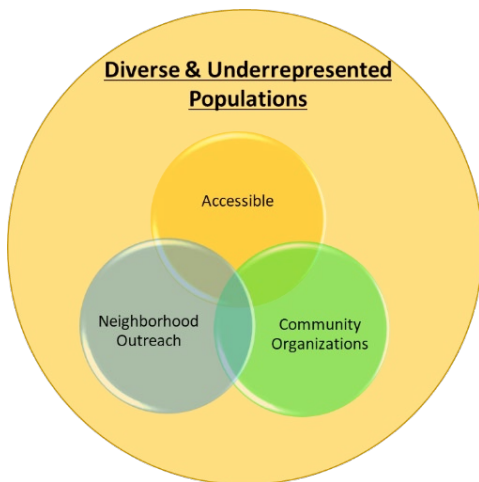
To achieve the goals of a statistically valid sample in a small community like Ketchum, we recommend drawing an address-based-sample (ABS) of ALL addresses within the city limits. For Ketchum, we will also reach out to all second homeowners, as requested by the city.

Through this outreach, we will work to ensure a minimum of n=350 respondents (an 8.7% response rate when second homes are included), providing a margin of error of plus or minus 5% percentage points with a 95 percent confidence level or 4.1% with a 90 percent confidence level.

We use the Postal Service database which is constantly updated. Addresses are run through a variety of databases and contact information is appended where available. This includes phone number (cellular and land line), email address, name, and demographics. Through this process, we also have the option to include or exclude vacant homes, that typically indicate residents who have a second home in Ketchum or are renters.

When conducting an inclusive and representative survey, who is asked to participate matters. Rather than assuming every adult in the household has the same opinion and limiting the survey to one response per household, we recommend allowing all adult household members to take part. For this study, we recommend allowing up to two participants per household. Each record (address) is then assigned a unique identifier, called a SurveyID, allowing us to assess response rates.

Residents are invited to the survey through a variety of methods. All addresses receive a postcard inviting them to the survey. We use email and MMS campaigns to all email addresses and cellular phone numbers. These are TCPA compliant, limited to three communications, and easy to opt out of. An outbound phone campaign is used to reach out to non-responders.



Targeted Outreach: ComEngage strongly believes that everyone deserves a voice. While our overall approach is effective in ensuring representation of most residents, it does not reach and ensure inclusion of everyone. Therefore, we propose working with you and your community partners to develop direct outreach to community organizations, local government agencies, and locally appropriate outreach. These efforts are designed to help ensure that those who are historically underrepresented in survey research are included and we fully represent the full diversity of residents.

City-Driven / Other Outreach: More importantly for this project, we will work with the city to effectively engage harder to reach

segments of the population that are underserved by the current housing market. To include in-migrating workers into Ketchum, we would work with the city to distribute the survey to the city's employers, by collaborating with the Wood River Valley Chamber of Commerce to coordinate outreach to its members. We can also work with them to promote employer distribution to employees and awareness among in-commuting workers.



Attracting participation by younger residents, lower income residents, and renters can be more challenging, since their incidence is low. We can work with the city and applicable community

organizations to promote the survey through available channels. We recommend promoting the survey to all Ketchum residents using all the outreach resources the city has at its disposal. The city and its community partners can push out word of the survey via social media, at local/community events, and/or using local media. This is an efficient and cost-effective way to increase the overall sample size. In addition, it provides transparency to all community members, and provides everyone with an opportunity to have their voice heard.

Step 4: Uncover

Understand Reporting Objectives: Our first objective in reporting is understanding who the audience is, what data they want, and how they want it. We often get the answers to these questions while we are in the project setup and design steps, but we find it useful to recap the reporting objectives once we are in data collection, ensuring that the final report meets expectations.

Design Report Template: Rather than multiple reports and detailed cross-tabulations that are hard to navigate, we use an online Dashboard to present the results from quantitative survey efforts. Dashboard design begins in parallel with questionnaire and outreach design, all using the city's branding. The test data generated while reviewing the questionnaire is used as template data used to design tables, charts, filters, etc. for the report. We also use results from the pretest to populate the dashboard.

Learn and Share: *This is the exciting part.* The magic begins a few days after data collection begins when we switch to live data (updated every 24 hours). We continue developing the report while collecting data, and we have everything developed before all data is collected. The time of waiting weeks or months for a report has passed; your entire report is available no more than 72 hours after data collection is complete. We have even kept data collection open until 24 hours before a presentation, meaning we could tell Council that the results were completely current and relevant.

Your team and residents (if you choose) have access to the results, including the ability to explore results through filters, comparisons, or splits. We use best practices in analytics and data visualization, as illustrated in the screenshots below that are taken from several live dashboards. You can view some of these dashboards by clicking on links provided in the case studies we have provided in the section on our experience.

Final Deliverables: In addition to your Dashboard report, our staff will distill the narratives into a concise presentation deck or other written summaries, and then present it to the City Council. Nathan is an experienced and highly capable presenter and will be available for remote or in-person presentations. All reports, charts, and tables from the Dashboard are exportable for use in other materials and multiple formats (Excel, PowerPoint, PDF).

Examples of the look and feel of our dashboard reports and data visualization capabilities are found in the following case study.

Case Study – Conjoint Analysis in a Comprehensive Plan Update Survey

City of Bellevue, WA 2023 Comprehensive Plan Update Survey	Conducted: November 2022 – April 2023	Brooke Brod, Community Engagement Lead BBrod@bellevuewa.gov 425-452-6930
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Bellevue’s 2023 Comprehensive Plan Update Survey

The Planning Department’s Community Engagement team chose ComEngage to conduct a representative survey to firmly support its recommendations for the required 2024 update. The resulting survey effort collected 1,152 responses from a broad and representative sample of Bellevue residents.

The dashboard report for this project can be found here: [Comprehensive Plan Update Survey | Displayr](#). It has not yet been published on Bellevue’s website for the Comprehensive Plan Community Engagement process, [Bellevue 2044 | Engaging Bellevue](#), since the final report was delivered at the end of April.

Bellevue’s primary objectives were to learn more about:

- How to prioritize certain planning goals.
- What features people value in a neighborhood.
- How open residents are to adding new housing types throughout Bellevue and in their neighborhood.

The resulting survey included a variety of question types including:

- Questions designed to understand activities and services people access and might want more of.
- Questions designed to understand how people ranked different development priorities.
- An exercise that asked people to build their “ideal” neighborhood based on a select set of criteria designed to understand how much importance people place on different selection criteria.
- Questions designed to understand people’s support for increased housing choices throughout Bellevue and in their specific neighborhood.

Development Priorities: Utility Scores – Relative Importance & Rankings

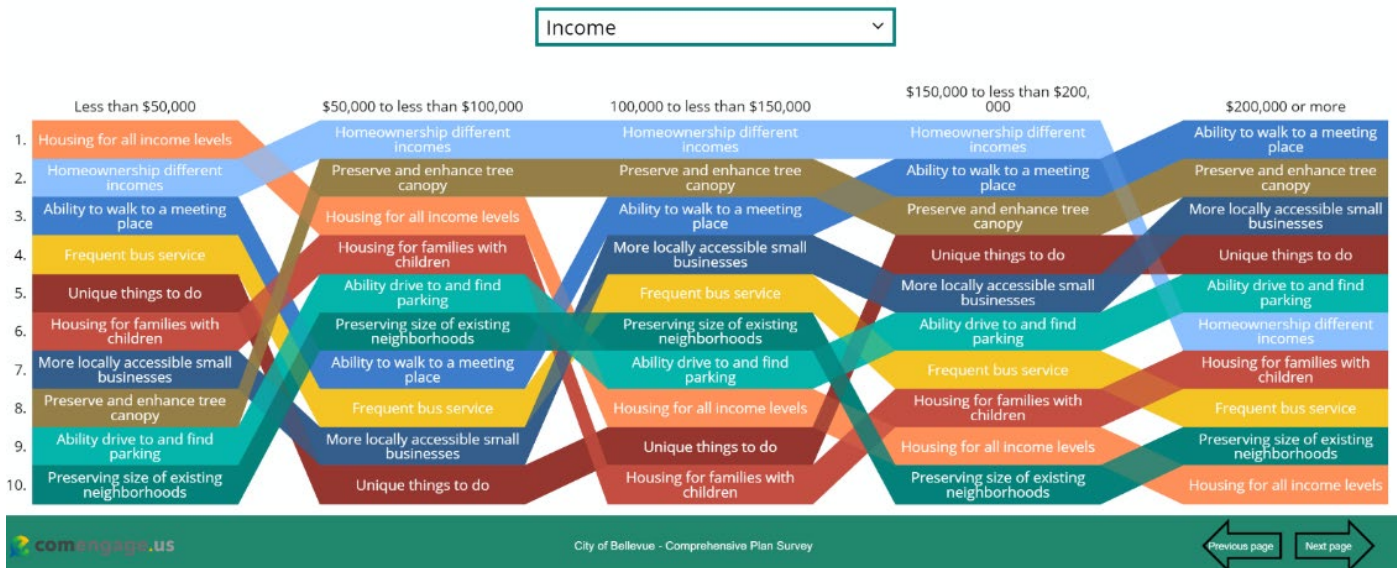
The survey included traditional ranking and preference questions to explore a range of issues – the Development Priorities listed below – related to the Comprehensive Plan.

- Preserving the size and scale of Bellevue’s existing suburban/mid- century neighborhoods
- Unique places to visit and things to do in the city
- Homeownership opportunities for people with different incomes
- Housing for people of all income levels in every neighborhood
- People in Bellevue have access to frequent bus service– at least every 15 minutes
- Residents can walk to a meeting place like a coffee shop or library
- Residents can drive to destinations and easily find parking there
- Preserve and enhance tree canopy
- More small businesses that are accessible to local neighborhoods
- Housing that meets the needs of families with children

The utility scores derived in this exercise sum to 100 and represent relative importance, which makes them useful for comparison and segmentation. The screenshots below from Bellevue’s dashboard include a bump chart showing differences in ranking development priorities by income, and then the relative importance of those priorities for the entire sample below that.

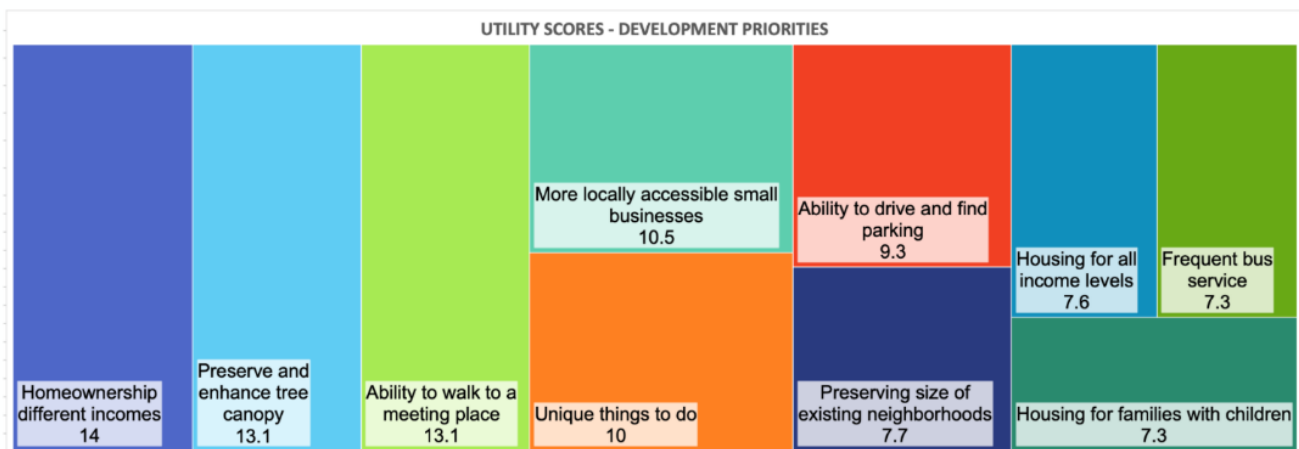
Development Priorities - Rankings

This chart allows you to explore how residents rank development priorities. You can select different demographic characteristics from the drop-down menu to compare how different groups ranked the priorities.



Development Priorities - Relative Importance

The structure of this question was designed to understand the relative importance the priorities. Each priority is assigned a “utility score” and together all the scores add up to 100. This shows how much more important any one priority is from another. For example, frequent bus service has a utility score of 7.3, and preserving tree canopy has a utility score of 12.1. Comparing these scores, we can say that Bellevue residents, on average, think preserving tree canopy is nearly twice as important a priority as frequent bus service.



Attitudes Towards New Housing Development

The unique wrinkle ComEngage added to the Bellevue’s study was intended to measure and examine three aspects of residents’ openness to increased housing density:

1. Those who support increased housing density in their neighborhood,
2. Those who oppose increased housing density,
3. Those who support increased housing density, but not in their neighborhood (aka, NIMBYs).

Looking at this data we can better understand differences in attitudes towards new housing development based on select demographic characteristics like age, homeowner status, income, etc.

BELLEVUE 2044 COMPREHENSIVE PLAN Building A Livable City for All

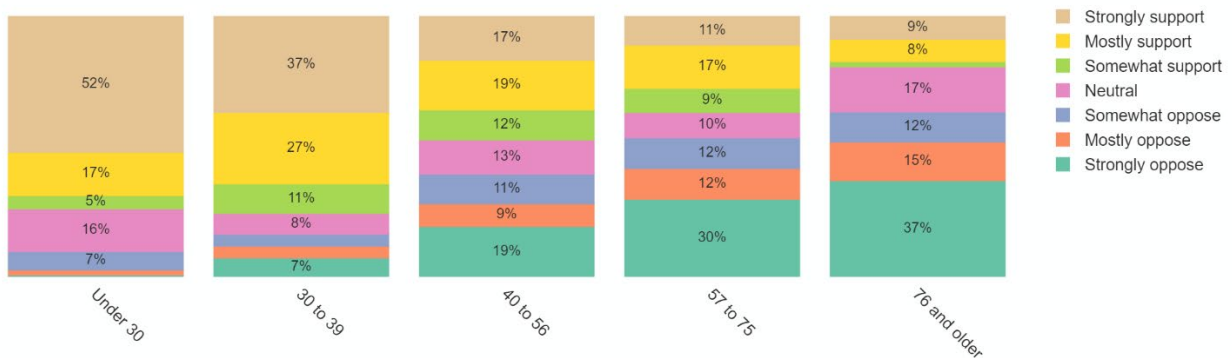
Detailed - New Housing Development Throughout Bellevue

Please indicate your level of support for increased housing, including townhomes, apartments and condominiums, throughout Bellevue

Overall, 67% of Bellevue residents support new housing development through Bellevue.

Use the drop-down menu to compare results across demographics.

Age



Neighborhood Preferences

The key to designing any successful conjoint analysis study is creating a meaningful and user-friendly set of **attributes and levels** that closely mirror the relevant tradeoffs you want respondents to make.

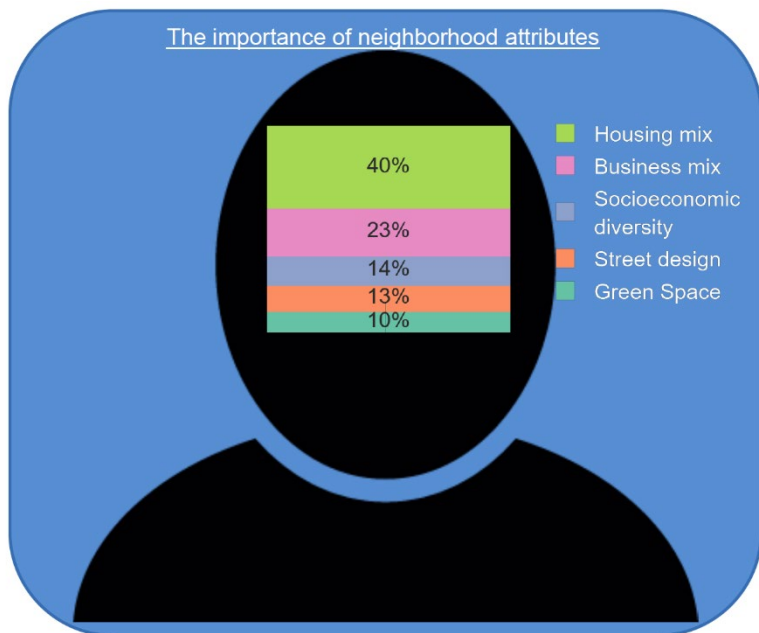
Our Bellevue Comprehensive Plan Update survey report describes this as a special exercise to better understand what features residents prioritize when considering their ideal neighborhood based on a specific set of criteria.

Respondents were prompted to **“Think about the kind of neighborhood you would like to live in today and in the future. What would your neighborhood look like?”**

Then they were presented with a series of neighborhood designs that combined attributes in different ways. The five main **attributes** were:

- Housing Mix
- Business Mix
- Green Space
- Street Design
- Availability of Affordable Housing

There are other attributes that make for an “ideal neighborhood” – safety, schools, proximity to jobs, cleanliness. For the purposes of this survey, Bellevue chose these attributes as key to this specific planning process. Analyzing the choices people made allowed Bellevue to gain insights into which attributes are most important to people and the preferred option – or **level** – within each attribute. They were also able to examine the differences and commonalities between demographic groups.



There is a great deal of complexity to making a decision like choosing a neighborhood to live in. In the real world, there are always tradeoffs when it comes to complex decisions. When it comes to the self-described "ideal neighborhood", most people have must-haves and unacceptables, as well as characteristics that are more flexible. People weigh the importance of multiple attributes, prioritize them, and then make decisions. Using sophisticated statistical tools, we can measure and analyze this weight of importance. These statistics are called "importance scores."

Importance score = the amount of "weight" an attribute holds in a person's decision-making. Given the specific set of attributes laid out in the survey activity; the average Bellevue resident (see left) will

most heavily weigh housing mix when choosing an ideal neighborhood. 40% of their decision will be based on the housing mix. Therefore, housing mix has an **importance score** of 40%. The average resident will also give a significant amount of weight to the business mix. 23% of their decision will be based on the business mix. Business mix has an importance score of 23%. Attributes like green space, street design, and socioeconomic diversity will also impact their decision, but are weighed less heavily in the decision-making process than housing and business mix. Importance scores add to 100%. Subsequent report slides show how the importance scores change between demographics like age, rent vs. own, dwelling type, current neighborhood.

Levels – People’s Preferred Neighborhood Characteristics

The second question we looked at when analyzing the data from this part of the survey is, **“Within each attribute, what preferences do people have for the different options?”**

After looking at the relative importance of broad scale attributes and how people weigh or consider them when making complex decisions, Bellevue’s report looks closer at the individual attributes. Each attribute category (i.e., Housing Mix) contains various levels (which are shown to the right). These options represent what people can find in Bellevue today and what the city might consider expanding in different neighborhoods.

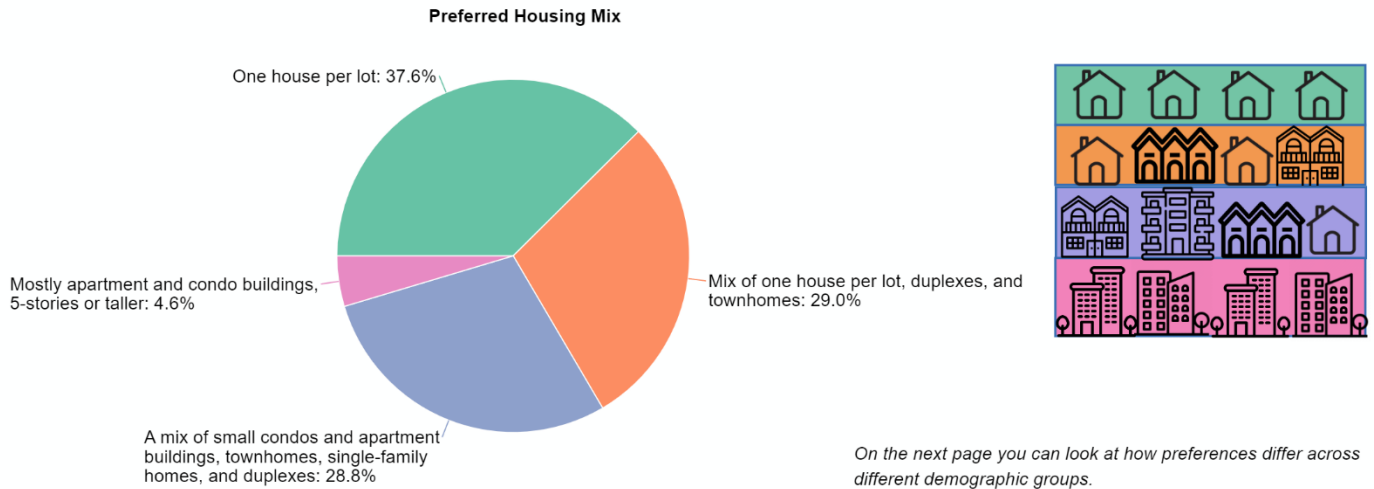
<u>Housing Mix</u>	<ul style="list-style-type: none"> • Only residential zoning, must drive to all businesses • Mix of one house per lot, duplexes, and townhomes • A mix of small condos and apartment buildings, townhomes, single family homes, and duplexes • Mostly apartment and condo buildings, 5-stories or taller
<u>Business Mix</u>	<ul style="list-style-type: none"> • Only residential zoning, must drive to all businesses • Some small businesses within walking distance • Denser development with small and large businesses within walking distance
<u>Green Space</u>	<ul style="list-style-type: none"> • Small park or trail within a 5-minute walk, no parking • Medium sized parks 15-20 minute walk away with some parking and amenities • Large city parks with parking and many amenities within a 10-15 minutes drive
<u>Street Design</u>	<ul style="list-style-type: none"> • Pedestrian and bike oriented street design the prioritizes safety and slower speeds • Streets designed for efficient automobile traffic
<u>Affordable Housing</u>	<ul style="list-style-type: none"> • Some options for affordable housing • No options for affordable housing

Subsequent report slides analyze people's preferences for the different options, with one attribute per slide. See the slide for the Housing Mix attribute below.

BELLEVUE 2044
 COMPREHENSIVE PLAN
 Building A Livable City for All

Housing Mix

Looking within the Housing Mix attribute we are able to see residents' preferences for different density levels. We see that residents want a variety of housing types available. The analysis shows that while "one-house per lot" received the largest single-share of support (38%), overall residents have a preference for neighborhoods that have a mix of housing types (62%) from lower to higher scale densities.



Popularity of Neighborhood Types

The final section of the report shows the results of a deep dive into the popularity of different neighborhood types among different segments of the population. These neighborhood types were developed by bundling the most popular realistically-possible levels of all attributes for each of the Housing Mix options.

- Who prefers Single-Family Residential, Low Scale Residential, Mixed Use, Urban Core?
- Analysis revealed four neighborhood designs with high levels of resident preference (shown below).
- The major takeaway from this analysis is that people have different needs and preferences, and that Bellevue should try to plan for a variety of neighborhood types.

Single-Family Residential	Low Scale Residential	Mixed Use	Urban Core
 One house per lot	 Mix of one house per lot, duplexes, and townhomes	 A mix of small condos and apartment buildings, townhomes, single-family homes, and duplexes	 Mostly apartment and condo buildings, 5-stories or taller
 Only residential zoning, must drive to all businesses	 Some small businesses within walking distance	 Some small businesses within walking distance	 Denser development with small and large businesses within walking distance
 Medium sized parks 15-20 minute walk away with some parking and amenities	 Medium sized parks 15-20 minute walk away with some parking and amenities	 Medium sized parks 15-20 minute walk away with some parking and amenities	 Medium sized parks 15-20 minute walk away with some parking and amenities
 Pedestrian and bike oriented street design that prioritizes safety and slower speeds	 Pedestrian and bike oriented street design that prioritizes safety and slower speeds	 Pedestrian and bike oriented street design that prioritizes safety and slower speeds	 Pedestrian and bike oriented street design that prioritizes safety and slower speeds
Some options for affordable housing	Some options for affordable housing	Some options for affordable housing	Some options for affordable housing
26% prefer this neighborhood	38% prefer this neighborhood	29% prefer this neighborhood	7% prefer this neighborhood

Cost Proposal

Resident Survey Pricing Model

We base our entire model on supplying the most effective community research and engagement program to ensure broad-based and representative citizen input in decision-making, while finding where we can conserve money and resources. We keep our pricing very simple, with no hidden costs or surprises.

There are two components to our Community Survey Pricing:

- The **Base Engagement Cost** is your all-access pass to your Research and Engagement Success Team. They are there to help you complete your research and engagement program, plan for your community wide outreach effort, answer any questions that arise along the way, and help you understand your results. The base cost also includes access to our questionnaire library, outreach templates, and survey platform for programming and hosting your survey online. Your report is delivered via our cloud-based Dashboard reporting system, which can be easily exported to PowerPoint or as a PDF file. We will also prepare a summary Presentation Deck that can be distributed and presented live to staff and/or Council.
- The second part is **Direct Costs**, which includes costs for purchasing the necessary amount of address-based sample to meet requirements for the community survey sample size, as detailed below. Direct costs are charged at actual cost plus a markup for taxes and project administration. The town has the option to significantly reduce direct costs by handling printing and mailing in-house, a major element of the budget.

Estimated Budget

	Cost
Base Engagement Cost / Professional Services <i>(All-inclusive budget based on a blended rate for Project Setup & Design, Implementation, and Reporting & Analysis)</i>	\$19,800.00
Other Direct Costs	
Sample Purchase <i>(Purchase 3,659 addresses – all housing units within Ketchum city limits)</i>	\$1,265.00
Printing & Postage* <i>(Total of 3,659 printed and mailed pieces) *Printing and postage costs increased since original bid</i>	\$2,975.00
Data Collection** <i>(Includes electronic data collection - Web hosting, electronic outreach (email and text), and up to 35 completed surveys via outbound telephone [primarily cell phone]; includes 30 pretest interviews by phone) **Phone costs increased since original bid</i>	\$3,845.00
Spanish Translation <i>(Professional translation for phone and web)</i>	\$900.00
Dashboard / Report Hosting <i>(Indefinite access, downloadable and shareable)</i>	\$500.00
Estimated Travel Cost (one visit for final presentation) <i>(Estimates for transportation, meals, one night hotel stay @ ~\$1,000 per full day visit)</i>	Billed at cost plus 10%
Project Total	\$29,285.00

Sample Timeline

For the city to launch the survey before Thanksgiving – meaning postcard invitations would be less likely to be delayed in the mail or to be unnoticed amid a glut of other mail – the project timeline would have to be very quick and the margin of error would be tight.

Conversely, if we launched the survey after the holidays in early January, we would have ample time to ensure that the project is designed correctly and that all stakeholders are on board. We typically have very good results with this approach and the city has indicated this is a likely preference. **This is the timeline we strongly recommend.**

This sample timeline provides ample time for data collection during the summer months, when residents are more likely to have travel plans. We recommend concluding the project with a presentation of findings for City Council, the City Planning or Zoning Commission, or both at their first scheduled meetings after the report is delivered.

Nathan would be delighted to present to Council afterwards in person, though travel costs will be billed extra.

Date	Task
Oct 16	Kickoff meeting, outline research questions and Work Plan
Oct 23	Draft Work Plan document submitted to client for comments and review
Oct 30	Revised Work Plan document approved; contract signed
Nov 6	Outreach planning, 1st draft of questionnaire delivered for review
Nov 13	Order and prepare sample, 2nd draft questionnaire programmed for online review
Nov 28	Final questionnaire approved for translation, outreach materials approved and ordered
Dec 3	Questionnaire translation complete
Jan 3	Launch ABS survey
Jan 12	Basic dashboard results available, Begin open survey data collection, county-wide
Jan 19	Open the survey to the community at large, promote through community outreach
Feb 5	Data collection closed
Feb 9	Final survey dashboard results available
Feb 16	Draft Executive Summary report and analysis delivered for review
Feb 23	Final Executive Summary report and analysis delivered
TBD	Presentation to City Council at first scheduled meeting in March



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 24040

To: 6109 RECONMR 135 S GUADALUPE SAN MARCOS TX 78666	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
11/09/2023	KCHOMA	KCHOMA		0	

Quantity	Description	Unit Price	Total
1.00	COMMUNITY SURVEY 01-4150-4200	30,000.00	30,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		30,000.00

 Authorized Signature



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

Financial Impact:

None OR Adequate funds exist in account:	This contract provides a significant portion of the funding for the Ketchum Fire Department’s current EMS level of service. Last year an increase occurred; this year, both contracting parties agreed to maintain the amount due to ongoing consolidation discussions.
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Attachments:

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FY24 EMERGENCY MEDICAL SERVICES AGREEMENT – CITY OF KETCHUM

THIS AGREEMENT made and entered this 7 day of November, 2023, by and between the BLAINE COUNTY AMBULANCE DISTRICT, a legal taxing district of the State of Idaho (hereinafter “Ambulance District”), and the CITY OF KETCHUM, a municipal corporation of the State of Idaho.

WITNESSETH:

WHEREAS, Blaine County has established an ambulance service district, in accordance with the provisions of Section 31-3901, et seq., of the Idaho Code, authorized to provide ambulance and emergency medical service (collectively referred to as “EMS Service”) to serve the area within Blaine County and to determine the manner in which that service shall be operated and, if deemed appropriate, to enter into agreements to provide such EMS Service for Blaine County; and,

WHEREAS, Blaine County has been divided into two (2) ambulance service districts – northern and southern. The northern district comprising all of the area of Blaine County north of the intersection of State Highway 75 and the Big Wood River, directly south of Greenhorn Gulch to the Custer County Line and the southern district comprising all of Blaine County south of the aforementioned intersection; and,

WHEREAS, in 2000 it was determined in a comprehensive emergency medical services plan (the “EMS Plan”) the need for the Ambulance District to develop a model EMS delivery system to address the continued expansion of the service needs that would fund and sustain a higher level of EMS Service for the residents and guests of Blaine County. The EMS Plan included an operational plan for the City of Ketchum Fire Department in the northern district and Wood River Fire Protection District in the southern district to move forward in providing a higher level of EMS Service as their resources allow; and,

WHEREAS, it was advantageous to both the Ambulance District, and for the City of Ketchum from both a financial and service standpoint for the Ambulance District to enter into an Agreement with the City of Ketchum to provide EMS Service to the northern district; and,

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED between the parties as follows:

1. Level of Service: During the term of this Agreement, the City of Ketchum agrees to provide and maintain paramedic level EMS Service licensed by the State of Idaho Department of Health and Welfare EMS Bureau as advanced life support level two (“ALS Level 2”) for the treatment and transport of patients from the northern district of Blaine County twenty-four (24) hours per day, seven (7) days per week.
2. Services Provided: Paramedic level EMS Service shall be provided under the terms and conditions contained herein:
 - 2.1 In providing paramedic level EMS Service to the northern district of Blaine County twenty-four (24) hours per day, seven (7) days a week, the City of Ketchum shall respond to emergency medical service (“EMS”) incidents with one (1) fully equipped ALS Level 2

licensed ambulance with a minimum of one (1) certified paramedic/firefighter and one (1) certified emergency vehicle operator/firefighter for the entire duration of the first EMS incident. In the event that additional emergency or non-emergency calls for EMS Service in the northern district are requested at any time during the duration of the first EMS incident, the City of Ketchum agrees to make every effort to provide EMS Service to all other emergency medical calls with a licensed back-up ambulance and appropriately certified EMS personnel providing a minimum of basic life support (“BLS”) treatment and transport, when appropriately certified personnel are available and resources allow.

- 2.2 EMS Services provided are subject to the operational needs of the northern portion of the Ambulance District and the needs of the City of Ketchum. In this regard and when available and resources allow, the City of Ketchum will provide EMS Service to the southern district of the Ambulance District and other areas in the same manner in responding to emergency and non-emergency events and the needs of existing Mutual Aid Agreements.
- 2.3 City of Ketchum personnel (and ambulance) responding to emergency and non-emergency medical calls under this agreement shall operate as a unit of the City of Ketchum and act under the control of the most qualified medical personnel on scene and operate under the Ketchum Fire Department (KFD) standard operating guidelines. Notwithstanding, City of Ketchum personnel shall be subject to the provisions of the State of Idaho EMS Bureau, applicable National Fire Protection Association standards and other safety standards.
- 2.4 As provided by law, the Chief or Officer of the City of Ketchum Fire Department in charge at the scene of an emergency involving the protection for life or limb, shall have the authority to direct such operation as may be necessary to perform appropriate rescue operations consistent with the National Incident Management System (NIMS), Wood River Mutual Assistance Agreement and the Blaine County Emergency Operations Plan.
- 2.5 The City of Ketchum shall provide emergency medical transport from EMS incidents in the northern district of Blaine County to St. Luke’s Wood River Medical Center located in the northern district of Blaine County.
- 2.6 The City of Ketchum may provide the transfer of patients from St. Luke’s Wood River Medical Center to the patient’s home, or other destinations, when appropriately certified volunteer or off-duty personnel are available and as resources allow, on a rotating basis with the southern district, recognizing that minimum staffing for local EMS response shall be a priority. St. Luke’s may call upon the City of Ketchum or Wood River Fire and Rescue when Air St. Luke’s Ketchum and St. Luke’s Magic Valley responders are otherwise unavailable because of other patient emergencies. City of Ketchum agrees to provide a minimum staffing of one (1) certified emergency vehicle operator/firefighter and one (1) certified EMS provider for the appropriate level of patient care up to ALS-2 for routine transfers. No more than one (1) patient transfer by ambulance to destinations outside of Blaine County shall be approved at the same time recognizing the need for available ambulances and staffing in Blaine County. As it pertains to extreme weather conditions and other difficult circumstances, the safety of the crew members and the patient being transferred shall be the number one priority at all times with the final decision approving the transfer determined by the City of Ketchum Fire Chief or the City of Ketchum Fire Department shift officer in the Fire Chief’s absence.

- 2.7 The City of Ketchum shall supply equipment and provide the following technical rescue services that are normally performed in the scope of fire department operations: vehicle extrication, swift water rescue, cold water rescue, high and low angle rope rescue.
- 2.8 The City of Ketchum shall supply equipment and provide backcountry rescue and winter rescue services that are normally performed in the scope of search and rescue operations. When requested, the City of Ketchum shall provide medical support and stand-by to Blaine County Search and Rescue when the condition of a lost person is unknown.
- 2.9 When requested, the City of Ketchum may provide EMS stand-by coverage for special events when appropriately certified volunteer or off-duty personnel are available and resources allow.
3. Compliance with Laws and Accreditation: The City of Ketchum will comply with all Federal, State, County, and local statutes, regulations, or ordinances in its provision of the EMS Service as described within this Agreement, and to maintain its current ambulance license issued by the State of Idaho EMS Bureau. The City of Ketchum agrees that its records and rosters regarding equipment, vehicles, and training may be reviewed by the Ambulance District during regular business hours.
4. Communications: Communications capabilities shall be maintained between the City of Ketchum base stations, its ambulances and personnel on incidents and Blaine County Communications (“Comm.”) provided under the Consolidated Emergency Communications Services Agreement. The City of Ketchum shall also maintain and operate State of Idaho EMS channels F1 and F2 in its radio communications equipment.
5. Medical Supervision: The City of Ketchum shall utilize the Physician Medical Director under contract with the Ambulance District agreed upon by the City of Ketchum and in compliance with the State of Idaho. City of Ketchum personnel shall follow the EMS protocols established by the controlling medical director or their designee. The City of Ketchum further agrees to adhere to, as a minimum standard, the State of Idaho EMS Bureau Paramedic Protocols, as amended, with respect to medical acts not governed by the protocols developed by the Blaine County Ambulance District Physician Medical Director.
6. Training: The City of Ketchum shall provide sufficient EMS training of personnel and continuing education (CE) of personnel at the current levels in compliance with State of Idaho EMS Bureau standards.
7. Equipment: During the term of this agreement, the Ambulance District shall provide the City of Ketchum three (3) ambulances, three (3) Zoll Heart Monitors and accessory equipment as well as other approved capital purchases which will remain the property of the Ambulance District. All ambulances and equipment purchased by the Ambulance District during the term of this agreement shall be in compliance with all applicable laws, regulations and safety standards including but not limited to National Standards and standards set forth by the State of Idaho EMS Bureau for the treatment and transport for Advanced Life Support (ALS) under the approved replacement schedule of the Ambulance District. The City of Ketchum shall provide an updated inventory list of “Exhibit A” of all vehicles and equipment owned by the Ambulance District that exceeds a purchase value of FIVE THOUSAND DOLLARS (\$5,000.00).
- 7.1 The City of Ketchum shall be responsible for the routine maintenance of all EMS Service vehicles and equipment including rescue and extrication equipment. All vehicles and equipment shall be kept in sound operating condition, and maintained, operated, and

equipped in compliance with all applicable laws, regulations and safety standards including but not limited to National Standards and standards set forth by the State of Idaho EMS Bureau as complying with their minimum licensing standards, within the budgeted amounts provided by the Ambulance District.

- 7.2 The City of Ketchum shall be responsible for maintaining the branding of the three (3) ambulances as “Blaine County Ambulance” for consistency purposes. The Blaine County Ambulance District will be responsible for paying for the associated costs.
8. Records Management System: The City of Ketchum shall maintain a record of each incident in compliance with national standards and the State of Idaho EMS Bureau.
9. Total Quality Management Program: The City of Ketchum shall maintain a Total Quality Management Program including but not limited to administrative management, financial management, educational standards administration (current and continuing) and both internal and external monitoring of services provided and shall provide quarterly reports of said Program to the Blaine County Ambulance District Board (hereinafter “the Board”).
10. Insurance: The City of Ketchum shall provide the level of insurance noted in “Exhibit B” on all apparatus, equipment and personnel during the term of this Agreement.
11. Independent Contractor: Notwithstanding any language to the Contrary contained in this Agreement, the City of Ketchum is acting as an independent contractor and not an employee or agent of the Ambulance District.
12. Compensation:
 - 12.1 For the furnishing of said EMS Service, the City of Ketchum shall receive from the Ambulance District, as a base fee, the sum of ONE MILLION, FIVE HUNDRED THIRTEEN THOUSAND THREE HUNDRED FIFTY-SEVEN DOLLARS (\$1,513,357.00) for the fiscal year 2024, payable upon receipt of an invoice in monthly installments of ONE HUNDRED TWENTY-SIX THOUSAND ONE HUNDRED THIRTEEN DOLLARS AND EIGHT CENTS (\$126,113.08) on the 20th day of each month commencing October, 2023. No payments shall be due for any period after the termination or cancellation of this Agreement as hereinafter provided.
 - 12.1.2 For the ambulance vehicle storage and facility maintenance costs, the City of Ketchum shall receive from the Ambulance District, as a base fee, the sum of THIRTY-SIX THOUSAND DOLLARS (\$36,000.00) for the fiscal year 2024, payable upon receipt of an invoice in monthly installments of THREE THOUSAND DOLLARS (\$3,000.00) on the 20th day of each month. This fee accounts for ONE THOUSAND DOLLARS (\$1,000.00) per month per ambulance being stored, maintained and operated by the City of Ketchum. This amount is already included in the total annual contract amount. No payments shall be due for any period after the termination or cancellation of this Agreement as hereinafter provided. In the event that the City of Ketchum houses one of the ambulance vehicles at another location besides the City of Ketchum Fire Station, the City of Ketchum shall pay the entity that owns said facility where the ambulance is housed in the amount of ONE THOUSAND DOLLARS (\$1,000.00) per month.

- 12.3 Prior to the commencement of each annual renewal period, the parties shall negotiate in good faith the annual base fee. The Ambulance District shall pay City of Ketchum for the furnishing of said EMS Service during the renewal period.
13. Fees for Service: In addition to said base fee to be received from the Ambulance District, the City of Ketchum shall charge patients for services rendered in accordance with the amounts scheduled in the most recent Blaine County Resolution regarding Emergency Medical Service User and Supplies fees. The fees charged the patient for services rendered shall be collected and retained by the Ambulance District.
14. Budget: The City of Ketchum shall submit an annual budget to the Ambulance District Board by the Third Monday of May each year for the operation of the EMS Service, as well as its anticipated revenue and expenses for the coming year as required by Idaho law, from which the Agreement fee for the coming budget year will be negotiated.
15. Strategic Plan: The continuation of this Agreement is contingent upon continued participation of the City of Ketchum Fire Department with the Blaine County Ambulance District and its other stakeholders with the Ambulance District Strategic Plan and the initiatives, goals and objectives that were identified during the Strategic Planning process.
16. Consolidation Project: The continuation of this Agreement is contingent upon good faith efforts with continued participation of the City of Ketchum with the Blaine County Ambulance District and its other stakeholders with the Ambulance District Consolidation Project and the discussions, initiatives, goals, and objectives that are currently being discussed.
17. Term:
- 17.1 This Agreement may be terminated by either party upon the giving of ninety (90) days written notice prior to June 1 of any calendar year; provided, however, that this Agreement is subject to immediate termination on written notification by the Ambulance District for the failure of the City of Ketchum to provide equipment, personnel or service in accordance with the terms of the Agreement. Upon termination of this Agreement, it is understood by the parties that any and all property, apparatus and equipment owned or purchased by either party before or during the term of this Agreement shall remain the sole property of the acquiring party.
- 17.2 The Agreement shall commence on October 1, 2023, and shall run one (1) year, ending at midnight on September 30, 2024.
18. Assignment:
- 18.1 This Agreement shall not be assigned by the City of Ketchum without the prior written consent of the Ambulance District.
- 18.2 This Agreement constitutes the sole understanding of the parties. Any and all verbal and/or oral agreements are hereby merged into this Agreement. Any subsequent modification of this Agreement must be in writing.

IN WITNESS WHEREOF, the Blaine County Ambulance District has caused its name and seal to be subscribed and affixed hereto, pursuant to resolution of the Board of County Commissioners of Blaine County and the City of Ketchum has hereunto caused its name and the Mayor's signature to be affixed pursuant to authorization by the City of Ketchum City Council.

BLAINE COUNTY AMBULANCE DISTRICT BOARD



MUFFY DAVIS, CHAIR



ANGENIE MCCLEARY, VICE-CHAIR



LINDSAY MOLLINEAUX, COMMISSIONER

Attest: _____
STEPHEN MCDOUGALL GRAHAM, CLERK

CITY OF KETCHUM

NEIL BRADSHAW, MAYOR

Attest: _____
City Clerk

EXHIBIT A

Capital Equipment Inventory

VEHICLE INVENTORY:

2015 Chevrolet Type 1 Ambulance	VIN # 1GB3KZCG1FF120193
2019 Ford Type 1 Ambulance	VIN # 1FDRF3HT4KDA05263
2021 Ford Type 1 Ambulance	VIN # 1FDUF4HT4MEC12314

EQUIPMENT INVENTORY:

Ambulance 21 Zoll X Series Sure Power II Manual Defibrillator Serial # AR18I034684
Ambulance 22 Zoll X Series Sure Power II Manual Defibrillator Serial # AR18I034668
Ambulance 23 Zoll X Series Sure Power II Manual Defibrillator Serial # AR18I034677

For Blaine County
Ambulance District

For The
City of Ketchum



Muffy Davis
Blaine County Ambulance District Chair

Neil Bradshaw
Mayor

EXHIBIT B

Insurance

- A. The City of Ketchum, at its sole expense, shall procure and maintain in full force and effect insurance written by an insurance company or companies with AM Best rating(s) of A VIII or better. All insurance companies must be authorized to do business in the State of Idaho. By requiring insurance herein, the Ambulance District does not represent that coverage and limits are necessarily adequate to protect the City of Ketchum.
- B. Certificates of Insurance evidencing the coverages required herein shall be provided to the Ambulance District prior to the state date of the agreement. All certificates must be signed by an authorized representative of the City of Ketchum's insurance carrier and must state that the issuing company, its agents, or representatives will provide the Ambulance District thirty (30) days written notice prior to any policies being cancelled. Renewal certificates must be provided to the Ambulance District within thirty (30) days after the effective date of the renewal.
- C. Certificates shall be mailed to:
- Blaine County Administrator
206 First Avenue South, Suite 300
Hailey, ID 83333
- D. Certificates must show evidence of the following minimum coverages:
1. **Workers' Compensation** insurance meeting the statutory requirements of the State of Idaho.
 2. **Employers' Liability** insurance providing limits of liability in the following amount:
\$500,000 for claims brought pursuant to Title 9, Chapter 9 Idaho Code (Tort Claims Act) and \$3,000,000 for all other claims.
 3. **Commercial General Liability** insurance providing limits of liability in the following amounts:
\$500,000 for claims brought pursuant to Title 9, Chapter 9 Idaho Code (Tort Claims Act) and \$3,000,000 for all other claims.



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Reasons for Recommendation:

-
-
-

Sustainability Impact:

Financial Impact:

Attachments:

-
-

Sun Valley Urban Avalanche Analysis

Proposal by David Hamre and Associates, LLC

May 20, 2023



INTRODUCTION

Sun Valley, Idaho (here defined as the Cities of Bellevue, Hailey, and Ketchum and the mountainous regions of Blaine County) has had conflicts with avalanches well back into the days of active mining at the end of the 19th century. Large avalanche cycles at lower elevations have seemingly increased in frequency in the past 20 years as urban development and infrastructure have also increasingly encroached into avalanche terrain. Mid-winter and late-winter rain events have also become more common as the earth's climate warms. Wildfires have changed the landscape to a large degree around Sun Valley and have influenced the anchoring of the snowpack, not to mention its resilience to warming events. Overall, it appears that the risk of avalanches impacting the residents and visitors to Sun Valley has significantly increased in the 21st Century. Now is an appropriate time to examine the urban avalanche problem and to develop a coordinated response to times of elevated avalanche hazard.

The stakeholders, elements at risk, and the risk owners are multitudinous, and boundaries between agencies/municipalities don't necessarily coincide with the boundaries of the avalanche paths. In some cases, the avalanche start zone may come under one jurisdiction, while the track and run-out may fall under another. Private landowners, Municipal, County, State, and Federal land managers, and agencies all have exposure and responsibility in different areas of Sun Valley. This mélange of land managers is not atypical to the United States, but it does complicate the coordination of avalanche response. David Hamre and Associates, LLC (DHA) is familiar with the challenge of multiple land managers and can help guide the process of *defining the urban avalanche problem* in Sun Valley, *identifying solutions*, and *making recommendations*. The process for doing so would be broken into three phases, all of which would involve interaction and collaboration with the stakeholders of Sun Valley.

METHODOLOGY

Phase 1 – Define the Problem

The goal of this phase is to create tools essential to implementing solutions.

First and foremost, a comprehensive avalanche atlas should be created that defines the avalanche paths that can impact the residents, recreationists, and commuters of Sun Valley. Some of this work may already exist, but not under one banner nor in a standard format. The atlas would include pertinent data about the avalanche path (elevations, vertical fall, aspect, angles, runout angle, historic frequency, notable events...) and a high-resolution oblique image of the full path (including start zone, track, and runout zone). See Figure 1 for an example of an Avalanche Atlas entry. Additionally, the path perimeter would be drawn on SmartMountain™ (an ESRI GIS platform), which could be shared with all community stakeholders. See Figure 2 for an example of a SmartMountain™ depiction of avalanche paths. The process of cataloging and characterizing the avalanche paths would ideally be a collaborative process between DHA and the Sawtooth Avalanche Center (SAC). This atlas-building process would blend with acquiring and analyzing avalanche occurrence records.

Path 14.0

Location	W side of Motherlode Mine access road at KM 12.5		Coordinates	Lat	49°41'5.92"N		Vertical fall (m)	1105		
				Lon	117°10'3.20"W					
Starting Zone	Elevation (m)	Top	2290	Avg. Slope Angle (°)	40	Aspect	E	Width (m)	510	
			Bottom							1800
Terrain Characteristics		Several distinct starting zones separated by rib features converging into three tracks. Upper starting zone consists of rock bluffs, scree, talus and heather slopes. Lower starting zone consists of 1 m brush, and spaced sub-alpine conifers.								
Track	Elevation (m)	Top	1800	Avg. Slope Angle (°)	25	Width (m)	330	Length (m)	750	
			Bottom							1320
Terrain Characteristics		Three channeled gullies converging into one with 1-2 m vegetation and boulders. Spaced old growth conifers on flanks. Secondary channel and start zone on S side can act as separate path for ≤ Size 2 avalanches.								
Runout Zone	Elevation (m)	Top	1320	Avg. Slope Angle (°)	8	Terrain Trap?	No			
			Bottom							1185
Terrain Characteristics		Generally planar with seasonal creek down middle. 2-3 m vegetation and alder. Access road in extreme runout.								
Est. Frequency (avalanches:years)	Size 1	-	Size 2	-	Size 3	1:3	Size 4	1:10	Size 5	-
Historic Avalanche Events	Spring 2014: Size 3 overran road with ≤ 2 m deposit depth on road. Spring 2010: Size 4 overran road with ≤ 5 m deposit depth on road. No records prior to 2010.									

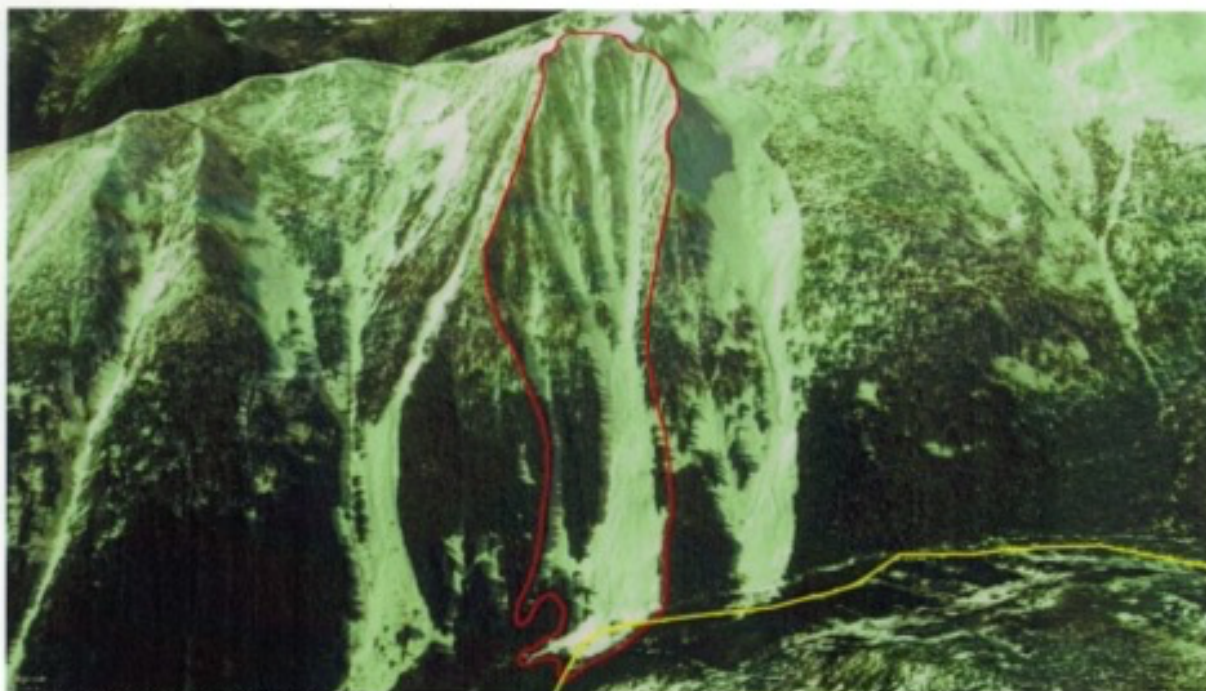


Image © 2015 DigitalGlobe.

Figure 1: An example of a page from an avalanche atlas.¹

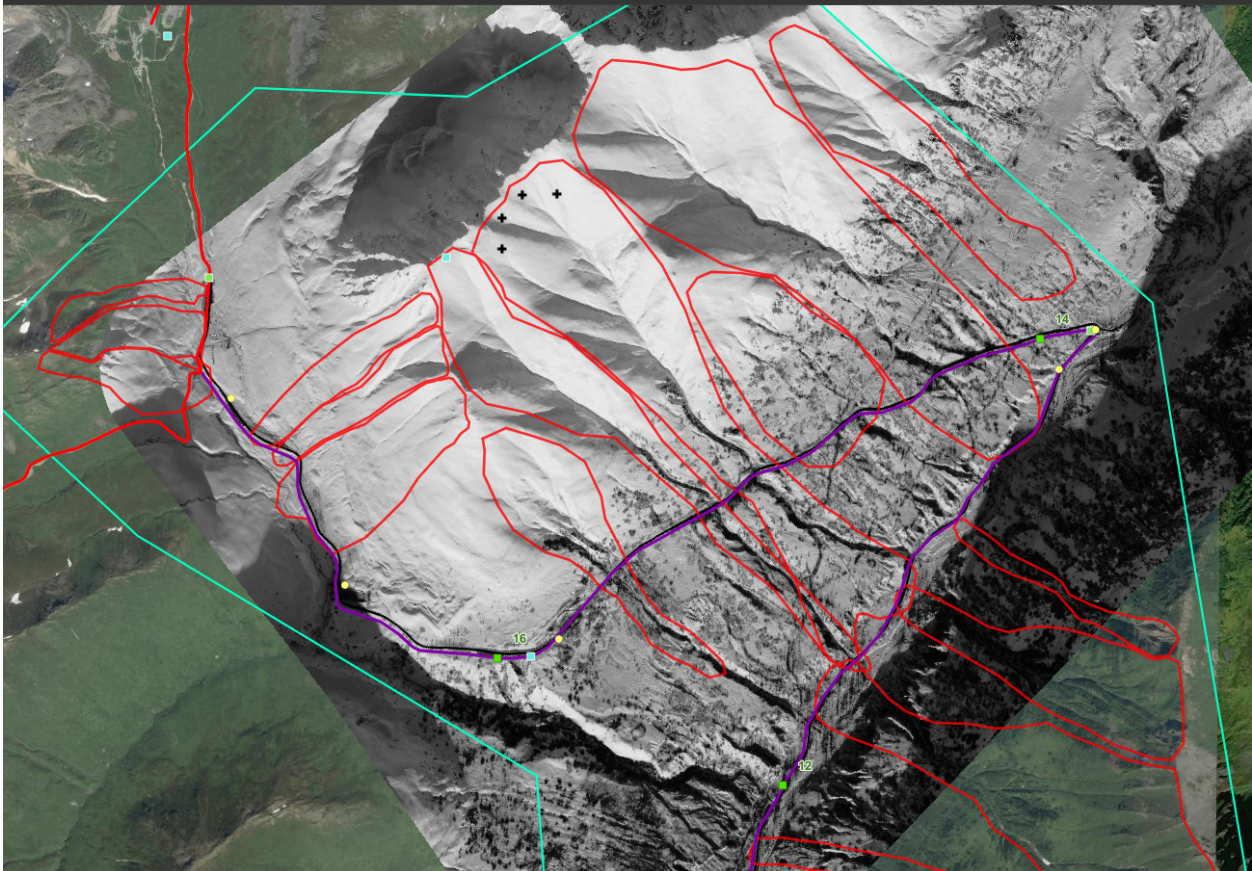


Figure 2: SmartMountain™ depiction of avalanche paths with “snow-on” satellite imagery. Purple represents a roadway. Green dots are mileposts. Yellow dots are signage.

Avalanche occurrence records currently take many forms (newspaper accounts, paper records, print photos, digital photos, and digital data). It is time-intensive to collate all pertinent information into an organized, searchable database. Sources for this information would include the Sawtooth Avalanche Center, Janet Kellam (former director of the SAC), Ketchum City Records, Bruce Smith (private citizen with a reputedly comprehensive archive of urban avalanche data), the Idaho Falls Post Register, KIVI, KBOI, Idaho Mountain Express... This record will serve several purposes once this data is collected and entered into a database. It will enable better estimates of avalanche frequency and magnitude by avalanche path. It will serve as a format for future documentation of avalanche occurrences. It may also give some insight into when urban avalanches are most likely. Many suppositions exist about when and where peak avalanche activity may start; a database can help support or dispel those assumptions.

The avalanche hazard index (AHI) is a quantified hazard analysis for transportation corridors. Not only does it define an existing level of avalanche risk, but it can then be modified by whichever mitigations are chosen for the road. It would be most applicable to Warm Springs Road and State Highway 75.

Although it is beyond the scope of services that DHA can offer, revisiting and expanding the Avalanche Zoning for Sun Valley is essential to the overall analysis of the urban avalanche problem. This work should be done by certified Avalanche Engineers. Wilson and Mears performed this task in 1977 and 1978 for Sun Valley, with additions in 1982, 2001, and 2009ⁱⁱ. Mears' peer and business partner, Chris Wilbur, could revisit this work. Particular emphasis should be placed on the areas beneath the recent burns on Warm Springs Road and previously unzoned areas (e.g., Deer Creek).

Identification of elements-at-risk, stakeholders, and the risk owners is essential to including their interests in the analysis as well as who assumes what responsibilities in avalanche response.

A complete list of the elements-at-riskⁱⁱⁱ will take time to develop but can be broadly thought of as:

- Persons (e.g., occupants, pedestrians, recreationists, workers, motorists...)
- Structures (e.g., occupied, unoccupied, essential...)
- Infrastructure (e.g., powerlines, pump houses, communication towers, bridges...)
- Vehicles (personal and commercial, buses...)

Stakeholders are the entities with an interest that could be impacted by urban avalanche activity. This list will also take time to fully develop, but includes private land owners; Blaine County Road Department and ITD, Cities of Bellevue, Hailey, and Ketchum; BCRD; and possibly the Sawtooth Avalanche Center, amongst others.

Risk Owners^{iv} are the people or entities with the accountability and/or authority to manage a risk. This would include municipal, county, state, and federal government.

Phase 2 – Identify Solutions

Managing residential neighborhoods is a far cry from managing a ski area where exposure is voluntary, and closures are daily and expected. To gain insight into what works for communities and what does not, we will examine policies from US communities with avalanche exposure (Morgan Basin, UT; Park City, UT; Juneau, AK; Cordova, AK; Anchorage, AK, Ophir, CO; Silverton, CO; Pitkin County, CO; and Washoe County, NV). Additionally, we will look at analogs from British Columbia, Europe, and Norway to look for policies and procedures that could work in Sun Valley.

Undoubtedly, an urban avalanche forecasting program will be one of the recommendations. DHA will offer insights into avalanche forecasting based on our programs for other operations (mining, powerlines, ski areas, pipelines, and transportation corridors). The hazard scale and suggested actions differ significantly from the North American Danger Scale, which is oriented toward public recreationists. Additionally, we will examine the frequency with which urban avalanche bulletins are issued. Key to this process will be determining who is responsible for avalanche forecasting and the chain of command when avalanche hazard is elevated. DHA cannot determine who does the forecasting but can help generate the job responsibilities and considerations for running the program.

Avalanche mitigation can take many forms. We will address both temporary and permanent measures.

Temporary measures reduce avalanche risk for a short time period. They can vary from high risk reduction values (forecasting, evacuations, and closures) to more moderate risk reduction values (Remote Avalanche Control Systems, helicopter bombing). Explosive-based avalanche mitigation work can reduce the hazard effectively when the timing is right but is rarely conducted over residences or critical infrastructure. Explosive-based mitigation would only be presented as an option over transportation corridors where closures can be enforced.

Permanent measures involve engineered structures and relocations that work season-long for avalanches of a specific size (the “design avalanche”). Diversion dams, start zone stabilization structures (aka snow nets), catchment basins, and road relocation are all examples of permanent measures. They are highly effective at reducing risk and have a commensurate price tag. Permitting would be required for many of these structures, and public opposition is likely. Determining the scope and scale of structures would be beyond the scope of the DHA analysis team, but we will recommend which paths these might be most effective on or the most warranted. It should be noted that seasonal closures can be considered permanent measures and have a risk reduction value of 100%.

Phase 3 - Recommendations and Phasing

Many options will come out of Phase 2. Following discussions with the stakeholders, and likely the public, DHA will refine the options to a series of considerations and recommendations. The report will then offer a cost/benefit analysis and a suggested timeline for phasing in those recommendations. The interaction between Phase 1 and Phase 2 and then between Phases 2 and 3 are critical to the success of this project. A field visit is scheduled with each phase to ascertain that DHA is hearing from all the stakeholders and risk owners that want to be heard.

After completing the final report, ten hours of follow-up consultation are also built into the project cost.

TIMELINE

To be determined by the committee. Likely starting in Spring/Summer 2024. To be completed within one year of the start date.

COSTS

A detailed worksheet provides individual breakdowns within each phase. This was sent to Scott Savage and Chris Corwin on May 8, 2023. The costs reflected here are for DHA services only. Avalanche zoning work by an Avalanche Engineer is an expected additional expense.

Billing will occur at the end of each phase.

	Labor	Expenses					
PHASE 1	\$40,260.00	\$4,968.75					
PHASE 2	\$22,710.00	\$593.75					
PHASE 3	\$13,470.00	\$593.75					
Sub- Totals	\$76,440.00	\$6,156.25					
Government Compliance Costs		\$7,644.00					
TOTAL PROJECT COST		\$90,240.25					
Potential Cost Reductions							
ESRI License		\$2,000.00	If Ketchum ESRI platform is capable of supporting avalanche path polygons and similar data				
Snow-On Imagery		\$1,500.00	If snow-on imagery is already purchased and ortho-rectified				
SAC/Kethum Atlas Assistance = 50%		\$4,950.00	Rate variable depending upon how much assistance/guidance is provided				
SAC Av. Occ. Data Compilation = 50%		\$8,250.00	Rate variable depending upon how much assistance/guidance is provided				
TOTAL		\$16,700.00					



ⁱ Technical Aspects of Snow Avalanche Risk Management (TASARM), 2016, Canadian Avalanche Association, page 117

ⁱⁱ Ketchum City Code, Chapter 17.92, [Avalanche Zone District A](#)

ⁱⁱⁱ TASARM, page 76

^{iv} Planning Methods for Assessing and Mitigating Snow Avalanche Risk, 2018, Jamieson et al, Canadian Avalanche Association, p. 269



CITY OF KETCHUM
PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 24041

To: 6110 DAVID HAMRE & ASSOCIATES LLC PO BOX 111492 ANCHORAGE AK 99511	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
11/09/2023	KCHOMA	KCHOMA		0	

Quantity	Description	Unit Price	Total
1.00	SUN VALLEY AVALANCHE ANALYSIS 01-4193-9930	25,000.00	25,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		25,000.00

 Authorized Signature



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: 11/13/23 Staff Member/Dept: Adam Crutcher, Planning Department

Agenda Item: Recommendation to approve and adopt the Bigwood Year Round Restaurant Planned Unit Development Conditional Use Permit application Findings of Fact, Conclusions of Law, and Decision for the Bigwood Year.

Recommended Motion:

"I move to approve and adopt the Bigwood Year Round Restaurant Planned Unit Development Conditional Use Permit application Findings of Fact, Conclusions of Law, and Decision for the Bigwood Year."

Reasons for Recommendation:

- Staff finds the project to be in conformance with all applicable standards as set forth in KMC 16.08.080
- In review of other golf clubhouses within the Wood River Valley, the subject site contains a similar number of parking spaces.
- The Planning & Zoning Commission recommended approval of the application after holding a public hearing at their September 26, 2023 meeting.

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

None OR state impact here: None

Financial Impact:

None OR Adequate funds exist in account: None

Attachments:

1. Findings of Fact
- 2.
- 3.



City of Ketchum
Planning & Building

IN RE:)	
)	
Bigwood Restaurant & Bar)	KETCHUM CITY COUNCIL
Planned Unit Development Conditional Use Permit)	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND
Date: October 13, 2023)	DECISION
)	
File Number: 23-065A)	

PROJECT: Bigwood Yer Round Restaurant

APPLICATION TYPE: Planned Unit Development Conditional Use Permit

FILE NUMBER: P23-065A

APPLICANT: Bill Weidner, Owner

OWNER: Bill Weidner

LOCATION: 115 Thunder Trail (Bigwood Sub Block 12A Open Space-Golf Course)

ZONING: Recreational Use (RU)

OVERLAY: None

RECORD OF PROCEEDINGS

The City of Ketchum received the application for a Planned Unit Development Conditional Use Permit on July 7, 2023. The application was reviewed by staff and deemed complete on August 22, 2023. All department comments have been addressed satisfactorily through applicant revision of project plans or conditions of approval.

A public meeting notice for the project was mailed to all owners of property within 300 feet of the project site and all political subdivisions on October 18, 2023. The notice was published in the Idaho Mountain Express on October 18, 2023. A notice was posted on the project site and the city’s website on October 30, 2023. After considering staff’s analysis, the applicant’s presentation, and public comment, the Council approved the Planned Unit Development Conditional Use Permit application with a vote of 4-0.

BACKGROUND

Bigwood PUD History

The Bigwood PUD and Development Agreement were approved, with conditions, in 1985, to annex the property containing the present day Bigwood Golf Course and neighboring residential lots, within the City of Ketchum. The Ketchum City Council found the Bigwood PUDs special development objectives to be the open space and public golf course which were open to public use.

The Bigwood Annexation, Services and Development Agreement identified allowed uses on each block within the Bigwood subdivision. Originally, the golf clubhouse was located on Block 19 as identified in section 4.7 of the 1985 Development Agreement. At this time, Block 12 was designated as open space or expansion of the golf course as stated in section 1.4.j of the 1985 Development Agreement:

“Large Blocks Number 11 through 15 and 20 shall comprise, and are hereby dedicated to open space in perpetuity and expansion at the existing golf course. Any portion or said large blocks not used as a golf course shall remain open space with no improvements constructed thereon except as set forth in this Agreement.”

With many uses located on Block 19 such as tennis courts, swimming pool, recreation center, locker rooms, showers, and the golf clubhouse, overflow parking was located along Clubhouse Dr in front of Block 19 which was felt as unsafe by the residents of the Bigwood PUD. This overflow parking issue led to the golf clubhouse being relocated to the southern side Block 12 through amendments to the Development Agreement and PUD CUP from 1997 to 1999. The Development Agreement was amended on May 17th, 1999, to allow the golf course clubhouse to be relocated to Block 12. Paragraph 4.5 was amended to state:

“The City of Ketchum acknowledges and agrees that if the golf course clubhouse and the proposed changes to the layout of the golf course are constructed and maintained in accordance with the City’s Design Review approval said improvements shall be in accordance with accepted industry standards for a first rate golf course and therefore the improvements themselves would not trigger the right of reversion held by the City of Ketchum. All future changes to the golf course, however, must be in accordance with accepted industry standards for a first golf course.”

In reviewing these approvals and associated City Council/Planning & Zoning Commission meeting minutes, neither restaurant nor food service were mentioned when discussing proposed uses within the golf clubhouse. Instead, there was only mention of a pro shop, nordic center, and golf cart storage. At the City Council meeting where the Bigwood PUD/CUP was amended to allow for the golf clubhouse to be located on Block 12, applicant representatives stated, “The restaurant would not be in this clubhouse area.”

In 2006, multiple building permits were issued for the clubhouse to make modifications for an outdoor kitchen. The building permits identify the kitchen as existing although it is not clear in staffs research when this kitchen was added as there is no mention of kitchen facilities in the permits for the relocation of the golf course clubhouse in 1999. No amendments to the development agreement or PUD CUP were made to allow for the restaurant use to occur at the location.

FINDINGS OF FACT

The Ketchum City Council, having reviewed the entire project record, provided notice, and conducted the required public hearing, does hereby make and set forth these Findings of Fact, Conclusions of Law, and Decision as follows:

The Bigwood PUD was approved in 1985 based upon 17 evaluation standards contained in KMC 16.08.080. The Council reviewed the following PUD CUP application against the PUD standards and the intent of the original Bigwood PUD approval. Aspects which warranted further discussion from the Council included parking availability & harmony with the surrounding area.

The Development Shall Be In Harmony With The Surrounding Area

As mentioned previously, an existing seasonal restaurant has been operating at the golf clubhouse since at least 2006 up until the COVID-19 pandemic. The proposal requests allowing for this use to continue outside of golf course operations into the winter months. Over the period in which the restaurant has been in operation, the City has not received comments or complaints which have warranted a reconsideration of the restaurant use. As the seasonal restaurant has been in operation for close two decades with minimal comment/complaint, the Council found the request to expand to all year round to be harmonious with the surrounding area.

Proposed Vehicular and Nonmotorized Transportation System

The golf clubhouse sits adjacent to the Thunder Springs development which includes Zenergy, a well visited gym and wellness center. Both the clubhouse and Zenergy had the parking they provided reviewed at times of their approval, but staff has reviewed the parking situation due to their close proximity.

The parking lot which serves the Bigwood Golf Clubhouse currently has 40 spaces including 4 handicap spaces. Since the seasonal restaurant has been in operation, both visitors of the restaurant and those golfing have used the same parking lot. As this proposal is to allow for the restaurant to extend operations into the winter when golfing does not occur, there will be less visitor traffic. The restaurant would also experience less visitor traffic in the winter as the outside seating would be closed for the season, leaving only the inside of the building available to seat customers.

To determine whether the existing parking is sufficient to support the proposed uses, the Council reviewed other golf clubhouses and the parking they provided within the Wood River Valley.

Figure 3: Golf Clubhouse Comparison

	Bigwood Golf Clubhouse	Elkhorn Golf Clubhouse	Sun Valley Club Golf Clubhouse
Square Feet	8,435 square feet	14,837 square feet	52,175 square feet
Parking Spaces Provided	40 spaces	36 spaces	266 spaces
Square feet of building per parking space	210 square feet per parking space	412 square feet per parking space	196 square feet per parking space

On Bus Line	Yes	Yes	No
On Bike Path	Yes	Yes	Yes
Within walking distance of neighborhoods	Yes	Yes	No

As seen in the table above, the Bigwood Clubhouse provides roughly the same amount of parking per square foot of clubhouse building when compared to the Sun Valley Club Golf Clubhouse. This is in stark contrast when Bigwood is compared to the Elkhorn Golf Clubhouse where Bigwood provides almost double the amount of parking spaces per square foot of clubhouse building.

Also shown in the table is that Bigwood can be reached using different modes of travel. The clubhouse is along a bike path which connects to the Wood River Trail system and is also within less of a quarter of a mile from Mountain Rides Valley Route. The clubhouse is also in close proximity to many condominiums, apartments, and single family residences, allowing for those residents to walk to the clubhouse

The Council found the proposed additions do not conflict with the goal of allowing for open space and golf course, both available to the public. The year round restaurant use was found to be in harmony with the surrounding area as the seasonal use during the summer has been in operation for over 15 years. Parking needs were also found to be satisfied as the proposal was to allow the restaurant to operate in the winter months when less visitor traffic to the clubhouse would occur.

FINDINGS REGARDING CONDITIONAL USE PERMIT CRITERIA

Pursuant to KMC Section 16.08.080, Planned Unit Development conditional use permits can be granted if and only if the criteria listed below are met. The Council finds the following:

Planned United Development Standards

Planned Unit Developments: 16.08.080 – Standards:				
Yes	No	N/A	City Code	City Standards and Staff Comments
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 A	<p>Minimum lot size of three acres. All land within the development shall be contiguous except for intervening waterways. Parcels that are not contiguous due to intervening streets are discouraged. However, the commission and the council may consider lands that include intervening streets on a case by case basis. The commission may recommend waiver or deferral of the minimum lot size, and the council may grant such waiver or deferral only for projects which:</p> <ol style="list-style-type: none"> 1. Include a minimum of 30 percent of community or employee housing, as defined in section 16.08.030 of this chapter; 2. Guarantee the use, rental prices or maximum resale prices based upon a method proposed by the applicant and approved by the Blaine County Housing Authority and/or the Ketchum City Council; and 3. Are on parcels that are no less than one and one-half acres (65,340 square feet). Application for waiver or deferral of this criteria shall include a description of the proposed community or employee housing and the proposed guarantee for the use, rental cost or resale cost. 4. For a hotel which meets the definition of "hotel" in section 17.08.020, "Terms defined", of this Code, and conforms to all other requirements of section 17.18.130, "Community Core District (CC)", or section 17.18.100, "Tourist District (T)", of this Code. Waivers from the provisions of section 17.18.130 of this Code may be granted for hotel uses only as outlined in section 17.124.040 of this Code. Waivers from the

				provisions of section 17.18.100 of this Code may be granted for hotel uses only as outlined in section 17.124.040 of this Code.
			<i>Staff Comment</i>	<i>N/A. The subject property is currently within the Bigwood PUD which has a lot area greater than three (3) acres. The applicant is requesting a modification to the existing PUD.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 B	The proposed project will not be detrimental to the present and permitted uses of surrounding areas.
			<i>Staff Comment</i>	<i>The subject property is currently zoned Recreational Use (RU) and exists as golf course with a clubhouse/seasonal restaurant. The existing seasonal restaurant has been in operation since at least 2006 at the current location. As the restaurant has been seasonally operating for close to two decades, an extension of restaurant operating hours into the winter months, when less visitors to the clubhouse/restaurant will occur, is found to not be detrimental to the present and permitted uses of the surrounding areas.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 C	The proposed project will have a beneficial effect not normally achieved by standard subdivision development.
				<i>N/A. The proposed project is not proposing a subdivision development.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 D	The development shall be in harmony with the surrounding area.
			<i>Staff Comment</i>	<i>The existing seasonal restaurant has been in operation since at least 2006 at the current location. The proposal is to expand the restaurant to a year round use outside of golfing season. As the restaurant has been seasonally operating for close to two decades, an extension of restaurant operating hours into the winter months, when less visitors to the clubhouse/restaurant will occur, is found to be in harmony with the surrounding area.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 E (1)	Densities and uses may be transferred between zoning districts within a PUD as permitted under this chapter, provided, the aggregate overall allowable density of units and uses shall be no greater than that allowed in the zoning district or districts in which the development is located. Notwithstanding the above, the commission may recommend waiver or deferral of the maximum density and the council may grant additional density above the aggregate overall allowable density only for projects which construct community or employee housing and which: a. Include a minimum of 30 percent of community or employee housing, as defined in section 16.08.030 of this chapter; and b. Guarantee the use, rental prices or maximum resale prices thereof based upon a method proposed by the applicant and approved by the Blaine County Housing Authority and/or the Ketchum City Council.
			<i>Staff Comment</i>	<i>N/A. Densities are not proposed to be transferred.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 E (2)	Application for waiver or deferral of this criteria shall include a description of the proposed community or employee housing and the proposed guarantee for the use, rental cost or resale cost.
			<i>Staff Comment</i>	<i>N/A. No waiver requested as density transfer not being proposed.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 F	The proposed vehicular and nonmotorized transportation system: 1. Is adequate to carry anticipated traffic consistent with existing and future development of surrounding properties. 2. Will not generate vehicular traffic to cause undue congestion of the public street network within or outside the PUD.

				<p>3. Is designed to provide automotive and pedestrian safety and convenience.</p> <p>4. Is designed to provide adequate removal, storage and deposition of snow.</p> <p>5. Is designed so that traffic ingress and egress will have the least impact possible on adjacent residential uses. This includes design of roadways and access to connect to arterial streets wherever possible, and design of ingress, egress and parking areas to have the least impact on surrounding uses.</p> <p>6. Includes the use of buffers or other physical separations to buffer vehicular movement from adjacent uses.</p> <p>7. Is designed so that roads are placed so that disturbance of natural features and existing vegetation is minimized.</p> <p>8. Includes trails and sidewalks that create an internal circulation system and connect to surrounding trails and walkways.</p>
			<i>Staff Comment</i>	<i>Upon review of other golf clubhouses within the Wood River Valley, the Bigwood clubhouse is comparable in the number of parking spaces provided compared to the square footage of the clubhouse building. The proposed winter operation of the restaurant would have reduced need for parking due to no golf being played and a majority of the restaurant seating being outside.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 G	<p>The plan is in conformance with and promotes the purposes and goals of the comprehensive plan, zoning ordinance, and other applicable ordinances of the City, and not in conflict with the public interest:</p> <p>1. Pursuant to subsection 16.08.070.D of this chapter, all of the design review standards in chapter 17.96 of this Code shall be carefully analyzed and considered. This includes detailed analysis of building bulk, undulation and other design elements. The site plan should be sensitive to the architecture and scale of the surrounding neighborhood.</p> <p>2. The influence of the site design on the surrounding neighborhood, including relationship of the site plan with existing structures, streets, traffic flow and adjacent open spaces, shall be considered.</p> <p>3. The site design should cluster units on the most developable and least visually sensitive portion of the site.</p>
			<i>Staff Comment</i>	<p><i>Comprehensive Plan speaks on the Communities Core Values. Value #1 states "Ketchum sees itself with a stable and diverse economy melding the benefits of our traditional tourism economy with businesses that serve the year-round population." This section also states, "We value and support local businesses that contribute to our uniqueness and vibrancy." The proposed year round restaurant will help to provide easily accessible food service seasonal residents who frequent the golf course as well as the local population which lives in the immediate area.</i></p> <p>1. <i>N/A. No change to the golf clubhouse building is proposed which received design review approval in 1998.</i></p> <p>2. <i>See staff response to KMC 16.08.080.G</i></p> <p>3. <i>N/A. No change in the siting of buildings is proposed.</i></p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 H	The development plan incorporates the site's significant natural features.
			<i>Staff Comment</i>	<i>N/A. The existing golf clubhouse building was found to be in conformance with this criteria when approved in 1998. No additions are proposed as part of this project.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 I	Substantial buffer planting strips or other barriers are provided where no natural buffers exist.
			<i>Staff Comment</i>	<i>N/A. Existing buffer strip of landscaping on the north end of the golf clubhouse parking lot to shield the parking lot from residential uses to the north and northeast was approved upon relocation of clubhouse in 1998.</i>

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 J	Each phase of such development shall contain all the necessary elements and improvements to exist independently from proposed future phases in a stable manner.
			<i>Staff Comment</i>	<i>N/A. No phase needed for proposal</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 K	Adequate and usable open space shall be provided. The applicant shall dedicate to the common use of the homeowners or to the public adequate open space in a configuration usable and convenient to the residents of the project. The amount of usable open space provided shall be greater than that which would be provided under the applicable aggregate lot coverage requirements for the zoning district or districts within the proposed project. Provision shall be made for adequate and continuing management of all open spaces and common facilities to ensure proper maintenance.
			<i>Staff Comment</i>	<i>N/A. No change in open space is proposed.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 L	Location of buildings, parking areas and common areas shall maximize privacy within the project and in relationship to adjacent properties and protect solar access to adjacent properties.
			<i>Staff Comment</i>	<i>N/A. No change in the location of buildings or parking areas are proposed. Golf clubhouse building was found to meet this criteria when proposed in 1998.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 M	Adequate recreational facilities and/or daycare shall be provided. Provision of adequate on site recreational facilities may not be required if it is found that the project is of insufficient size or density to warrant same and the occupant's needs for recreational facilities will be adequately provided by payment of a recreation fee in lieu of such facilities to the City for development of additional active park facilities. On site daycare may be considered to satisfy the adequate recreational facility requirement or may be required in addition to the recreational facilities requirement.
			<i>Staff Comment</i>	<i>N/A. The proposed project is on an existing lot and is not proposing a new development which would require recreational facilities.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 N	There shall be special development objectives and special characteristics of the site or physical conditions that justify the granting of the PUD conditional use permit.
			<i>Staff Comment</i>	<i>Special development objectives of the Bigwood PUD include the preservation of public open space and the availability of a public golf course not normally achieved by standard subdivision development. The proposal of a year round restaurant does not detract from the original development objectives.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 O	The development will be completed within a reasonable time.
			<i>Staff Comment</i>	<i>N/A. No additions or new development is proposed. Proposal is to change allowed uses on Block 12.</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16.08.080 P	Public services, facilities and utilities are adequate to serve the proposed project and anticipated development within the appropriate service areas.
			<i>Staff Comment</i>	<i>N/A. The existing building has been outfitted for food service use since at least 2006. Existing public services will not be significantly impacted by the proposal to allow a year round restaurant.</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.08.080 Q	The project complies with all applicable ordinances, rules and regulations of the City of Ketchum, Idaho, except as modified or waived pursuant to this section.
			<i>Staff Comment</i>	<i>The proposed project requires a PUD amendment. All applicable ordinances, rules and regulations of the City of Ketchum will be complied with through these processes.</i>

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation established in accordance with Article XII of the Constitution of the State of Idaho and Title 50 Idaho Code and is required and has exercised its

authority pursuant to the Local Land Use Planning Act codified at Chapter 65 of Title 67 Idaho Code and pursuant to Chapters 3, 9 and 13 of Title 50 Idaho Code to enact the ordinances and regulations, which ordinances are codified in the Ketchum Municipal Code (“KMC”) and are identified in the Findings of Fact and which are herein restated as Conclusions of Law by this reference and which City Ordinances govern the applicant’s Conditional Use Permit application for the development and use of the project site.

2. The Council has authority to hear the applicant’s Conditional Use Permit Application pursuant to Chapter 16.08 of Ketchum Municipal Code Title 16.
3. The City of Ketchum Planning Department provided notice for the review of this application in accordance with Ketchum Municipal Code §16.08.110.
4. The Planned Unit Development Conditional Use Permit application is governed under Ketchum Municipal Code Chapter 16.08.
5. The Bigwood Year Round Restaurant & Bar Planned Unit Development Conditional Use Permit application meets all applicable standards specified in Title 16 & Title 17 of the Ketchum Municipal Code.

DECISION

THEREFORE, the Council **approves** this Planned Unit Development Conditional Use Permit Application File No. P22-065A this Monday, November 13, 2023, subject to the following conditions of approval.

CONDITIONS OF APPROVAL

1. The issuance of the CUP shall not be considered a binding precedent for the issuance of other conditional use permits. This conditional use permit is not transferable from one parcel of land to another.
2. Failure to comply with any conditions or term of said permit shall cause said permit to be void. A PUD – Conditional Use Permit may be revoked at any time for violation of the permit or any condition thereof by motion of the City Council after a due process hearing upon ten (10) days written notice to the holder of the PUD - Conditional Use Permit.

Findings of Fact **adopted** this 13th day of November 2023.

Neil Bradshaw, Mayor
City of Ketchum



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: November 13, 2023 Staff Member/Dept: Abby Rivin, AICP, Senior Planner - Planning and Building Department

Agenda Item: Recommendation to approve Task Order No. 2 with Clarion Associates for Phase 2 of the Comprehensive Plan & Code Update project.

Recommended Motion:

"I move to approve Task Order No. 2 with Clarion Associates."

Reasons for Recommendation:

- Task Order No. 2 would authorize Clarion Associates to provide the professional services to execute the scope of work for Phase 2 of the Cohesive Ketchum: Comprehensive Plan & Code Update project. Clarion Associates will be providing these services under Professional Services Agreement 23128 dated August 7, 2023.
The City Council reviewed the Phase 2 scope of work, schedule, and budget during their regular meeting on November 6, 2023. The City Council indicated to staff a preference for option A, which was the cost proposal outlined in the Phase 2 scope of work.
Task Order No. 2 is for a not to exceed amount of \$311,730 and is consistent with the amount presented to the City Council on November 6, 2023.

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

The Comprehensive Plan update process provides an opportunity to clarify the City's sustainability and community resilience- priorities and take steps to mitigate risk. Updates to the Comprehensive Plan will build from the City's ongoing involvement as part of the Blaine County Regional Sustainability and Climate Program (5B Can) with an emphasis on strategies that Ketchum can advance through its land use regulations and day-to-day operations.

Financial Impact:

Table with 2 columns: Financial Impact (None OR Adequate funds exist in account) and Description (The adopted FY2024 budget includes a \$150,000 one-time General Fund Expenditure to fund the project. If the city is awarded the HUD PRO Housing Grant, the grant will cover all project costs except for the \$150,000 budgeted by Council for this fiscal year. If the city is not awarded the grant, the city will allocate an additional \$113,400 in one-time funds in FY24, with remaining project costs in future years.)

Attachments:

- 1. Task Order No. 2
2. Professional Services Agreement 23128

Task Order No. 2 (November 13, 2023)

Phase 2: Scope of Work

Background

In August 2023, the City initiated a targeted update of the Comprehensive Plan and a rewrite of the City’s Land Use Regulations (Code). This process includes three phases of work that are anticipated to take approximately two and a half years to complete. Based on input received during Phase 1, this scope of work is organized into two parts:

- Part 1: Targeted Comprehensive Plan Update
- Part 2: Code Update (Initial Tasks)

Opportunities for community and stakeholder input will be provided throughout Phase 2. Although some key meetings are identified at the task level as part of this scope of work, more general tasks for community and stakeholder engagement are also included to align with major project milestones. Each of these tasks represents a major “round” of community and stakeholder engagement that will include numerous meetings and opportunities for input. The specifics of each of these rounds of engagement and other aspects of the approach are provided in the accompanying Public Engagement Plan.

We anticipate a 16-month timeline for completion of Phase 2, assuming a mid-November contract initiation. Work on both parts of Phase 2 will progress concurrently, as illustrated on the project timeline.

OVERARCHING THEMES

Six overarching themes emerged from initial stakeholder meetings during Phase 1:

- Align the updated plan with recent plans and studies
- Clarify Future Land Use Plan (map and categories) and align with the Code
- Clarify sustainability and resilience priorities
- Expand focus on historic preservation
- Strengthen regional partnerships
- Clarify roles and responsibilities

A discussion of each theme is provided in the accompanying Comprehensive Plan Audit (Plan Audit).

Project Milestones

A summary of major dates and deliverables for the Comprehensive Plan update and Code Update (Initial Tasks) is provided below. Additional details are provided in the accompanying Public Engagement Plan.

Phase 2	2023		2024												2025			
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Part 1: Targeted Comprehensive Plan Update																		
1.1 REVIEW AND UPDATE PLAN FOUNDATIONS																		
1.1.A. Initial Community Survey					✦													
1.1.B - Initial Outreach Campaign																		
1.1.C. Routine Technical Updates/Supplemental Analysis		●	✓	●														
1.1.D. Updates to Community Vision and Core Values			✓															
1.1.E. Community and Stakeholder Engagement (Round 1)						✳	✦											
1.2 FUTURE LAND USE PLAN/KEY POLICY CHOICES																		
1.2.A. Key Policy Choices (Framing)							✓	●										
1.2.B. Draft: Future Land Use Plan							✓											
1.2.C. Community and Stakeholder Engagement (Round 2)									✳	✦								
1.3 DRAFT COMPREHENSIVE PLAN AND ADOPTION																		
1.3.A. Staff Draft: Updated Comprehensive Plan										✓								
1.3.B. Public Draft: Updated Comprehensive Plan											●							
1.3.C. Community and Stakeholder Engagement (Round 3)												✳	✦					
1.3.D. Adoption Draft: Updated Comprehensive Plan													✓					
1.3.E. Adoption Hearings: Updated Comprehensive Plan														✓		✦	✦	
Part 2: Code Update (Initial Tasks)																		
2.1 USABILITY AND PROCEDURAL UPDATES																		
2.1.A. User Survey (Usability and Procedural Updates)		●																
2.1.B. Consolidated and Reorganized Code: Staff Draft						✓												
2.1.C. Consolidated and Reorganized Code: CAG/TAG Draft							●											
2.1.D. Updated Procedures: Staff Draft								✓										
2.1.E. Updated Procedures: CAG/TAG Draft									✓	●								
2.1.F. Community and Stakeholder Engagement (Usability and Procedural Updates)												✳	✦					
2.1.G. Adoption Draft: Consolidated and Reorganized Code + Updated Procedures												✓	●					
2.1.H. Adoption Hearings: Consolidated and Reorganized Code + Updated Procedures														✓		✦	✦	
2.2 CODE ASSESSMENT/PHASE 3 SCOPING																		
2.2.A. Staff Draft: Code Assessment Memo									✓									
2.2.B. Public Draft: Code Assessment Memo											●	✳	✦					
2.2.C. Phase 3 Scoping													✓		✦			

Opportunities for Input	
✓	Staff Review
✳	Stakeholder Meetings/Community Outreach
●	Citizen Advisory Committee Meeting (CAC)
●	Code Committee Meetings (CAG and TAG)
✦	Joint Meeting (City Council/Planning Commission)
✦	Adoption Hearings (Separate)

PART 1. TARGETED COMPREHENSIVE PLAN UPDATE

This Comprehensive Plan update will be targeted in scope and not a “start-from-scratch” effort. As a result, the overall timeline is shorter with fewer, but more in-depth, engagement opportunities. While the entire Comprehensive Plan will be reviewed and updated to some extent to reflect current conditions, improve usability, and address gaps, this update will focus specifically on challenges and opportunities related to land use, housing, multimodal transportation, historic preservation, sustainability, and community character. Tasks are organized into three groups:

- Review and Update Plan Foundations
- Future Land Use Plan and Key Policy Choices
- Draft Plan and Adoption

Part 1 of this scope of work supports the completion of the section-by-section recommendations provided in the accompanying Plan Audit. Many of these tasks will occur on a parallel track.

1.1. Review and Update Plan Foundations

Objectives

- Conduct initial community outreach/education
- Validate/refine community vision and core values
- Update background data and trends to help inform the plan update

1.1.A. INITIAL COMMUNITY SURVEY

A statistically valid community survey will be used to gauge community sentiment around the overall quality of life and City services provided in Ketchum, as well as seek input on the level of support for the ten core community values that were included in the 2014 Comprehensive Plan. This will be a staff-led effort (using an outside contractor) with support from the project team on the framing of customized questions.

1.1.B. INITIAL OUTREACH CAMPAIGN

City staff will conduct an initial outreach campaign while the initial community survey is underway. The campaign will function as an opportunity to educate the public, regional partners, and other stakeholders about the Comprehensive Plan update and Code update process, why the process is important to Ketchum and the region, and the types of opportunities for public engagement that will be used throughout the project. The project team will provide support on presentation materials and other marketing collateral.

1.1.C. ROUTINE TECHNICAL UPDATES/SUPPLEMENTAL ANALYSIS

The project team will work with City staff to complete routine technical updates and supplemental analysis necessary to inform the Comprehensive Plan update process. This task will include three components:

- **Review, update, and reorganize the Community Profile and Chapters 2-11.** Existing data, maps, and narrative will be updated to align the updated Comprehensive Plan with recent plans and studies, and incorporate the best available data. Opportunities to relocate key information (e.g.,

descriptions of related plans and studies and associated goals) to Chapters 2-11 will also be considered to make it more visible and accessible, to provide context for goals and policies, and to generally make the updated Comprehensive Plan more user-friendly. Updates will be guided by the section-by-section recommendations included in the Plan Audit that was prepared as part of Phase 1. The most substantial updates are anticipated to clarify current policy direction or address gaps within the 2014 Comprehensive Plan related to housing, community character (density/design), historic preservation, and sustainability/resilience. A working draft of the updated Community Profile and element chapters will continue to be refined in the background as the process progresses and will ultimately be incorporated as part of the updated Comprehensive Plan for review as part of Task 1.3.A. Staff will complete updates to inventory maps.

- **Land Capacity/Areas of Transition Analysis.** A parcel-based analysis of vacant and underutilized land within Ketchum will be conducted to provide a baseline understanding of what the ultimate buildout of the City and Areas of City Impact could be under current zoning regulations (such as density or floor area ratio requirements) and based on the City’s infrastructure capacity. The analysis will be conducted in an Excel workbook that City staff can maintain over time. The land capacity analysis will be accompanied by an ‘Areas of Transition’ map (prepared by the project team) that highlights properties that are anticipated to change (or those that will potentially be under pressure to change) based on current policies and regulations. This map will function as a visual tool to explore growth-related questions:
 - Whether the community is supportive of the level of change that’s anticipated in different areas; and
 - If not, what policies and regulations could be considered to help guide change?
- **Land Demand vs. Supply Analysis (Residential and Non-residential).** Building on the land capacity analysis in Task 1.1.D, the land demand versus supply analysis will help quantify future demand for different types of the types of development in Ketchum, based on recent trends and market conditions. This analysis will build upon the work EPS is currently wrapping up to document demand for residential and non-residential development (e.g., by type of housing and category of non-residential development). This analysis will also help contextualize Housing Action Plan recommendations.

Technical updates and supplemental analysis completed as part of this task will be used to set the stage for updates to the Future Land Use Plan (map and land use categories), help frame key policy choices for discussion, and ultimately inform the Code update. Summary slides with high level findings for all three components will be prepared to inform outreach conducted as part of Task 1.1.E. An initial draft will be shared with staff and the Citizen Advisory Committee. Based on input received on this initial draft, materials will be revised and shared as part of meetings and outreach conducted as part of Task 1.1.E.

1.1.D. UPDATES TO COMMUNITY VISION AND CORE VALUES

The project team will prepare proposed revisions to Chapter 1: Community Vision and Core Values based on survey results and input from staff. This task will include:

- A redlined version of Chapter 1;
- Proposed updates to the organizational structure of plan chapters that better align with core community values and current priorities; and
- Presentation slides and a brief handout that summarizes proposed changes to Chapter 1.

An initial draft will be shared with staff and the Citizen Advisory Committee. Based on input received on this initial draft, a summary of proposed changes will be prepared and shared as part of meetings and outreach conducted as part of Task 1.1.E. Input received will be incorporated as part of the draft plan in Task 1.3.A.

1.1.E. COMMUNITY AND STAKEHOLDER ENGAGEMENT (ROUND 1)

The primary intent the first round of community and stakeholder engagement will be to:

- Provide a high-level overview of where Ketchum updated trends information (where we are and where we are headed)
- Share the results of the community survey and how the plan framework is proposed to evolve based on this input.
- Begin to tease out some of the larger questions that will need to be answered as a result of the work that has been done up to this point.

These community and stakeholder meetings will be conducted in person over the course of two or three days and may include community open houses, joint meetings with elected and appointed officials, and regional roundtables. An online engagement opportunity will also be provided following the meetings that may be open for public comment for several weeks.

Deliverables

- Working draft of the updated Community Profile, element chapters, and Community Vision and Core Values
- Land Capacity/Areas of Transition Analysis (Map with supporting narrative and Excel workbook)
- Land Demand vs. Supply Analysis
- Presentation materials, survey questions, and other marketing collateral to support outreach efforts

1.2. Future Land Use Plan/Key Policy Choices

Objectives

- Evaluate key choices and trade-offs associated with land use scenarios for areas of transition
- Define and document preferred growth parameters (e.g. potential changes in density or allowed uses) for the Future Land Use Plan and to help inform the Code update

1.2.A. KEY POLICY CHOICES (FRAMING)

Using the data and information assembled as part of 1.1 tasks, the project team will work with City staff to frame potential trade-offs associated with different policy directions as they relate to the community's vision and goals (e.g., housing, historic preservation, sustainability/resiliency). The policy options provided will include considerations for the City of Ketchum as a whole, as well as for individual districts and neighborhoods or ACIs (e.g., Warm Springs ski base area, Downtown, light industrial area) and will evaluate how different policy choices address residential and non-residential needs and impact future growth capacity and long-term buildout. The suggested policy choices will also explore possible changes to underlying zone districts and new or updated development standards that could be implemented to achieve outcomes that better align with the community's vision and goals. Additional support materials (such as maps, massing models, and infographics) will be used to frame key policy choices for consideration. To the extent feasible, this task will draw from related planning efforts and

Ketchum, ID

lessons learned as part of ongoing discussions on growth-related topics in recent years. Based on input received from City staff and the Citizen Advisory Group, materials will be refined for broader discussion as part of Task 1.2.C.

1.2.B. FUTURE LAND USE PLAN (MAP AND LAND USE CATEGORIES)

In conjunction with Task 1.2.A., the Future Land Use Plan (map and categories) in the 2014 Comprehensive Plan will be restructured and expanded to move away from language that generally documents current conditions and move toward language and imagery that communicates Ketchum’s vision for the future. Land use category updates will focus on providing clarity regarding: desired land use mix, housing types, and density ranges. Defining neighborhood and district characteristics and site planning/design criteria may also be incorporated, based on recommendations for Chapters 4 and 12, as outlined in the Plan Audit. Based on input received from City staff and the Citizen Advisory Group, materials will be refined for broader discussion as part of Task 1.2.C.

Following the second round of community and stakeholder engagement, further updates to the Future Land Use Plan (map and land use categories) will be incorporated to reflect the community’s preferred direction for the City and ACI. Map updates will be completed by City staff in collaboration with the project team.

1.2.C. COMMUNITY AND STAKEHOLDER ENGAGEMENT (ROUND 2)

The focus of the second round of community and stakeholder engagement will be to identify preferred policy directions related to each of the key policy choices posed to the community. This round of engagement will include:

- In-person focus groups, organized around specific topics- or geographies-of-interest, at different locations throughout Ketchum;
- A Regional Roundtable discussion about key policy choices of regional interest (e.g., ACIs, housing); and
- An online input opportunity that mirrors questions asked as part of in-person meetings will also be provided.

At the conclusion of this task, Ketchum staff (with virtual assistance from the project team) will host a joint workshop with elected and appointed officials to present community preferences on key policy choices and seek guidance on any outstanding questions. This update will be used to confirm the overall direction for the draft plan as well as gather input on a preliminary list of near-term priorities for the implementation plan. If necessary, a second workshop will be held.

Deliverables

- Updated Future Land Use Plan (map and categories)
- Slides or display materials to help succinctly frame key policy choices for broader discussion as part of Task 1.2.C.
- Summary of input received as part of Task 1.2.C

1.3. Draft Comprehensive Plan and Adoption

Objectives

- Assemble a complete draft of the updated Comprehensive Plan for public review

- Finalize updated Comprehensive Plan for adoption

1.3.A. STAFF DRAFT: UPDATED COMPREHENSIVE PLAN

Building on tasks and deliverables associated with 1.1. and 1.2, the project team will assemble a staff draft of the updated Comprehensive Plan for review. This draft will include:

- Targeted updates to reflect recommendations contained in the Plan Audit;
- New/updated sections and preferred policy directions that emerged from the analysis and community engagement process;
- An updated Future Land Use Plan; and
- A new action plan to support the implementation of the updated Comprehensive Plan.

The document will be packaged in InDesign and include images, design elements, and features that will make the updated Comprehensive Plan engaging to read and easy to understand.

1.3.B. PUBLIC DRAFT: UPDATED COMPREHENSIVE PLAN

Based on input received from City staff and the Citizen Advisory Group, a public draft of the updated Comprehensive Plan will be prepared for broader review.

1.3.C. COMMUNITY AND STAKEHOLDER ENGAGEMENT (ROUND 3)

The focus of the third round of community and stakeholder engagement will be to introduce and seek input on the draft Comprehensive Plan. A particular emphasis will be placed on preferred policy directions that emerged from the second round of community and stakeholder engagement as well as seeking input on near-term priorities identified as part of the implementation chapter. This round of engagement is anticipated to include:

- A community open house; and
- An online input opportunity.

At the conclusion of this task, Ketchum staff (with virtual assistance from the project team) will host a joint workshop with elected and appointed officials to seek guidance on any outstanding questions or concerns to be addressed for the adoption draft. If necessary, a second workshop will be held.

1.3.D. ADOPTION DRAFT: UPDATED COMPREHENSIVE PLAN

The project team will assemble an adoption draft of the updated Comprehensive Plan that reflects input received as part of the final round of outreach.

1.3.E. ADOPTION HEARINGS

The project team will provide support to City staff in the form of materials, responses to questions and comments, and presentation assistance, during the adoption process for the updated Comprehensive Plan. Key team members will be available to participate (via Zoom) in up to four public workshops and/or hearings on the updated Comprehensive Plan before the Planning Commission and City Council.

Deliverables

- Staff draft, public draft, and adoption drafts of the updated Comprehensive Plan
- Slides or display materials to help support community and stakeholder engagement and adoption hearings
- Summary of input received as part of Task 1.3.C

- Transfer of final documents (in native and PDF format)

PART 2. CODE UPDATE (INITIAL TASKS)

The scope of work for Part 2 is intended to allow the code update to begin and proceed alongside the plan update as a related, but separate, project. This reflects stakeholder feedback emphasizing the importance of the code update and urging that it begin immediately, rather than waiting for completion of the plan.

The initial code update tasks will result in development of a completely reformatted and reorganized set of land use regulations that integrate several separate Ketchum ordinances, primarily zoning and subdivision. These initial tasks also will result in a major update of the administrative procedures portion of the regulations, which deal with processing and decisions on land use applications. This initial set of substantive amendments during Phase 2 will provide a strong foundation for additional targeted amendments that will occur in a later phase and that will involve additional edits to implement the updated plan.

This proposed approach will allow significant initial work on the Code update to proceed generally in the background while the plan process is underway. Based on our experience, we think this approach will allow us to get a strong start on the code process without overwhelming staff, decision-makers, and the public with multiple rounds of piece-meal amendments. Tasks are organized into two groups:

- Usability and Procedural Updates
- Code Assessment/Phase 3 Scoping

2.1. Usability and Procedural Updates

Objectives

- Improve the usability and functionality of the Code (including procedures) while the Comprehensive Plan update is underway.
- Shorten the overall timeline for rewriting the Code.

2.1.A. USER SURVEY (USABILITY AND PROCEDURAL UPDATES)

To jumpstart the Code update, a brief online survey will be used to gather feedback on the procedures and overall usability of the existing code. The survey will be distributed to heavy code users, such as the TAG, planning staff, and other City departments.

2.1.B. STAFF DRAFT: CONSOLIDATED AND REFORMATTED CODE

The feedback from the user survey will help inform Clarion’s approach to consolidating and reformatting the City’s land use regulations. As part of this process, Clarion will provide a memo illustrating different options for reorganizing and restructuring Title 17—Zoning Regulations and Title 16—Subdivision Regulations (and portions of related Titles 12 and 15) to improve usability and eliminate redundancy, where appropriate. Following staff comments on this memo and selection of an organizational approach, Clarion will prepare a staff draft of a consolidated and reformatted code for staff review. This staff draft will include:

- Reorganization and restructuring of Title 17—Zoning Regulations and Title 16—Subdivision Regulations (and portions of related Titles 12 and 15) to improve usability and eliminate redundancy, where appropriate.
- Current code graphics will be revised for clarity as needed, and new graphics added, to improve overall user-friendliness.

2.1.C. CAG/TAG DRAFT: CONSOLIDATED AND REFORMATTED CODE

Following one round of consolidated staff comments on the staff draft of the new code, Clarion will prepare a revised document, the “CAG draft,” to be discussed with the Code Advisory Group and Technical Advisory Group.

2.1.D. STAFF DRAFT: UPDATED PROCEDURES

Based on comments from the survey, discussions with staff, and the Code Advisory Group, Clarion will undertake a substantive update of the procedures section of the new code, using the public version of the reorganized/reformatted code developed in Task 2.1.C as a base. Expected areas of focus include:

- Clarification of the general procedures applying to most types of procedures;
- Standardization of the format for all procedures;
- Update of approval criteria;
- Reevaluation of public input process for major application types;
- Consideration of new application types;
- Consideration of decision-making authority (which bodies are appropriate to make which decisions);
- Reevaluation of application requirements; and
- Reevaluation of which procedural steps should be codified in the code and which should be maintained in separate administrative manuals or user guides.,

As with the reorganized/reformatted code, the first step of the drafting will include development of a staff version of the updated procedures.

2.1.E. CAG/TAG DRAFT: UPDATED PROCEDURES

Following one round of consolidated staff comments on the staff draft of the new procedures, Clarion will prepare a revised public draft to be discussed with the Code Advisory Group.

2.1.F. COMMUNITY AND STAKEHOLDER ENGAGEMENT (USABILITY AND PROCEDURAL UPDATES)

The primary focus of the community and stakeholder engagement conducted as part of Phase 2 of the Code update is to gather feedback on the proposed updates to procedures and the options for consolidating and reformatting the code. Opportunities for input may include:

- Joint elected and appointed officials update (conducted by staff at interim milestones to offer progress reports and seek input on options; conducted by Clarion as part of presentation of overall reorganized code and procedures update);
- Technical Advisory Group meeting (conducted virtually by Clarion team and staff);
- Community open house(s) (conducted via website and also by Clarion team and staff to introduce new reorganized code and procedures update);
- Focus groups with code users (conducted as part of initial onsite and virtual meetings); and
- Online comment opportunity

Information gathered during this round of engagement will also be used to inform the Code Assessment Memo and Phase 3 scope.

2.1.G. ADOPTION DRAFT: CONSOLIDATED AND REFORMATTED CODE + UPDATED PROCEDURES

Using the feedback provided by staff and gathered from community and stakeholder meetings, Clarion will prepare an adoption draft with consolidated and reformatted code recommendations and updated procedures.

2.1.H. ADOPTION HEARINGS: CONSOLIDATED AND REFORMATTED CODE + UPDATED PROCEDURES

Adoption of the consolidated and reformatted code, including the updated procedures section, will happen concurrently with or shortly after the adoption of the updated Comprehensive Plan. This will be a staff-led effort (with virtual support from the project team) involving presentations to the Planning Commission and City Council.

Deliverables

- User survey
- Staff memo: Organization options
- Consolidated/reorganized code: Staff Draft
- Consolidated/reorganized code: CAG/TAG Draft
- Updated procedures: Staff Draft
- Updated procedures: CAG/TAG Draft
- Consolidated and reformatted code with updated procedures: Adoption draft
- Adoption support materials (e.g., PPT) for staff-led presentations at adoption hearings

2.2. Code Assessment/Phase 3 Scoping

Objectives

- To provide an assessment of remaining substantive edits necessary to the land use regulations to implement the updated Comprehensive Plan as well as achieve other City goals.

2.2.A. STAFF DRAFT: CODE ASSESSMENT MEMO

Building on the internal staff code audit and input from the TAG and other code users, the project team will prepare a code assessment memo that highlights opportunities to align land use regulation updates with the recommendations made in the updated Future Land Use Plan. The code assessment memo will be drafted roughly concurrently with the updated comprehensive plan draft. Recommendations made in the code assessment memo will be broad enough to allow flexibility for Phase 3.

This memo would need to be informed by a round of stakeholder engagement conducted following adoption of the plan that is focused solely on the regulations.]

2.2.B. PUBLIC DRAFT: CODE ASSESSMENT MEMO

Following one round of consolidated staff comments on the staff draft of the assessment memo, Clarion will prepare a revised public draft to be discussed with the Code Advisory Group.

2.2.C. PHASE 3 SCOPING

A scope, schedule, and budget defining the final round of tasks to complete the Code Update will be provided. Clarion anticipates the Phase 3 scope will include:

- Updates to districts and uses
- Updates to development standards
- Refinements to procedures (as needed, based on updates to the above)

Deliverables

- Code Assessment memo: Staff Draft
- Code Assessment memo: CAG/TAG Draft
- Phase 3 scope, schedule, and budget

Cost Proposal

Our baseline cost to complete this Phase 2: Scope of Work is: \$311,630. We have also included a 10% contingency budget of \$31,173 to cover additional tasks as may be assigned. A separate breakdown of costs for the Targeted Comprehensive Plan update and Code update is provided below and on the following page.

Ketchum Comp Plan and Code Rewrite (Phase 2)							
Task	Clarion				EPS		Total
Team Member	White D.	Goebel	Squyer	White H.	Prosser	Associate	
Billable Rate \$/Hour	\$185	\$225	\$90	\$95	\$250	\$145	
Part 1: Targeted Comprehensive Plan Update							
1.1: Review and Update Plan Foundations							
1.1.A. Initial Community Survey	2	0	0	0	0	0	2
1.1.B. Initial Outreach Campaign	4	0	16	16	0	0	36
1.1.C. Routine Technical Updates/Supplemental Analysis	24	0	80	0	32	40	176
1.1.D. Updates to Community Vision and Core Values	12	0	16	0	0	0	28
1.1.E. Community and Stakeholder Engagement (Round 1)	40	0	60	16	12	0	128
1.1: Total Hours	82	0	172	32	44	40	370
1.1: Total Labor	\$15,170	\$0	\$15,480	\$3,040	\$11,000	\$5,800	\$44,690
1.1: Person trips	1	0	1	0	1	0	3
1.1: Total Travel	\$950	\$0	\$950	\$0	\$950	\$0	\$2,850
Task 1.2: Future Land Use Plan/Key Policy Choices							
1.2.A. Key Policy Choices (Framing)	16	2	24	0	8	0	50
1.2.B. Future Land Use Plan (Map and Land Use Categories)	16	2	40	0	8	0	66
1.2.C. Community and Stakeholder Engagement (Round 2)	40	32	60	16	0	0	148
1.2: Total Hours	72	36	124	16	16	0	264
1.2: Total Labor	\$13,320	\$8,100	\$11,160	\$1,520	\$4,000	\$0	\$38,100
1.2: Person trips	1	1	1	0	0	0	3
1.2: Total Travel	\$950	\$950	\$950	\$0	\$0	\$0	\$2,850
Task 1.3: Draft Comprehensive Plan and Adoption							
1.3.A. Staff Draft - Updated Comprehensive Plan	40	4	120	40	8	0	212
1.3.B. Public Draft - Updated Comprehensive Plan	24	4	40	24	4	0	96
1.3.C. Community and Stakeholder Engagement (Round 3)	40	0	0	0	0	0	40
1.3.D. Adoption Draft - Updated Comprehensive Plan	24	0	40	24	2	0	90
1.3.E. Adoption Hearings	16	6	6	0	0	0	28
1.3: Total Hours	144	14	206	88	14	0	466
1.3: Total Labor	\$26,640	\$3,150	\$18,540	\$8,360	\$3,500	\$0	\$60,190
1.3: Person trips	0	0	0	0	0	0	0
1.3: Total Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Part 1: Project Total Hours	298	50	502	136	74	40	1100
Part 1: Project Total Labor	\$55,130	\$11,250	\$45,180	\$12,920	\$18,500	\$5,800	\$148,780
Part 1: Project Total Person Trips	2	1	2	0	1	0	6
Part 1: Total Travel Expenses	\$1,900	\$950	\$1,900	\$0	\$950	\$0	\$5,700
Part 1: Total Fees: Labor and Expenses	\$57,030	\$12,200	\$47,080	\$12,920	\$19,450	\$5,800	\$154,480
10% Contingency (Other tasks as assigned)							\$15,448

**Note: Task Order No. 2 will be amended or new Task Order will be issued should 10% contingency for Phase 2 scope of work be needed.*

Ketchum Plan and Code Rewrite (Phase 2)					
Task	Clarion				Total
Team Member	Goebel	White D.	Associate	White H.	
Billable Rate \$/Hour	\$225	\$185	\$110	\$95	
Part 2: Code Update (Initial Tasks)					
2.1: Usability and Procedural Updates					
2.1.A. User Survey (Usability and Procedural Updates)	2	0	8	0	10
2.1.B. Staff Draft: Consolidated and Reformatted Code	40	0	90	60	190
2.1.C. CAG/TAG Draft: Consolidated and Reformatted Code	30	0	60	20	110
2.1.D. Staff Draft: Updated Procedures	50	0	100	10	160
2.1.E. CAG/TAG Draft: Updated Procedures	30	0	60	10	100
2.1.F. Community and Stakeholder Engagement (Usability and Procedural Updates)	60	0	100	20	180
2.1.G. Adoption Draft: Consolidated and Reformatted Code + Updated Procedures	0	0	0	0	0
2.1.H. Adoption Hearings: Consolidated and Reformatted Code + Updated Procedures	20	0	0	0	20
2.1: Total Hours	232	0	418	120	770
2.1: Total Labor	\$52,200	\$0	\$45,980	\$11,400	\$109,580
2.1: Person trips	2		2		4
2.2: Total Travel	\$1,900	\$0	\$1,900	\$0	\$3,800
2.2: Code Assessment/Phase 3 Scoping					
2.2.A. Staff Draft: Code Assessment Memo	40	30	60	8	138
2.2.B. Public Draft: Code Assessment Memo	20	0	30	8	58
2.2.C. Phase 3 Scoping	40	0	40	0	80
2.2: Total Hours	100	30	130	16	276
2.2: Total Labor	\$22,500	\$5,550	\$14,300	\$1,520	\$43,870
2.2: Person trips	0		0		0
2.2: Total Travel	\$0	\$0	\$0	\$0	\$0
Part 2: Project Total Hours	332	30	548	136	1046
Part 2: Project Total Labor	\$74,700	\$5,550	\$60,280	\$12,920	\$153,450
Part 2: Project Total Person Trips	2	0	2	0	4
Part 2: Total Travel Expenses	\$1,900	\$0	\$1,900	\$0	\$3,800
Part 2: Total Fees: Labor and Expenses	\$76,600	\$5,550	\$62,180	\$12,920	\$157,250
10% Contingency (Other tasks as assigned)					\$15,725

*Note: Task Order No. 2 will be amended or new Task Order will be issued should 10% contingency for Phase 2 scope of work be needed.



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 24039

To: 1656 CLARION ASSOCIATES LLC 1600 STOUT STREET STE 1700 DENVER CO 80202	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
11/09/2023	BANCONA	BANCONA	Planning & Building	0	

Quantity	Description		Unit Price	Total
1.00	TASK ORDER 2: CONSULTING SERVICES, COMPREHENSIVE PLAN & CODE UPDATE PROJECT- PHASE 2	01-4170-4200	311,730.00	311,730.00
			SHIPPING & HANDLING	0.00
			TOTAL PO AMOUNT	311,730.00

 Authorized Signature



City of Ketchum

**PROFESSIONAL SERVICES AGREEMENT #23128
CLARION ASSOCIATES**

This CONTRACT FOR SERVICES (“Agreement”) is entered into effective as of the 7th day of August 2023, by and between the City of Ketchum, an Idaho municipal corporation (“City”), and Clarion Associates (“Contractor”).

RECITALS

- A. The City desires to conduct an audit and focused update to the 2014 Comprehensive Plan and a full rewrite of land use regulations (the “Project”). The project objectives include: (1) achieve alignment between the updated comprehensive plan, other adopted plans, and the code to support the community’s vision, goals, and policies; (2) integrate progressive and sustainable policies and practices to support smart growth and environmental stewardship; (3) develop regulations in plain English that improve customer service by making the code user friendly, streamlined, and fair with high quality visual references; and (4) develop design guidelines and a design review process that fosters creativity and results in quality design.
- B. The Project will be executed in three phases. Phase 1 of the Project includes: (1) developing scope of work, public engagement plan, and schedule, (2) data gathering and identification of data gaps that need to be filled prior to execution of the Project, (3) an audit of the 2014 Comprehensive Plan, and (4) a draft approach to the code rewrite. Phase 2 will include an update to the 2014 Comprehensive Plan based on the audit and the attendant public engagement. Phase 3 will include a rewrite of the zoning and subdivision ordinances and attendant public engagement. Each phase of the project will be authorized as a separate Task Order pursuant to the terms of this Professional Services Agreement.
- C. The Project is an extensive process involving comprehensive community engagement and technical analysis that requires consultant support.
- D. The Contractor has the necessary technical expertise and project experience to complete the above referenced work.

FINDINGS

- A. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho.
- B. The City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City. Idaho Code §50-301 *et seq.*
- C. Contractor independently provides certain professional services which may be beneficial and of use for the general welfare of the City.

D. The City finds that it is economical and efficient and that it is in the best interests of the City to contract with Contractor for certain services as set forth herein (“Services”).

NOW, THEREFORE, the Parties enter into this Agreement according to the following terms and conditions:

1. **Description of Services.** The Contractor shall complete the tasks on the schedule as outlined in Task Order #1 and attached as Exhibit A, incorporated herein by this reference (the “Services”).
2. **Payment for Services.** City shall engage Contractor to perform professional services pursuant to this Agreement by issuing a Task Order to Contractor. Each Task Order shall clearly state that it is issued pursuant to this Agreement and shall identify the scope of services to be performed by Contractor, the schedule for performance of the Services, the method of pricing and/or compensation for Services, and other matters as may be pertinent to the individual authorization. Contractor will be compensated for Services as set forth in the task orders listed in Exhibit A, as priced on a Task Order basis.

In exchange for the Services detailed in Task Order #1, the City shall pay Contractor with an amount not to exceed nine thousand five hundred dollars (\$9,500) to be billed at the end of each month of services. The Contractor shall track and report to the City as to the Service activities and all time expended on the Services. City will also reimburse Contractor, upon presentation of reports and receipts, for reasonable travel expenses required to provide the Services. The terms of this Agreement shall supersede any standard or preprinted terms that may be attached to or referenced in any Task Order. Invoices for payment will be submitted monthly and payment made by City upon City review and approval within approximately thirty days. The City shall remit payment within 60 days from the date of invoice.

3. **Term.** The term of this Agreement shall be through the duration and conclusion of the Services, not to exceed one year from the date of this Agreement. This term may be renewed or extended upon further written agreement between the parties. The Parties hereby agree that in the event City, in its sole and exclusive opinion, City may terminate this Contract without penalty upon thirty (30) days written notice to the Contractor. Upon receipt of such notice, neither party shall have any further obligation to the other. In the event of such termination, Contractor shall submit a report of expenditures to the City. If this Agreement is terminated by the City as provided herein, Contractor shall be paid for the work performed prior to termination, less payment or compensation previously made.
4. **Proprietary Rights.** All data, materials, reports, maps, graphics, table, memoranda, and other documents or products developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City at its request, and may be used by the City for any business or municipal purpose. The City agrees that if it uses products prepared by Contractor for purposes other than those intended in this Agreement, it does so at its sole risk.
5. **Independent Contractor.** Contractor performs the Services hereunder solely and exclusively as an independent contractor. Contractor is not an employee, servant, agent, partner, or joint venture of the City. The City will determine the projects or Services to be done by Contractor, but Contractor will determine the legal means by which it accomplishes the work specified by the City. This

Agreement shall not be construed to create or establish any employee-employee relationship between the City and Contractor or make Contractor eligible for any City employment benefits. Contractor is solely responsible for all withholding and payment of all applicable federal, state, and local income or payroll taxes of any kind.

6. **Assignment.** Neither Party shall assign any of its rights and/or obligations under this Agreement to any other person or entity.
7. **Representation and Warranty by Contractor.** Contractor hereby represents and warrants to City as follows:
 - a. Contractor has the knowledge, experience, expertise and office equipment resources necessary to promote, organize, manage, coordinate and produce materials, and to provide management of social media outlets, required by City.
 - b. Contractor hereby acknowledges that all writings and documents, including without limitation, email containing information relating to the conduct or administration of the public's business prepared by Contractor for City, regardless of physical form or characteristics, may be public records pursuant to Idaho Code Section 74-101 et seq. Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may be readily identified, retrieved, and made available for such inspection and copying.
8. **Default.** In the event either Party hereto defaults in its performance of any of the obligations created hereunder, the other Party may pursue any and all remedies whether at law or equity, including without limitation terminating this Agreement.
9. **Voluntary Agreement.** This Agreement is freely and voluntarily entered into by each of the Parties. The Parties acknowledge and agree that each has been represented in the negotiation of this Agreement by counsel of its own choosing or has had an opportunity and ability to obtain such representation, that it has read this Agreement, or had it read to it, that it understands this Agreement, and that it is fully aware of the contents and legal effects of this Agreement.
10. **Binding Agreement.** The provisions of this Agreement shall be binding upon, and shall obligate, extend to, and inure to the benefit of each of the legal successors, assigns, transferees, grantees and heirs of each of the Parties, and all persons who may assume any or all of the above-described capacities subsequent to the execution of this Agreement.
11. **Mediation.** Should a dispute arise and is not resolved by the Parties, the Parties shall first proceed in good faith to submit the matter to non-binding mediation with a mediator licensed in the State of Idaho. Upon completion of one attempt at mediation, either party may pursue any available legal or equitable remedy.
12. **Indemnification.** Contractor releases, holds harmless, and agrees to indemnify City from and against all claims, suits, damages (including, without limitation, damages to persons and property including deaths, and all tax responsibilities), costs, losses, and expenses, in any manner related to or

arising from the acts or omissions of Contractor, its managers, members, directors, officers, shareholders, agents, and employees.

13. **Licensing.** Contractor represents that Contractor possesses the requisite skill, knowledge, and experience necessary to perform the Services. Contractor represents it has or agrees to obtain and maintain all necessary registrations, licenses, and insurance as may be required by the State of Idaho for the performance of the Services under this Agreement.

14. **Insurance.** Contractor is not covered by the City’s liability insurance policy. Contractor shall carry and maintain liability insurance in the following minimum amounts:

General liability	\$1,000,000.00 per occurrence. \$2,000,000.00 aggregate.
Commercial Auto	\$1,000,000.00
Professional Liability	\$1,000,000.00
Worker’s Compensation	As required by the State of Idaho, and not less than \$1,000,000.00

Proof of said insurance shall be provided to City. Each policy of insurance required shall provide for no less than thirty-day advance notice to City prior to cancellation. In addition, the City shall be named a “Additional Insured” by all contractors and subcontractors.

15. **Notice.** All notices under this Agreement shall be in writing and addressed as follows:

CITY:
City of Ketchum
Attn: City Administrator
P.O. Box 2315
191 5th St., West
Ketchum, ID 83340

CONTRACTOR:
Clarion Associates
Darcie White, Director
1600 Stout Street, Ste. 1700
Denver, CO 80202

16. **Compliance with Laws/Public Records.** Contractor, its managers, members, directors, officers, shareholders, agents, and employees shall comply with all federal, state, and local laws, rules, and ordinances. This Agreement does not relieve Contractor of any obligation or responsibility imposed upon Contractor by law. Without limitation, Contractor hereby acknowledges that all writings and documents, including without limitation email, containing information relating to the conduct or administration of the public’s business prepared by Contractor for City regardless of physical form or characteristics may be public records pursuant to the Idaho Public Records Act. Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may readily identified, retrieved and made available for such inspection and copying. Should Contractor wish to claim an exemption to disclosure on any record, Contractor shall identify such in advance and assume all costs of defense on any associated legal action to defend such claimed exemption from disclosure.

17. **Non-Assignment.** Contractor hereby acknowledges that City has agreed to enter this Agreement based in part on Contractor’s unique skills and reputation for professional work. Accordingly,

Contractor may not assign, subcontract, or transfer in any manner this Agreement or any of Contractor's right, title or interest in or to this Agreement without the prior written consent of City.

18. **Amendments.** This Agreement may only be changed, modified, or amended in writing executed by all parties.
19. **Non-Waiver.** The failure of either party to exercise any of its rights under this Agreement at any time does not constitute a breach of this Agreement and shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.
20. **Headings.** The headings in the Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
21. **Attorney Fees and Costs.** In the event that either party hereto is required to retain the services of an attorney to enforce any of its rights hereunder, the non-prevailing party shall pay to the prevailing party all reasonable costs and attorney fees incurred in such enforcement, whether or not litigation is commenced and including reasonable costs and attorney fees on appeal.
22. **Governing Law.** This Agreement shall be governed by the laws of the State of Idaho. Venue shall be in the Fifth Judicial District, Blaine County, Idaho.
23. **Entire Agreement.** This Agreement contains the entire Agreement between the parties respecting the matters herein set forth and supersedes any and all prior Agreements between the parties hereto respecting such matter.
24. **Severability.** If any part of this Agreement is held to be invalid or unenforceable, such part shall be considered as stricken and the rest of this Agreement shall continue in full force and effect and so as to preserve the agreement and intent to the fullest possible extent.
25. **Execution and Signatures.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
26. **Authority.** The parties executing this Agreement warrant, state, acknowledge, and affirm that they have the authority to sign the same and to bind themselves to the terms contained herein.

IN WITNESS WHEREOF, the Parties execute this Agreement.

CITY OF KETCHUM




Neil Bradshaw, Mayor

CONTRACTOR



Darcie White, Director

ATTEST:



Trent Donat
City Clerk





City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

I move to reject both bids received and re-bid the Variable Frequency Drivers (VFD) for the Ketchum/SVWSD Water Reclamation Facility.

Reasons for Recommendation:

We recommend rejecting both bids and re-bidding for the following reasons:

- The electrical engineer’s cost opinion for the equipment is \$200,000. The low bid is almost 40 percent higher than the engineer’s estimate.
- The difference between the bids was significant. The second bid was about 60 percent higher. We expect bids to normally be within 20 percent of each other.
- The apparent confusion on sending an e-mail bid resulted in 2 bids being received minutes late. Two more bids would have given us better confidence in selecting the low bid.

With a re-bid, we propose to change the bidding document as follows:

- Only require the Bidder to send the Bid Form and Bid Proposal (4 pages) instead of the complete document (126 pages). This should make e-mail delivery smoother.
- Shorten the specified delivery time from 12 months to 9 months. Several of the VFD’s are for new blowers expected to be installed by September 2024. Completing the electrical installation as soon as possible reduces the permit risk associated with an existing blower failure.
- Have the Bidder provide a clear description of the equipment proposed and their estimated delivery time.
- Advertise the re-bid on November 22 and 29 with a bid date of December 6th.

Additional Background:

We reviewed the two bids received prior to the November 1st, 2 pm deadline for wastewater plant VFD equipment.

1. MP Predictive Technologies, Inc. - \$434,113.10
2. CES Twin Falls - \$275,161.00

Two additional bids were received past the bid deadline (one 4 minutes late and one 20 minutes late). These bids were not opened.

Sustainability Impact:

None OR state impact here: NONE

Financial Impact:

None OR Adequate funds exist in account:	Better bid evaluation and consideration of expenditure of tax dollars.
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City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: November 13, 2023 Staff Member/Dept: Carissa Connelly/Housing

Agenda Item: Recommendation to approve Letter of Credit to BCHA for Silvercreek Living

Recommended Motion:

“I move to approve executing the Letter of Credit for Silvercreek Living”

Reasons for Recommendation:

- Silvercreek Living is an ideal site for transitional housing, with common kitchens, laundry rooms, 32-38 rooms, and office space.
- The master lease approach provides BCHA with a low cost/low risk and flexible approach to immediately provide meaningful transition housing.
- The existing property manager is willing to assist with the transition for a six-month or longer period. The existing maintenance person is open to continuing work there going forward.
- Existing tenants could stay in place and be required to fill out BCHA’s application – enabling them to move towards better permanent housing options. Fire safety in the building are highly rated.
- Potential buyers need a form of security that BCHA is unable to provide in order to execute the Master Lease

Policy Analysis and Background (non-consent items only):

**Goal 3 of the Housing Action Plan: Expand + Improve Services to Create Housing Stability
Action 2. Identify + negotiate master leasing opportunities**

INTRODUCTION TO THE CONCEPT

Best situated for transitional housing: Silvercreek Living has been available for purchase for over a year, and in the meantime BCHA’s service partners and BCHA placed formerly homeless individuals there. With the pending sale, there is risk of mass displacement of many workers. Silvercreek Living is also ideally suited for transitional housing – given two communal kitchens, laundry rooms, and common space. There are also shared computer rooms equipped with computers and printers, high-speed internet throughout, outdoor recreation and play areas, and office space. The project is adjacent to a bus stop and across the main street from Albertsons for grocery and pharmacy items.

The two closed-door community rooms and two office spaces could be used for additional rooms: Residents of those rooms would use the common showers and bathrooms.

Transition period: The current maintenance team is willing to stay on going forward and the current seller/property manager can help transition specific responsibilities. Inheriting the maintenance team is a huge benefit for the efficient running of the property given their familiarity with the physical building and tenants. If on-site volunteers are needed, the faith community is ready to organize volunteers.

Master lease or buy: The potential buyer is keen to work with BCHA on this, given its mission and the suitability of the site for transitional housing. They are proposing a five-year lease with an option to either buy at any time during the first five years, or at BCHA's discretion, renew the lease for another five years giving BCHA control for a minimum of 10 years. So, if the facility is successful, serves the community well, and integrates into BCHA's long term vision and goals, BCHA has the flexibility to either renew the lease and continue as a master tenant or it can elect to purchase the facility. Regardless and in the meantime, the master lease approach provides BCHA with a low cost/low risk and flexible approach to immediately provide meaningful transition housing.

Costs to BCHA: The potential buyer has been very transparent on expected costs, their investors expectations and profit requirements, and other considerations. BCHA's Treasurer and the Housing Director are reviewing the anticipated costs and expenses together. BCHA's treasurer is a loan originator in the banking industry and is working with Housing Director Carissa Connelly who, among other qualifications such as financing affordable housing for the state of Georgia has a master's in real estate.

Both are comfortable with a conservative, no loss approach that maintains existing sublease rent levels, assuming 5% vacancy and limited laundry income for the first six months while transitioning and then reassess rents and potential external subsidies. BCHA has the flexibility of keeping current rents or, ideally over time, switching to rent based on 30% of a household's income. In collaboration with Idaho Housing Finance Association's rental assistance program, a floor of \$800 per month of rent for the lowest income households is feasible.

The remaining unknowns that will be assessed before a recommendation is made to the BCHA Board of Commissioners are (1) detailed expenses, (2) inspection report, and (3) rent rolls and leases.

Part of a healthy housing ecosystem: A benefit of master leasing Silvercreek is having direct access to tenants – ensuring that they're screened and on BCHA's waitlist for permanent housing and for BCHA to provide referrals to other housing opportunities. BCHA could also directly place priority households from its emergency housing waitlist. Given countywide demand of a minimum of 4,700 community homes by 2022 and full occupancy at current rent rates, staff do not anticipate any difficulties filling the rooms.

LETTER OF CREDIT

BCHA does not have adequate credit to cover unexpected expenses, beyond the \$24,000 annual contingency and conservative cash flow. City staff, the buyers, and their legal counsel agreed on the following concept to reassure the buyers’ investors:

- The City provides a letter of credit (the “Letter of Credit”) on behalf of Blaine County Housing Authority (the “Authority”) for the benefit of Wood River LLC (the “Owner”) in the amount of \$500,000 from the General Fund.
- The lessor can make partial or multiple draws.
- The Letter of Credit can be transferred.
- The City has a 60 day notice of non-renewal period. In the event the City terminates Letter of Credit before the end of BCHA’s master lease term, BCHA has up to five days before the termination date to find an alternative letter of credit.
- The City only disburses funds to the Owner upon receipt of an Owner request satisfying the conditions for disbursement set forth in the Letter of Credit.

NEXT STEPS

The BCHA Board reviewed the draft Master Lease on Wednesday, November 8 and are prepared to review the expected cash flow at a Special Meeting in late November. Council approval of this letter of credit would provide buyers with the comfort needed to execute the master lease, if the purchase is successful.

Sustainability Impact:

Community housing houses members of the community locally, ensuring that residents are closer to their places of work, recreation, and other needs. This proximity helps to decrease transportation time and reduce vehicle-related emissions associated with commuting to and from work from outside of the community.

Financial Impact:

None OR Adequate funds exist in account:	Adequate funds in account
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Attachments:

1. Draft Master Lease
2. Letter of Credit

MASTER LEASE AGREEMENT

DATED _____, 2023

(the "Effective Date")

BY AND BETWEEN

WOOD RIVER LLC

AS "LESSOR"

AND

BLAINE COUNTY HOUSE AUTHORITY

AS "LESSEE"

LEASE AGREEMENT
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EXHIBIT A – Legal Description of Land

EXHIBIT B - Housing Guidelines

EXHIBIT C – Premises

EXHIBIT D – Form of Assignment and Assumption of Existing Tenant Leases

EXHIBIT E - Form of Letter of Credit

MASTER LEASE AGREEMENT

THIS MASTER LEASE ("Lease") dated for reference purposes as of the Effective Date, is made by and between **WOOD RIVER LLC**, a Washington limited liability company ("Lessor"), and **BLAINE COUNTY HOUSING AUTHORITY**, an independent public body created by Blaine County, Idaho ("Lessee").

RECITALS

WHEREAS, Lessor is under contract to purchase the Property (defined below) contemplated in this Lease.

WHEREAS, Lessor expects that closing of the transaction ("Closing") on the Property will occur on or about December 15, 2023.

WHEREAS, Lessee is a housing authority wherein a key element of their mission is to strengthen and manage affordable workforce and transitional housing in Blaine County, Idaho.

WHEREAS, following Closing it is the intention of the parties that Lessee will be responsible for the overall management and control of the Property, which will include, without limitation, entering into and managing residential leases and assuming control of the day-to-day operations and maintenance of the Property, subject to the terms and conditions set forth in this Lease.

NOW, THEREFORE, in consideration of the foregoing and other consideration set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties, and the mutual promises contained herein, intending to be legally bound, agrees as follow.

AGREEMENT

1. **BASIC TERMS.** The following basic terms apply to the Lease.

- (a) Land. The "Land" consists of the real property legally described in **Exhibit A** attached hereto.
- (b) Buildings. The "Buildings" consist of those improvements located on the Land, having an address of 31 East McKercher Blvd, Hailey, Idaho.
- (c) Premises. The "Premises" shall consist of the Buildings and Land as generally shown in **Exhibit C** attached hereto, which may also be referred to herein as the "Property".
- (d) Agreed Floor Area of Buildings. 23,144 square feet.
- (e) Lessee's Percentage. 100% of the Premises.
- (f) Lease Dates and Term. The term of this Lease shall be for five (5) years (the "Lease Term" or "Term"), commencing on the first day business day that follows Closing (the "Commencement Date"), and expiring at the end of the sixtieth (60th) month following the Commencement Date (the "Expiration Date"). The parties agree that if the Commencement Date does not occur by January 30, 2024 this Lease will automatically terminate and be of no further effect to either Lessee or Lessor.

- (g) Rent. The monthly Rent for the first twelve months of this Lease shall be Forty-One Thousand Two Hundred Fifty and 00/100 Dollars (\$41,250.00) (the “Monthly Rent”) to be paid by Lessee under this Lease as follows:

The Monthly Rent and all other charges due under the Lease (collectively “Rent”) shall be payable each month in advance on or before the first day of each month, beginning on the Commencement Date, without offset or deduction to the address in Section 1(k) below, or such other place designated by Lessor, including payment via automated clearing house (“ACH”). During the Term of the Lease and any extensions thereof, the Monthly Rent will be subject to an annual adjustment beginning on the first full month following the twelve (12) month anniversary of the Commencement Date, and on each subsequent twelve (12) month anniversary thereafter. The amount of the adjustment each year shall be three and one-half percent (3.5%). Rent for any partial months shall be prorated based on the number of days of such partial month.

- (h) Security Deposit. None.
- (i) Permitted Uses. Lessee shall use the Premises for the purposes of providing and managing housing via sublease agreements per Lessee’s *Community Housing Guidelines* published on Lessee’s website, as may be updated from time to time by Lessee (“Housing Guidelines”) and attached hereto as **Exhibit B**. At a minimum, all subtenants shall meet the qualifications to rent community housing as set forth in Section 2 of the Housing Guidelines. Specifically prohibited uses include permanent supportive housing and drug/alcohol rehabilitation clinics/shelters. Lessee’s use of the Premises shall, at all times, be in compliance with applicable legal requirements, including, without limitation, maximum legal residential occupancy limitations, and for no other purposes unless approved by Lessor, such approval to be in Lessor’s sole but reasonable discretion.
- (j) Brokers. None.
- (k) Lessor's Address.
BearRock Investments LLC
Attn: Doug Barrett and David Rothrock
232 7th Avenue North, Suite 100
Seattle, WA 98109
Email: Doug@mwaseattle.com; David@mwaseattle.com
- (l) Lessee's Address.
Blaine County Housing Authority
111 North 1st Avenue, Suite 2J
Hailey, Idaho 83333
info@bcoha.org
- (m) Extension Option. Lessee may extend the Term as set forth in Section 3 below.
- (n) Letter of Credit Amount. \$500,000.00 (see Section 5)

2. PREMISES.

2.1 Lease of Premises. Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor, upon the terms and conditions set forth in this Lease, the Premises in Section 1(c) hereof. Lessee represents and warrants that it agrees with the Agreed Floor Area of the Buildings as specified in Section 1(d).

2.2 Acceptance of Premises. As of the Commencement Date, Lessee acknowledges that it has examined the Premises and accepts the Premises in their present condition, "as-is, where-is." Neither Lessor nor its agents have made any representations or warranties with respect to the Premises, except as expressly set forth herein, and Lessee expressly acknowledges that it has not entered into this Lease in reliance upon any representation, warranty, agreement or understanding, either oral or written, which is not specifically set forth herein.

2.3 Lessor's Work. Lessee acknowledges that Lessor has not agreed to and is not obligated to make any improvements or alterations to the Premises except as specifically set forth herein.

2.4 Existing Furniture, Fixtures, and Equipment. The parties acknowledge that as of the Effective Date the Premises consists of numerous items of furniture, fixtures, and equipment (collectively "Existing FF&E"). Lessee and any tenants subject to a Rental Agreement (defined below) may have use of the Existing FF&E during the Lease Term. Maintenance, repair, and replacement of the Existing FF&E shall be controlled by Section 9.2 herein.

2.5 Existing Tenants. The parties acknowledge and agree that as of the Commencement Date the Premises are occupied by tenants under existing tenant lease agreements ("Existing Tenant Agreements"). Following Closing the Existing Tenant Agreements will be assigned to Lessee pursuant to an assignment and assumption agreement dated as of the Commencement Date, the form of which is attached hereto as **Exhibit D**.

3. TERM; EXCLUSIVE TERM EXTENSION NEGOTIATION PERIOD.

3.1 Term. The Lease Term shall be for the period stated in Section 1(f) hereof, and shall commence on the Commencement Date specified in Section 1(f). Neither Lessor nor any agent or employee of Lessor shall be liable for any damage or loss due to Lessor's inability or failure to deliver possession of the Premises to Lessee as provided herein.

3.2 Exclusive Term Extension Negotiation Period. It is Lessor's desire to have Lessee as a long term tenant for the Premises. Accordingly, Lessee may provide notice (the "Extension Notice") of its desire to extend the Lease Term, such Extension Notice to be delivered to Lessor no later than thirty-six (36) full months following the Commencement Date (the "Extension Notice Deadline"). Following delivery of the Extension Notice Lessor agrees to negotiate exclusively with Lessee in good faith for thirty (30) days with respect to the rental amount, extension term, and any other material business or legal terms or condition for such requested extension. In the event that the parties agree on the foregoing extension terms during such thirty (30) day period, the parties will execute an amendment to this Lease memorializing such agreement.

4. RENT.

4.1 Monthly Rent. Lessee shall pay Lessor the Monthly Rent stated in Section 1(g) hereof and all other Rent due hereunder without demand, deduction or offset, payable in lawful money of the United States in advance on or before the day specified in Section 1(g) to Lessor at the offices of Lessor specified in Section 1(k), or to such other party or at such other place as Lessor may hereafter from time to time designate in writing. The obligations of Lessee to pay Rent to Lessor and the obligations of Lessor under this Lease are independent obligations. The term "Rent" shall mean the Monthly Rent and all other amounts owing by Lessee to Lessor under this Lease.

4.2 Interest; Late Charges. Any Rent payable by Lessee to Lessor which shall not be paid upon the due date thereof shall bear interest at a rate equal to twelve percent (12%) per annum calculated

from the date of delinquency to the date of payment. If any such installment or other payment of Rent is not received within five (5) days from the due date, Lessee shall pay to Lessor a late charge equal to five percent (5%) of the amount so delinquent, which late charges shall be liquidated damages (and not a penalty) to compensate Lessor for the costs of handling such delinquency, the parties agreeing that actual damages would be inconvenient, uncertain, and difficult to ascertain. Such interest and late charges shall be deemed additional rent due upon demand, and Lessor shall have rights with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder. Lessor shall provide an alternative way to receive Rent payments (such as direct deposit into Lessor's bank account) in case of Lessor's inability to certify (offer a signed receipt) timely payments.

4.3. Discounted Rent. For valuable consideration, which both parties acknowledge, during the first six (6) months of the Lease Term following the Commencement Date, and provided no Event of Default exists by Lessee, Monthly Rent will be reduced by fifty percent (50%).

5. LETTER OF CREDIT.

Concurrent with the execution of this Lease, as security for the performance by Lessee of Lessee's obligations hereunder, Lessee shall cause to be delivered to Lessor an irrevocable standby letter of credit (the "Letter of Credit") in the amount set forth in the Basic Terms (the "Letter of Credit Amount"), naming Lessor as beneficiary. Due to joint exercise of powers and shared interest and authority to pursue the public purposes of this Agreement, the Letter of Credit shall initially be issued by the City of Ketchum, a municipal corporation of the State of Idaho (the "City"), and have an expiration date not earlier than one (1) year and be automatically renewable for additional one (1) year periods unless notice of non-renewal or non-appropriation is given by the City to Lessor and Lessee not later than sixty (60) days prior to the expiration thereof (a "Termination Notice"). The Letter of Credit shall provide that in the event of a Lessee default the Lessor may make partial and multiple draws thereunder, up to the Letter of Credit Amount. In addition, the Letter of Credit shall provide that, in the event of Lessor's assignment or other transfer of its interest in this Lease, the Letter of Credit shall be freely transferable by Lessor to such transferee, without charge and without recourse, to the assignee or transferee of such interest with confirmation of the same to Lessor and such assignee or transferee. The Letter of Credit shall provide for payment to Lessor upon the issuer's receipt of a written request from Lessor together with Lessor's certificate certifying that Lessor is entitled to draw upon the Letter of Credit, and shall be substantially in the form attached hereto as **Exhibit E**. In the event of a Lessee default, Lessor, or its then authorized representatives, shall have the right to draw down an amount up to the face amount of the Letter of Credit and hold the funds drawn in cash without obligation for interest thereon as the security for the performance of Lessee's obligations under this Lease. Lessor and Lessee acknowledge and agree that in no event or circumstance shall the Letter of Credit, any renewal or substitute therefor or any proceeds thereof be deemed to be or treated as a "security deposit" under any law applicable to security deposits in the commercial or residential lease context.

In the event of a Termination Notice as contemplated above, it is agreed and understood that Lessee shall be solely responsible for providing a replacement Letter of Credit ("Replacement Letter of Credit") with a qualified entity, as reasonably determined by Lessee and with reasonable consent by Lessor, on or before the date that is five (5) business days prior to the termination effective date set forth in the Termination Notice (the "Outside Replacement Letter of Credit Date"). It is agreed and understood that a failure of Lessee to provide a Replacement Letter of Credit by the Outside Replacement Letter of Credit Date shall constitute an incurable Lessee default under the Lease.

6. USES.

The Premises are to be used only for the Permitted Uses specified in Section 1(i) hereof and for no other business or purpose.

6.1 Generally. Lessee shall not use, occupy, or permit the use or occupancy of the Premises for any purpose which is illegal, patently dangerous or permit anything to be done which is prohibited by or which shall in any way conflict with any law, statute, ordinance, or governmental rule, regulation or covenants, conditions and restrictions affecting the Premises now or hereinafter in force. Lessee shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance or other act or thing which disturbs the quiet enjoyment of any others, including any tenants in the Buildings. Lessee shall comply with all laws relating to the Premises, and shall not permit any activities to occur on at the Premises that would unreasonably effect the safety, use, and cleanliness of the Premises and the preservation of good order therein. With respect to any tenant subleases executed by Lessee as sublandlord, Lessee will follow its standard screening requirements, and Lessee agrees it will follow its qualification process as laid out in the Housing Guidelines, as may be updated by Lessee. As stated in Section 1(i), Lessee is specifically prohibited from using any portion of the Premises as permanent supportive housing or drug/alcohol rehabilitation facility without the prior written consent of Landlord, although residents coming out of homelessness who otherwise qualify for housing under the Housing Guidelines may be residents in the Premises. Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Premises or the zoning of the same, or with respect to the suitability of the Premises for the conduct of Lessee's business, nor has Lessor agreed to undertake any modification, alteration or improvement to the Premises except as specifically set forth herein. Lessee, as its sole cost and expense, shall promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter become in force, of federal, state, county, and municipal authorities or other similar body now or hereafter constituted, and with any occupancy certificate issued pursuant to any law by any public officer or officers, which impose any duty upon Lessor or Lessee insofar as any thereof relate to or affect the condition, use, alteration, or occupancy of the Premises associated with Lessee's use. Lessee shall further be responsible for the cost of any alterations or modifications to the Premises that are required due to Lessee's use of the Premises, subject to approval by Lessor as contemplated herein. Lessee is solely responsible for ensuring that the Premises comply with any and all governmental regulations applicable to Lessee's conduct of business on the Premises, and for any alterations or improvements that may be required by such regulations, now existing or hereafter adopted.

6.2 No Obstructions. Lessee shall not obstruct areas outside of, on the sidewalks adjacent to the Premises with any item, and/or boxes, trash or other debris. If Lessee fails to comply with the preceding sentence, Lessor may at its option, remove and store or dispose of any such property or material without liability for loss thereof or damage thereto, such storage or disposal to be for the account of Lessee and at the expense of Lessee, which amounts shall be deemed additional rent hereunder.

6.3 Garbage. Lessee will not place or maintain any garbage, trash, rubbish, or any other refuse in any area on the exterior of the Premises, except in secured bins and in designated areas.

6.4 Smoking. Lessee acknowledges that smoking is not permitted within twenty-five (25) feet of any Building entrances, exits, windows or ventilation intakes. In addition, Lessee agrees to comply with any applicable laws, rules, or regulations related to smoking, which may be more restrictive than the preceding sentence, and also agrees to ensure that all residents occupying the Premises comply with all rules and regulations set forth in this Section 6.4.

6.5 Lessor's Rules and Regulations. Lessee agrees to comply with any reasonable rules or regulations created by Lessor with respect to the Premises ("Rules"); provided that prior to implementing such Rules, Lessor shall send a draft of the proposed Rules to Lessee for Lessee's review and comment and the parties shall work together in good faith for a period not to exceed ten (10) business days to finalize such Rules. Notwithstanding the foregoing, Lessor shall be the final decision

maker on any Rules; provided that no Rules may unreasonably frustrate the purposes of the Lease or conflict with any express provision of this Lease, including, without limitation, the Permitted Uses.

7. OPERATING COSTS.

Lessee acknowledges that in addition to Monthly Rent, Lessee is responsible for directly payment of all costs and expenses relating to the Premises ("Operating Costs"). Operating Costs includes, without limitation: insurance, utilities, taxes, and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the operation and management of the Premises by Lessee. Lessee acknowledges that it will be solely responsible for the payment of Operating Costs as follows:

7.1 Lessee's Personal Property Taxes. Lessee shall pay prior to delinquency all personal property taxes with respect to all personal property of Lessee and shall provide promptly upon request of Lessor written proof of such payment.

7.2 Property Taxes. During the Lease Term, as may be extended, to the extent property or other Ad Valorem taxes are assessed and owing against the Landlord and Buildings, Lessee shall pay such taxes when due (or reimburse Lessor). The parties specifically acknowledge that Lessee is only responsible for property or other Ad Valorem taxes (if any) which are assessed during the Lease Term, as may be extended.

7.3 Insurance. Lessee shall pay, procure, and/or reimburse Lessor for the insurance policies required under Section 14.2.

7.4 Property Management. Lessee shall be responsible for the payment and management of any property manager hired or retained by Lessee to manage all or any portion of the Premises.

7.5 Vendor Agreements. Lessee is solely responsible for the hiring and management of all vendors or other contractors regarding performance of all services required to be performed at the Premises associated with Lessee's use including, without limitation, janitorial services, HVAC service, security services, pest control, snow and ice removal, roof and gutter maintenance, etc.

7.6 Records. Lessee shall keep accurate records showing in reasonable detail all Operating Expenses incurred and paid by Lessee. These records shall, upon at least thirty (30) days' request, be made available for inspection by Lessor.

8. SERVICES AND UTILITIES.

Lessee shall be responsible for the costs of all services performed or rendered at the Premises as well as the cost of all utilities used in the Premises, including but not limited to electricity, gas, water, sewer, internet, and telephone. Lessor shall not be liable to Lessee for any loss, injury or damage to property caused by or resulting from any variation, interruption or failure of such services due to r Lessee's failure to make any repairs or perform any maintenance required of Lessee. No temporary interruption or failure of such service incident to the making of repairs, alterations or improvements, or due to accident or strike, or condition or events beyond Lessor's reasonable control shall be deemed an eviction of Lessee or relieve Lessee from any of Lessee's obligations hereunder.

9. REPAIRS AND MAINTENANCE.

9.1 Lessor's Obligations. Except for damage caused by the negligence or intentional act or omission of Lessee or Lessee Parties, Lessor shall, at Lessor's expense, provide capital repairs to the roof, roof structure, foundations and exterior walls of the Buildings. Lessor shall also be responsible, at Lessor's expense, for replacement of the rooftop mounted heating and air conditioning equipment servicing the Premises. Lessee shall promptly notify Lessor of any damage to the Premises requiring capital repairs or replacement, which Lessor agrees will be repaired or replaced in a commercially reasonable period following such notice; provided that it is agreed and understood that Lessee will be required to reimburse Lessor as additional rent for any capital repairs or replacements that are caused by the negligence or willful misconduct of Lessee or any Lessee Parties. For the avoidance of doubt, the obligations set forth in this Section 9.1 are intended by the parties to be the sole obligations of Lessor with respect to its maintenance, repair, and replacement obligations for the Premises. Capital repairs shall be defined per generally acceptable accounting principles..

9.2 Lessee's Obligations. Subject to Lessor's obligations as described above, Lessee, at Lessee's expense, shall keep in good order, condition and repair the Premises. Lessee's responsibilities shall include, without limitation (i) the maintenance and/or repair of any heating and air conditioning equipment servicing the Premises; (ii) maintenance of roof and gutters, including periodic cleaning of same; (iii) the maintenance of the plumbing, mechanical, life safety, security systems, and electrical utilities servicing the Premises; (iv) the necessary repairs and replacements to the entry doors, window frames, hardware, glass, and interior walls of the Premises; (v) the janitorial services to the Premises, (vi) maintenance, repair, and replacement (at the same quality or better) of the Existing FF&E; (viii) the replacement of light bulbs, tubes and washroom and toilet supplies for the Premises; and (ix) all landscaping and snow removal services required to be performed at the Premises. Lessee is responsible for the maintenance, repair and/or replacement of the individual heating and air conditioning units known as "packaged terminal air conditioners" (PTAC) found in the individual residential units within the Premises. All damage or injury done to the Premises or any appurtenances thereto either by Lessee, or any Lessee Parties, or by any other persons who may be in the Premises with the consent of Lessee, including the cracking or breaking of glass of any windows and doors from inside the Premises, shall be paid for by Lessee. If Lessee fails to perform Lessee's obligations hereunder relating to the repair, maintenance or upkeep of the Premises as required herein, Lessor may, following reasonable notice to Lessee, at its option (but shall not be required to), enter upon the Premises upon reasonable prior written notice to Lessee and put the same in good order, condition, and repair or otherwise cure the default, and the cost of such action shall become due and payable as additional rent to Lessor at the time Lessee's next installment of Monthly Rent that becomes due. All of Lessee's obligations under this Section 9.2 shall be performed to a professional standard and, as applicable, by licensed and bonded contractors and/or professionals; provided that Lessee may engage the services of nonprofit entities and/or volunteers for work performed under this Section 9.2 if the work being performed meets the following requirements: (i) does not require a permit, (ii) is non-structural in nature, and (iii) does not require that the individual performing the work possess a specialized license or certification for such work. For the avoidance of doubt, except for the obligations of Lessor set forth in Section 9.1 above, Lessee is solely responsible for all maintenance, repairs, and replacement costs related to the Premises.

10. ALTERATIONS.

10.1 Improvements by Lessee. Lessee shall not make any alterations, additions or improvements (collectively, "Alterations") in or to the Premises without first obtaining the written consent of Lessor, not to be unreasonably withheld. Notwithstanding the foregoing, Lessor's consent shall not be required for any Alterations that (i) do not affect the structure, slab, or roof of the Buildings,

(ii) do not require a building permit, and (iii) the cost of which does not exceed \$10,000.00 ("Minor Alterations").

(a) Plans and Specifications. Lessee shall deliver to Lessor full and complete plans and specifications for any Alterations, including but not limited to the conversion or addition of residential rooms in the Premises or on the Property. Lessor does not and will not make any covenant or warranty, express or implied, that any such plans or specifications submitted by Lessee are accurate, complete or in any way suited for their intended purpose.

(b) Compliance with Laws; Liens. All Alterations shall be completed by Lessee at Lessee's sole cost and expense and shall be performed in accordance with all laws, ordinances, rules and regulations of any federal, state, county, municipal or other public authority. Lessee expressly covenants and agrees that Lessee will not allow any liens of mechanics, material men, laborers, architects, engineers, artisans, contractors, subcontractors, or any other lien of any kind whatsoever to be created against or imposed upon the Premises, and that in the event any such claims or liens of any kind whatsoever shall be asserted or filed by any persons, firms or corporations, Lessee shall pay off or make diligent effort to cause the same to be discharged of record within five (5) days of notification thereof. Even if Lessor consents to the making of any Alterations, such consent shall not constitute the granting of any authority to Lessee to allow any liens of mechanics, material men, laborers, architects, engineers, artisans, contractors, subcontractors, or any other person or entity whatsoever to be created against or imposed upon the Premises.

(c) Ownership of Improvements. Prior to the commencement of any Alteration requiring approval by Lessor, Lessor will advise Lessee whether such Alteration is required to be removed at the termination of the Lease.

(d) Contractor's Insurance. Lessee acknowledges and agrees that a material condition to the granting of approval of Lessor to any Alteration required under this Lease or desired by Lessee is that the contractors who perform such work shall maintain a commercial general liability insurance policy covering both bodily injury and property damage in the amount of Two Million Dollars (\$2,000,000.00). Lessor may require proof of such insurance coverage from each contractor at the time of submission of Lessee's request for Lessor's consent to commence work.

11. DAMAGE OR DESTRUCTION.

If the Premises are damaged, destroyed, either wholly or in part, by fire or other casualty, Lessor shall forthwith repair the same, or cause the same to be repaired, materially to the extent the Premises were originally delivered to Lessee unless this Lease is terminated as permitted herein. Within thirty (30) days from the date of such damage, Lessor shall notify Lessee if the Premises is damaged in excess of fifteen percent (15%) of the Premises' pre-casualty value, as reasonably determined by Lessor (damage in excess of such amount being referred to as "Major Damage" and damage equal to or less than such amount being referred to as "Minor Damage"). If Major Damage occurs, Lessor may elect to terminate the Lease in whole or just with respect to the damaged portion of the Premises with a corresponding equitable adjustment in Monthly Rent. If Minor Damage occurs then Lessor shall repair such damage and rebuild that portion of the Premises damaged. In the event of Major Damage, if Lessor gives its written notice to Lessee electing to rebuild, or to cause the same to be rebuilt, or in the event of Minor Damage, this Lease shall remain in full force and effect provided Lessor completes the repairs within six (6) months, subject to extension for Force Majeure, except the Monthly Rent shall be abated during the period of repair in which Lessee's use of the Premises is interrupted. If the damage is due, in whole or in part, directly or indirectly to the fault or neglect of Lessee or any Lessee Parties, there shall be no or proportional abatement of Monthly Rent and Lessee shall be wholly or

proportionally responsible for all deductibles and increased insurance costs or premiums due to such damage, which obligation shall survive the Lease Term. If in the event of Major Damage Lessor elects by written notice to Lessee not to repair or rebuild, then this Lease shall automatically terminate as of the effective date of such notice. Notwithstanding any of the foregoing, Lessor's obligation to restore the Premises shall be limited to the extent of the insurance proceeds available to Lessor for such restoration (less any amounts claimed by the holder of any first mortgage or the beneficiary of any first deed of trust on the Premises), and Lessor shall have no obligation to restore the Premises if such damage or destruction occurs during the last year of the Lease Term.

12. CONDEMNATION.

If all of the Premises, or such portions as may be required for the reasonable use of the Premises, are taken by eminent domain, or sold by Lessor under the threat of the exercise of said power (all of which is referred to in this Lease as "condemnation"), this Lease shall automatically terminate as of the date Lessee is required to vacate the Premises and all rentals shall be paid to that date. In case of a taking of a part of the Premises, or a portion not required for Lessee's reasonable use of the Premises, then this Lease shall continue in full force and effect and the rental shall be equitably reduced based on the proportion by which the Agreed Floor Area of the Premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to damage to the Premises for any taking by condemnation, and Lessee hereby assigns to Lessor any right Lessee may have to such damages or award, and Lessee shall make no claim against Lessor for damages for termination of the leasehold interest or interference with Lessee's business. Lessee shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Lessee may be put for Lessee's moving expenses and loss of business, provided that such damages may be claimed only if they are awarded separately in the condemnation proceedings and not as part of the damages recoverable by Lessor.

13. HAZARDOUS WASTE.

Lessee represents and warrants that no Hazardous Materials (as defined below) will be stored on or under the Premises except for reasonable amounts of materials as is generated by Lessee from its use of the Premises as defined in Section 1(i), and then only to the extent such storage is in compliance at all times and in all respects with Environmental Laws. Lessee further represents and warrants that Lessee's Alterations and equipment on the Premises shall not incorporate lead, asbestos, or PCBs. The terms, covenants, representations and warranties contained herein shall survive the termination or expiration of this Lease.

The term "Hazardous Materials" means hazardous or toxic substance, materials or wastes, including but not limited to any substance, material or waste which is (i) petroleum; (ii) asbestos; (iii) polychlorinated biphenyls (PCBs); (iv) designated as a "Hazardous Waste" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. §6901, *et seq.*; (v) designated as a "Hazardous Substance" under the Clean Water Act, 33 U.S.C. § 1321, or listed pursuant to 33 U.S.C. § 1317; (vi) listed by the U.S. Department of Transportation at 49 C.F.R. 172.101 or by the U.S. Environmental Protection Agency under 40 C.F.R. Part 302; and (vii) any other substance, waste or material which is regulated as hazardous or dangerous by any federal, state, or local agency. The term "Environmental Laws" shall mean any and all of the foregoing laws referenced in (iv) through (viii) in this paragraph.

14. LESSEE RESPONSIBILITY.

14.1

Lessor, including its affiliates, contractors, partners, and employees (collectively “Lessor Parties”) shall be liable for any loss or damage to person or property sustained by Lessee or any Lessee Parties, or other persons, which may be caused by the Premises, or any appurtenance thereto, being out of repair, or the bursting or leakage of any water, gas, sewer or steam pipe, or by theft, or by any act or neglect of any Lessee or occupant of the Premises, or of any other person, or by any other cause of whatsoever nature, unless directly caused by Lessor Parties. Lessee agrees to use and occupy the Premises at its own risk and hereby releases the Lessor Parties, including its agents and employees from all claims for any damage or injury to the fullest extent permitted by law. As used herein, “Lessee Parties” means Lessee, its officers, contractors, licensees, agents, servants, employees, guests, invitees, tenants or subtenants occupying the Premises.

14.2 Insurance.

(a) Lessee Insurance. Lessee shall, throughout the terms of this Lease and any Extension Term, at its own expense, keep and maintain in full force and effect a policy of commercial general liability insurance, as Lessee currently maintains through ICRMP. All policies shall be payable on an "occurrence" rather than a "claims made" basis; and

(b) Lessor Insurance. Lessor will keep and maintain commercially reasonable property insurance policies covering the FF&E and the Buildings, the cost of which will be reimbursed by Lessee on an annual basis. The phrase “commercially reasonable” as used in this Section 14.2(b) shall mean insurance policies (including, without limitation, type, scope, and deductible amounts) that are normally obtained by owners of similar type buildings in Blaine County, Idaho.

15. ASSIGNMENT.

Lessee shall not assign, transfer, mortgage or encumber this Lease in whole or in part, nor sublet the whole or any part of the Premises without first obtaining Lessor's written consent, which Lessor may withhold in its sole discretion. Lessor’s consent to any transfer shall not be deemed consent to any subsequent transfers. Notwithstanding the foregoing Lessee may, without the prior consent of Lessor, enter into limited term rental (not to exceed one (1) year) agreements substantially in the form of Lessee’s standard residential lease template (“Rental Agreement”), as part of its normal course of business; provided, however, during the last twelve (12) months of the Lease Term Lessee will not enter into any new tenant leases that extend beyond the term of this Lease. For purposes of clarification, it shall not be considered unreasonable for Lessor to reject any Rental Agreement in which the term of the lease extends (or may be extended by the tenant) beyond the Expiration Date or earlier termination of the Lease.

If Lessee is an entity, then any dissolution, liquidation, merger, or consolidation of Lessee, or any change in ownership of a majority of the ownership interests of Lessee, whether directly or indirectly (including without limitation any change in control of a majority of the ownership interests in any of the entities controlling Lessee), shall constitute an assignment for purposes of this Section 15.

16. EVENTS OF DEFAULT AND REMEDIES.

16.1 Events of Default. Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute an "Event of Default" by Lessee:

- (a) The vacating or abandonment of the Premises by Lessee;
- (b) Intentionally Omitted;

(c) The failure by Lessee to make any payment of Rent or any other payment required to be made by Lessee hereunder as and when due, and such failure shall continue for a period of five (5) days after written notice thereof by Lessor to Lessee; provided, however, that Lessor shall provide such notice no more than two (2) times during any calendar year, and any subsequent failure by Lessee to make any payment or Rent due hereunder as and when due shall constitute an automatic default;

(d) The failure by Lessee to observe or perform any of the covenants, agreements, terms or conditions of this Lease, other than described in subsections (a) through (c) above, where such failure shall continue or shall not be remedied within thirty (30) days after notice in writing thereof is given by Lessor to Lessee, specifying the matter claimed to be in default; provided, however, that if the nature of Lessee's default is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion; provided, further, however, that such period of time shall not be so extended if it results in reasonably imminent jeopardy to the interest of Lessor in the Premises or so as to subject Lessor to any liability, civil or criminal; and

(e) The failure of Lessee to comply with the provisions of Section 14 or 15 herein.

16.2 Remedies. Upon the occurrence of an Event of Default by Lessee, Lessor may, at any time thereafter, in its sole discretion, upon notice or demand and without limiting Lessor in the exercise of any other right or remedy which Lessor may have by reason of such Event of Default:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall thereafter have no further rights hereunder or in the Premises; provided, however, that upon such termination Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default, including but not limited to the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; all accrued and unpaid rent (including, without limitation, all Monthly Rent and additional rent due from Lessee through the remainder of the Term), and other amounts due from Lessee with interest thereon at the rate set forth in Section 4.2 above; the worth at the time of the award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges called for herein for the balance of the term after the time of such award exceeds the amount of such loss for the same period that Lessee proves could be reasonably avoided; and that portion of any leasing commission paid by Lessor and applicable to the unexpired term of this Lease; or

(b) Maintain Lessee's right to possession, in which case the Lease shall continue in effect whether or not Lessee shall have abandoned the Premises, and Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including, without limitation, the right to recover the Monthly Rent and any other charges due or to become due hereunder with interest at the rate provided for herein; or

(c) Pursue any other remedy or remedies now or hereafter available to Lessor under the laws or judicial decisions of the state in which the Premises are located; or

(d) Perform, on behalf of Lessee, any obligation of Lessee under this Lease that Lessee has failed to perform and of which Lessor has given Lessee notice as set forth above, the commercially reasonable cost of which performance shall be immediately paid by Lessee to Lessor as additional rent hereunder. All rights, options and remedies of Lessor contained in this Lease shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and Lessor shall have the right to

pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease.

17. ACCESS.

Upon 48 hours' notice to Lessee (except in the case of an emergency, in which case only reasonable notice shall be required), Lessee shall permit Lessor and its agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same or for the purpose of repairing, altering or improving the Premises as contemplated in this Lease. Nothing contained in this Section 17 shall be deemed to impose any obligation upon Lessor not expressly stated elsewhere in this Lease. Lessor shall have the right to enter the Premises for the purpose of showing the Premises to prospective lessees within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease Term.

18. SIGNAGE.

All signage shall be at Lessee's sole cost and expense and shall be approved in writing in advance by Lessor, which may require previous signage removed by Lessee to be re-installed at Lessee's expense. All signage shall comply with any applicable rules, regulations, law or ordinances of any governmental authority having jurisdiction over the Premises. Any such consent by Lessor shall be upon the understanding and condition that Lessee will remove the same at the expiration or sooner termination of this Lease and Lessee shall repair any damage to the Premises caused thereby.

19. LIENS AND INSOLVENCY.

Lessee shall keep the Premises free from any liens arising out of any work performed, materials ordered or obligations incurred by Lessee. If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor may terminate Lessee's right of possession under this Lease at Lessor's option and in no event shall the Lease or any rights or privileges hereunder be an asset of Lessee under any bankruptcy, insolvency or reorganization proceedings.

20. REMOVAL OF PROPERTY.

20.1 Surrender of Premises; Assignment of Tenant Leases. Upon expiration or sooner termination of this Lease, whether by lapse of time or otherwise, Lessee shall promptly and peacefully surrender the Premises to Lessor in as good condition as when received by Lessee from Lessor or as thereafter improved, reasonable use and wear excepted. Subject to Section 10 above, all other property in the Premises and any Alterations performed at the Premises shall become the property of Lessor and shall remain upon and be surrendered with the Premises, Lessee hereby waiving all rights to any payment or compensation therefor. Unless Lessor approves so in writing, Lessee will, upon termination of this Lease, remove any Alterations and property placed or installed by Lessee or any Lessee Parties in the Premises as requested by Lessor, and will immediately repair any damage caused by or resulting from such removal to the condition of the Premises as of the Commencement Date, reasonable wear and tear excepted. Upon request by Lessor, Lessee shall provide a list of all active tenants, including the leases associated with each tenant and a detailed rent roll. On or prior to expiration or sooner termination of this Lease, Lessee shall assign each of the foregoing leases to Lessor.

20.2 Failure to Remove Property. If Lessee fails to remove any of its property of any nature whatsoever from the Premises at the termination of this Lease or when Lessor has the right of reentry, Lessor may at its option, remove and store such property, such storage to be for the account and at the expense of Lessee. If Lessee shall not pay the cost of storing any such property after it has been stored

for a period of thirty (30) days or more, Lessor may, at its option, sell, or permit to be sold, any or all of such property at public or private sale (and Lessor may become a purchaser at such sale), in such manner and at such times and place as Lessor in its sole discretion may deem proper without notice to Lessee, and shall apply the proceeds of such sale: first, to the cost and expense of such sale, including reasonable attorneys' fees actually incurred; second, to the payment of the costs or charges for storing any such property; third, to the payment of any other sums of money which may then be or thereafter become due to Lessor from Lessee under any of the terms hereof, and fourth, the balance, if any, to Lessee.

21. NON-WAIVER.

Waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of any monetary payment by Lessee hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular monetary payment so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such monetary payment.

22. HOLDOVER.

If Lessee, with Lessor's written consent, remains in possession of the Premises after expiration or termination of the term, such possession by Lessee shall be deemed to be a month-to-month tenancy terminable as provided under law (or such lesser time as may be agreed upon by Lessor and Lessee in any amendment to this Lease), by either party. All provisions of this Lease, except those pertaining to Term and Rent, shall apply to the month-to-month tenancy. If Lessee fails to surrender possession of the Premises upon termination or expiration of this Lease and if Lessee does not obtain Lessor's written consent to Lessee's continued occupancy Lessee shall be considered a lessee at sufferance and (i) Monthly Rent during any holdover period will be in an amount equal to one hundred fifty percent (150%) of the Monthly Rent for the last full calendar month during the Term, and (ii) Lessee shall be liable to Lessor for all direct damages sustained by Lessor as a result thereof.

23. NOTICES.

All notices under this Lease shall be sent by electronic mail to the electronic mail addresses set forth in Section 1 hereof (or such other electronic mail address as may from time to time be designated by such party in writing), and to the holder of any first mortgage or deed of trust at such place as such holder shall specify to Lessee in writing. Notices sent by electronic mail shall be deemed delivered at 1:00 p.m. (Mountain Time) on the next business day following transmission.

24. COSTS AND ATTORNEYS' FEES.

In the event of any action or proceeding arising out of or in connection with this Lease, the substantially prevailing party shall be entitled to all costs, expenses and reasonable attorneys' fees, with or without suit and on appeal.

25. LESSOR'S LIABILITY.

Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Lessor are made and intended not as personal covenants, undertakings and agreements or for the purpose of binding Lessor personally or the assets of Lessor

except Lessor's interest in the Premises, but are made and intended for the purpose of binding only Lessor's interest in the Premises. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Lessor or its partners and their respective heirs, legal representatives, successors and assigns on account of this Lease or on account of any covenant, undertaking or agreement of Lessor contained in this Lease. In consideration of the benefits accruing hereunder, Lessee agrees that, in the event of any actual or alleged failure, breach or default of this Lease by Lessor, Lessor's liability under this Lease shall be limited to, and Lessee shall look only to Lessor's interest in the Premises and the rents and proceeds thereof.

26. SUBORDINATION; ESTOPPEL CERTIFICATE.

26.1 Subordination. Upon demand by Lessor or the holder of any mortgage or deed of trust now existing or that may hereafter be placed upon the Premises, Lessee will execute an agreement of subordination, nondisturbance and attornment in such reasonable form as is acceptable to Lessor and to such mortgage holder. In the absence of such agreement, Lessee agrees that this Lease shall be subordinate to any mortgage or deed of trust now existing or hereafter placed upon the Premises and to any and all advances to be made thereunder, and to interest thereon, and all renewals, replacements or extensions thereof. Lessee's failure to execute and return such agreement within thirty (30) calendar days after Lessor's delivery of such document to Lessee shall constitute an automatic Event of Default by Lessee under this Lease.

26.2 Estoppel. Lessee shall, from time to time upon written request of Lessor, execute, acknowledge and deliver to Lessor or its designee a written statement in such form as Lessor may request, stating the date this Lease was executed and the date it expires; the date Lessee entered into occupancy of the Premises, the amount of minimum monthly rental and the date to which such rental has been paid, and certifying that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or specifying the date of any agreement so affecting this Lease); that this Lease represents the entire agreement between the parties as to this leasing; that all conditions under this Lease to be performed by Lessor have been satisfied; that all required contributions by Lessor to Lessee on account of Lessee's improvements have been received; that on that date there are no existing defenses or offsets which Lessee has against the enforcement of this Lease by Lessor; that no rental has been paid in advance; that no security has been deposited with Lessor (or, if so, the amount thereof); and such other matters about the Lease as Lessor may reasonably request. It is intended that any such statement delivered pursuant to this Section 26.2 may be relied upon by a prospective purchaser of Lessor's interest or a mortgagee of Lessor's interest or assignee of any mortgage upon Lessor's interest in the Premises. If Lessee fails to respond within thirty (30) calendar days of receipt by Lessee of a written request by Lessor as herein provided, Lessee shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Lessor to a prospective purchaser or mortgagee, including, without limitation that the Lease is in full force and effect, there are no uncured defaults by Lessor, that any security deposit is as stated in the Lease, and that not more than one (1) months Monthly Rent has been paid in advance.

27. TRANSFER OF LESSOR'S INTEREST.

This Lease shall be assignable by Lessor without the consent of Lessee in the event of any transfer or transfers of Lessor's interest in the Premises, and except in the case of a transfer for security purposes only the transferor shall be automatically relieved of any and all obligations and liabilities on the part of Lessor accruing from and after the date of such transfer and Lessee agrees to attorn to the transferee.

28. RIGHT OF FIRST OFFER; EXCLUSIVE PURCHASE NEGOTIATION PERIOD.

28.1 Right of First Offer. If, during the Lease Term, Lessor determines to offer all or any portion of the Property to the market for sale, then Lessor will notify Lessee before taking the Property to the market. Lessee will have ninety (90) days after receipt of the foregoing notice to negotiate the purchase terms with Lessor (the “ROFO”). If Lessor and Lessee agree on the purchase terms during such ninety (90) day period the parties will execute a commercially standard purchase and sale agreement memorializing such terms within twenty (20) days thereafter. If the parties are unable to negotiate the purchase terms within ninety (90) days, or to execute a purchase and sale agreement within twenty (20) days following agreement on the purchase terms, then Lessee’s ROFO may be deemed null and void and Lessor may thereafter enter into negotiations with any third party to sell the Property.

28.2 Unsolicited Offers. If, during the Lease Term, Lessor receives an unsolicited offer to purchase all or any portion of the Property on terms acceptable to Lessor, then Lessor will notify Lessee before responding to such offer. Lessee shall have five (5) business days to notify Lessor if it would like to match such offer and, if so, Lessee shall have no more than ninety (90) calendar days to raise sufficient funding and close a transaction for all or any portion of the Property.

28.3 Exclusive Purchase Negotiation Period. Except as otherwise set forth herein, Lessee is hereby granted a one (1) time right, which may be exercised at any point during the Lease Term, to notify Lessor of its interest in purchasing the Property (the “Purchase Notice”). In the event Lessee provides a Purchase Notice Lessor agrees to the commencement of an exclusive negotiation period of ninety (90) days to reach agreement on the purchase terms, including, without limitation the purchase price. If Lessor and Lessee agree on purchase terms during such ninety (90) day period the parties will execute a commercially standard purchase and sale agreement memorializing such terms within twenty (20) days thereafter; provided that the purchase and sale agreement will include a period of not less than ninety (90) days from execution to closing to allow Lessee sufficient time to secure funding and required legislative approvals to purchase the Property. If the parties are unable to negotiate the purchase terms within ninety (90) days, or to execute a purchase and sale agreement within twenty (20) days following agreement on the purchase terms, then the exclusive negotiating period shall expire.

29. **PARKING.**

Lessee (including any tenants who are parties to Rental Agreement) may park passenger vehicles in the areas depicted on **Exhibit C** at no additional cost or expense. Lessee agrees to assume responsibility for compliance by Lessee Parties with the parking provisions contained herein, and shall cooperate with Lessor in enforcement thereof. Lessor shall have no obligation to provide security or any other services to the parking areas and shall have no liability with respect to any vehicles parked in the parking areas.

30. **GENERAL PROVISIONS.**

- (a) This Lease shall be construed and governed by the laws of the State of Idaho.
- (b) The title of sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof. Where the context permits, references to the singular shall include the plural and vice versa, and references to a neutral gender shall include the feminine and masculine.
- (c) All of the covenants, agreements, terms and conditions contained in this Lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successors and assigns.

(d) Lessee represents and warrants to Lessor that it has not engaged any broker, finder or other person who would be entitled to any commission or fee in respect to the negotiation, execution or delivery of this Lease except for that broker identified in Section 1(j) hereof.

(e) This Lease contains all covenants and agreements between Lessor and Lessee relating in any manner to the rental, use and occupancy of the Premises and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified, or added to except in writing signed by Lessor and Lessee. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, and/or the application of such term or provision to person or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced as written to the fullest extent permitted by law.

(g) This Lease has been submitted to the scrutiny of all parties hereto and their counsel if desired, and shall be given a fair and reasonable interpretation in accordance with the words hereof, without consideration or weight be given to its having been drafted by any party hereto or its counsel.

(h) If more than one person or entity constitutes Lessor or Lessee, the obligations imposed upon each such person or entity shall be joint and several.

(i) This Lease shall not be recorded or otherwise placed of record by Lessee. Upon request by Lessee, Lessee may record a memorandum of lease, in recordable form, prepared by Lessor, and evidencing the commencement date, rights of first offer to purchase, extension rights, and expiration of this Lease. Upon request by Lessor, at the expiration or sooner termination of this Lease, Lessee shall execute in recordable form and deliver to Lessor a termination of lease agreement covering the Premises.

(j) If either party is delayed in the performance of any covenant of this Lease because of any of the following causes (referred to elsewhere in this Lease as “Force Majeure”): action of the elements, war, riot, labor disputes, inability to procure or general shortage of labor or material in the normal channels of trade, delay in transportation, delay in inspections, or any other cause beyond the reasonable control of the party so obligated, whether similar or dissimilar to the foregoing, financial inability excepted, then, such performance shall be excused for the period of the delay; and the period for such performance shall be extended for a period equivalent to the period of such delay, except that the foregoing shall in no way affect Lessee's obligation to pay Rent or any other amount payable hereunder, or the length of the Lease Term.

(k) This Lease may be executed in original or electronic counterparts for the convenience of the parties, and such counterparts shall together constitute one Lease.

(l) If Lessee is a legal entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that this Lease is binding upon such entity in accordance with its terms.

(m) The following exhibits are made a part of this Lease:

EXHIBIT A - Legal Description of Land
EXHIBIT B – Housing Guidelines
EXHIBIT C – Premises
EXHIBIT D – Form of Assignment and Assumption of Existing Tenant
Leases
EXHIBIT E – Form of Letter of Credit

[END OF LEASE – SIGNATURES AND EXHIBITS FOLLOW]

IN WITNESS WHEREOF, this Lease has been executed as of the Effective Date.

LESSOR:

WOOD RIVER LLC,
a Washington limited liability company

By: _____

Name: _____

Its: _____

LESSEE:

BLAINE COUNTY HOUSING AUTHORITY
an independent public body created by Blaine County,
Idaho

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Northridge X Subdivision Lot 1 Block 1

Parcel No: RPH5000010010

EXHIBIT B

SECTION 2 OF BCHA COMMUNITY HOUSING GUIDELINES

Section 2. Qualifying to Rent or Purchase Community Housing

A. Basic Qualifications for the Rental or Purchase of Community Housing with an Income Category Deed Covenant

To qualify to rent or purchase an Income-restricted Community Home, the Applicant/Applicant Household must meet the criteria as stated below:

1. At least one non-dependent member of the Applicant Household must meet one of the following criteria:
 - (a) Be a Full-Time Employee working in Blaine County; or
 - (b) Be a Retired Person who was a Full-Time Employee in Blaine County immediately prior to his/her retirement and who currently lives in Blaine County as his/her Primary Residence and is 62 years of age or older; or
 - (c) Be a Disabled Person residing in Blaine County who was a Full-Time Employee in Blaine County immediately prior to his/her disability and who currently lives in Blaine County as his/her Primary Residence, and
 - (d) The Applicant/Applicant Household states his/her intent to occupy the Community Home as his/her Primary Residence.
2. No member of the Household may own developed residential real estate or a mobile home.
3. The total Gross Income of all members of the Household must not exceed the maximum Household Income specified, which is calculated using the chart in Section 1. The actual dollar amount changes annually and is listed as Income Limits published by BCHA on its website for the Income Category and Household Size; and
4. The Household Net Worth (the total net worth of all members of the Household) must not exceed the Allowable Net Worth specified for the Income Category.

1. General Application

- (a) All persons wishing to rent or purchase a Community Home must submit a completed General Application for Community Housing Form to BCHA (the current application can be found on BCHA's website). The application to rent is a single step process (General Application form only); the application to purchase is a two-step process (General Application and Purchase Requirements). A General Application may be certified by BCHA as complete only when the necessary steps have been completed.
- (b) The General Application Form is provided by BCHA.
- (c) Upon receipt of the completed General Application, BCHA may provide the Applicant with a Letter of Eligibility specifying the Income Category. The Letter of Eligibility is based only on information supplied by the Applicant and, as such, is unverified; verification is explained further in Section 2(C), below.

C. Verifying Application Information

1. BCHA may request additional documentation such as proof of residency, income, assets, and employment. All information and documentation submitted must be held confidential by BCHA and must not be subject to Open Records Requests by the public. Such documentation is used to determine that an Applicant meets the criteria set forth in Section 2.A and/or to verify the information provided in the application under 2(B). All or some of the following may be requested:
 - (a) Federal income tax returns for the most recent year.
 - (b) A current income statement and a current financial statement, in a form acceptable to BCHA, verified by Applicant to be true and correct; or other financial documentation acceptable to BCHA. When current income is twenty percent (20%) more or less than income reported on tax returns, the Applicant's income may be averaged based upon current income and the previous year's tax returns to establish an Income Category for the purpose of purchasing a Community Home.
 - (c) Verification of employment in Blaine County.
 - (d) Copy of valid Driver's License or State Identification Card.
 - (e) If the Applicant receives court-ordered alimony, spousal support, and/or child support, a certified copy of the court order must be provided, including all exhibits, supplements, and modifications to the decree.
 - (f) Any other documentation that BCHA deems necessary to determine eligibility.
2. Upon receipt of the completed General Application and requested verification forms,

the Applicant's name and all information for individuals, households, and/or local employers may be retained in the Applicant Database. On an annual basis, as part of the annual purge process, the applicant must confirm or update the information to remain in the Applicant Database. All information may be re-verified at the time an applicant is selected to rent or purchase a Community Home. If information is not updated upon request, the applicant will be removed from the Applicant Database.

D. Process for Matching Applicants to Available Community Housing

In general, the matching process occurs as follows:

1. When a Community Home becomes available, the home size, type, Income Category, and location of that Home are checked against the Applicant Database. All Applicants matching the qualifications for a given Community Home are then grouped into the "Applicant Pool" for that Home.
2. Households are prioritized by date and time of application on the list for the Income Category for which they qualify.
3. While household size may not be a determining factor in prioritization for ownership or rental of housing, it should be noted that the purchase price or rental amount may be determined on basis of an assumed household size in accordance with the Area Median Income (AMI).
4. If an Applicant has previously qualified and the Applicant's Household composition subsequently changes (due to marriage, divorce, separation, an increase, or reduction in the number of dependents, etc.), the Applicant may still be eligible for purchase or rental of Community Housing, provided that the Household continues to qualify under the Income Category and other considerations. It is the Applicant's responsibility to continuously update Household information with BCHA prior to being placed into an Applicant Pool.
5. When an Applicant purchases a Community Home, the Applicant's application is extinguished and may not be used to qualify for another Community Home. If an owner of a Community Home wishes to purchase another Community Home, he or she must file a new application and begin the process again.
6. When an Applicant rents a Community Home, the Applicant's application is retained and is used as a basis for subsequent recertification and may be used to qualify for future purchase of a Community Home.

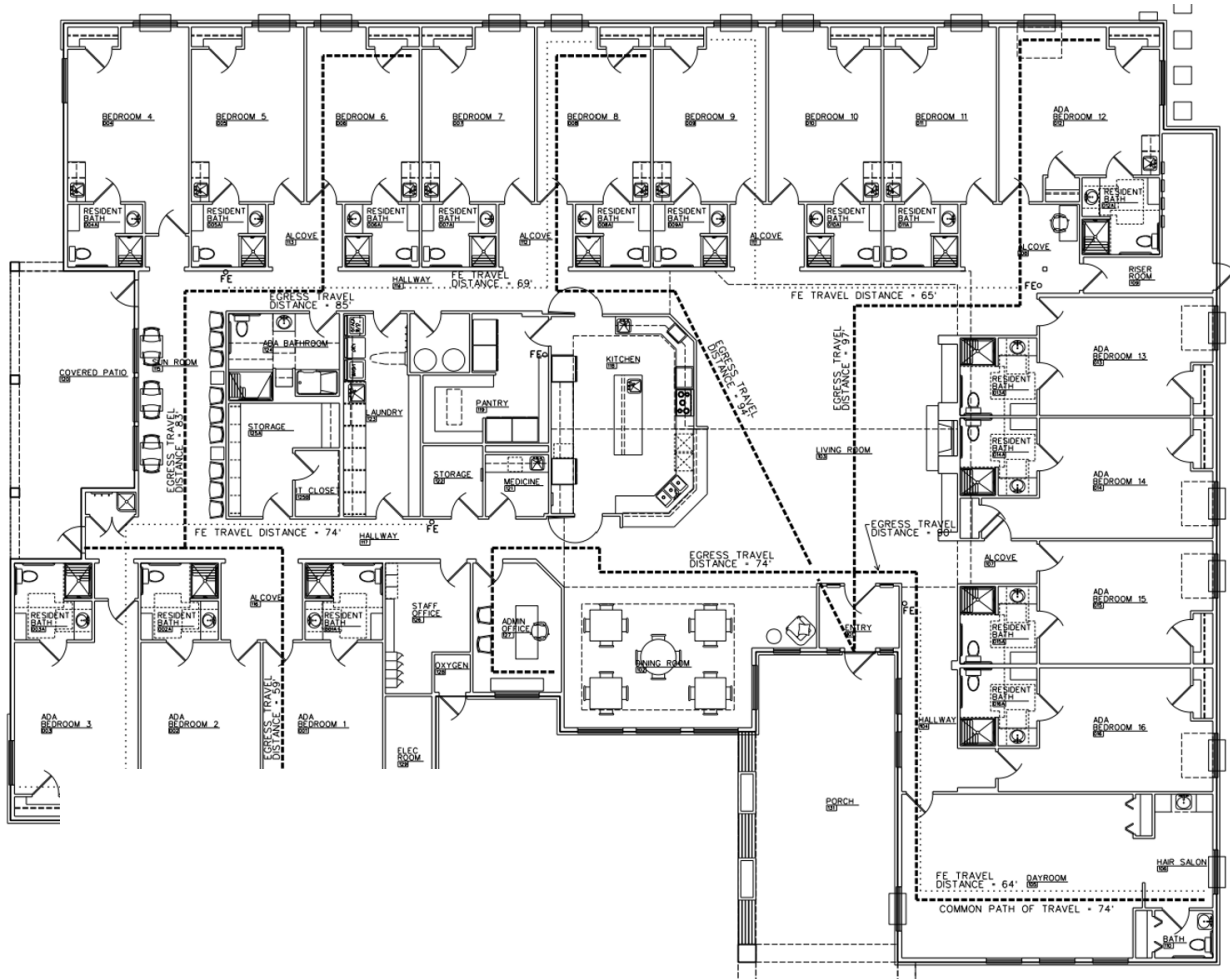
EXHIBIT C

PREMISES

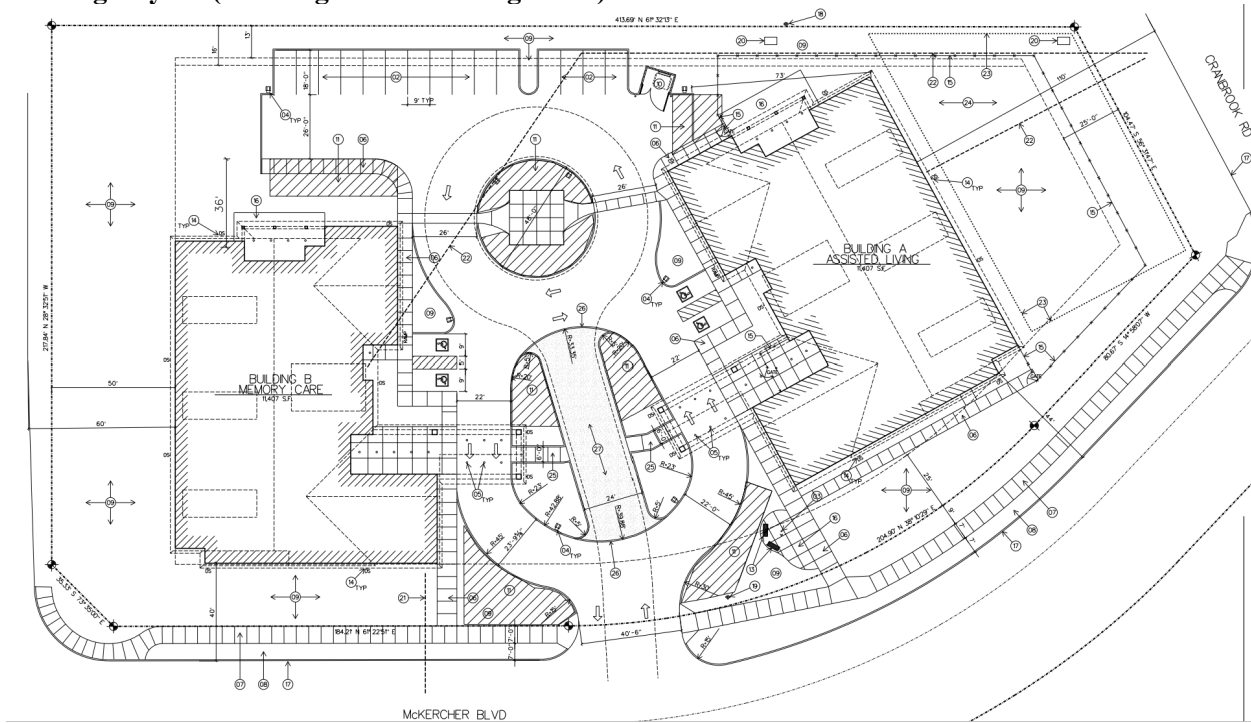
Aerial View (Drawing) of Buildings and Land



Premises Floor Plan (Buildings are Mirror Images of Each Other)



Parking Layout (Showing Initial Parking Stalls)



Parking Expansion (Showing Addition of 12 Additional Stalls)

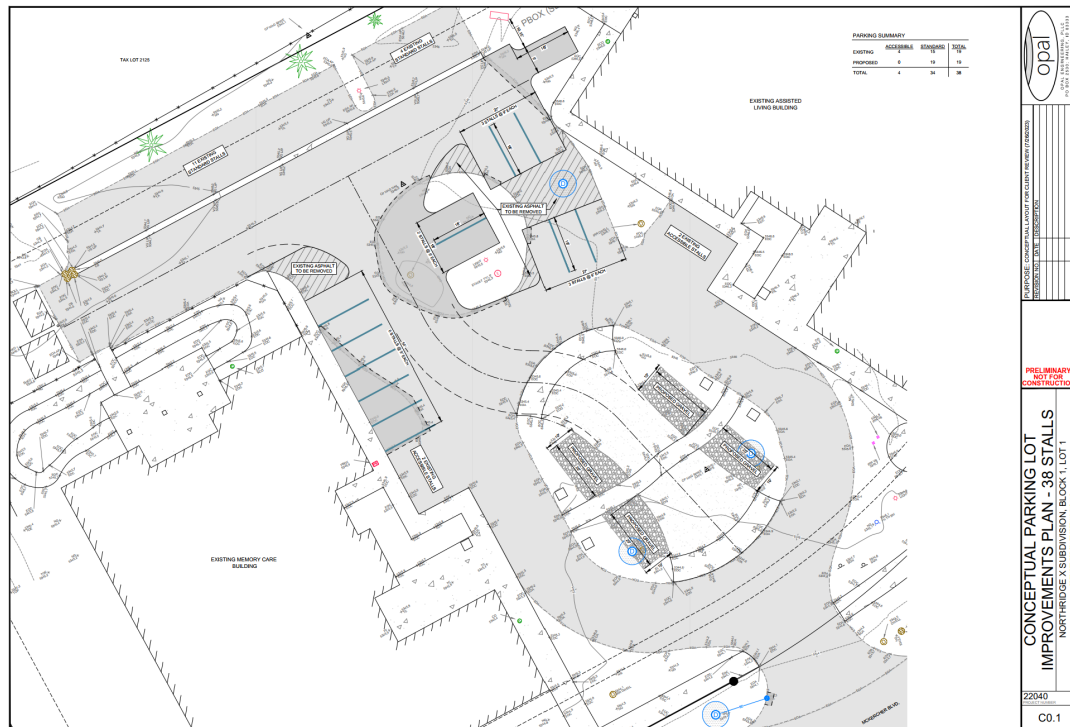


EXHIBIT D

FORM OF ASSIGNMENT AND ASSUMPTION OF EXISTING TENANT LEASES

ASSIGNMENT AND ASSUMPTION OF LEASES

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, WOOD RIVER LLC, a Washington limited liability company (“Assignor”), hereby assigns and delegates to BLAINE COUNTY HOUSING AUTHORITY, an independent public body created by Blaine County, Idaho (“Assignee”), all of the lessor’s rights, interest and obligations in all leases identified on **Exhibit A** attached hereto, which relate to the leasing of residential units located on real property located in Blaine County, Idaho, more particularly described as: Northridge X Subdivision Lot 1 Block 1. Concurrently herewith, Assignor assigns to Assignee the security deposits listed on **Exhibit A**.

This Assignment and Assumption of Leases has been made under the laws of the State of Idaho, and such laws will control its interpretation without regard to any choice of law principles. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment may be executed in counterparts, each of which shall constitute an original. Any party may sign and/or transmit this Assignment electronically (including, without limitation, via electronic mail or DocuSign, as applicable); the signature of any person or entity on any such electronically signed and/or electrically transmitted copy shall be deemed an original signature; and each such electronically signed and/or electronically transmitted copy shall have the same binding effect as a manually signed and manually transmitted original document.

Executed on _____, 2023.

WOOD RIVER LLC,
a Washington limited liability company

By: _____
Name: _____
Its: _____

The undersigned Assignee hereby accepts the foregoing Assignment and Assumption of Leases and agrees to perform all obligations and liabilities first arising and accruing pursuant to such leases on or after the date hereof. Assignee further acknowledges assignment of the security deposits described above and agrees to hold such deposits in accordance with the terms of each of the enumerated leases.

Executed on: _____, 2023

BLAINE COUNTY HOUSING AUTHORITY
an independent public body created by Blaine County,
Idaho

By: _____
Name: _____
Its: _____

EXHIBIT A TO ASSIGNMENT OF LEASES

EXHIBIT E
FORM OF LETTER OF CREDIT

Form Letter of Credit

IRREVOCABLE STANDBY LETTER OF CREDIT

ISSUE DATE: _____

ISSUER

CITY OF KETCHUM, a municipal corporation of the State of Idaho
Attn: City Administrator
PO Box 2315
Ketchum, ID 83340

BENEFICIARY:

WOOD RIVER LLC
232 7th Avenue North, Suite 100
Seattle, WA 98109
Attn: Doug Barrett and David Rothrock

APPLICANT:

BLAINE COUNTY HOUSING AUTHORITY
111 North 1st Avenue, Suite 2J
Hailey, Idaho 83333

AMOUNT: \$500,000.00 (FIVE HUNDRED THOUSAND AND 00/100 U.S.
DOLLARS)

EXPIRATION DATE: ONE YEAR FROM ISSUANCE DATE

DEAR SIR/MADAM:

WE (THE "CITY") HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT APPROVED BY RESOLUTION NUMBER _____ IN BENEFICIARY'S FAVOR FOR THE ACCOUNT OF THE ABOVE-REFERENCED APPLICANT, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$500,000.00 USD.

THIS LETTER OF CREDIT IS AVAILABLE WITH US AT OUR ABOVE OFFICE BY PRESENTATION OF YOUR DRAFT DRAWN ON US AT SIGHT IN THE FORM OF EXHIBIT "A" ATTACHED HERETO ("FORM OF REQUEST") BEARING THE CLAUSE: "DRAWN UNDER CITY OF KETCHUM LETTER OF CREDIT UNDER RESOLUTION _____" AND ACCOMPANIED BY THE FOLLOWING:

1. THE ORIGINAL OF THIS LETTER OF CREDIT; AND
2. BENEFICIARY'S SIGNED CERTIFICATION PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICER OR AGENT STATING: "A DEFAULT OR OTHER

CIRCUMSTANCE ALLOWING BENEFICIARY TO DRAW UPON THE LETTER OF CREDIT HAS OCCURRED UNDER THE TERMS OF THAT CERTAIN MASTER LEASE AGREEMENT DATED AS OF _____, AS SUCH MASTER LEASE AGREEMENT HAS BEEN OR MAY BE AMENDED FROM TIME TO TIME, FOR PREMISES LOCATED AT 31 EAST MCKERCHER BLVD, HAILEY, IDAHO.”

SPECIAL CONDITIONS:

PARTIAL DRAWS AND MULTIPLE PRESENTATIONS ARE ALLOWED.

THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS OF ONE YEAR, WITHOUT AMENDMENT, FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS AT LEAST 60 DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE WE SEND TO YOU A NOTICE BY REGISTERED OR CERTIFIED MAIL OR OVERNIGHT COURIER SERVICE AT THE ABOVE ADDRESS THAT THIS LETTER OF CREDIT WILL NOT BE EXTENDED BEYOND THE THEN CURRENT EXPIRATION DATE.

ALL DEMANDS FOR PAYMENT SHALL BE MADE BY PRESENTATION OF THE REQUIRED DOCUMENTS ON A BUSINESS DAY AT OUR OFFICE AT THE ADDRESS LISTED HEREIN FOR CITY.

THIS LETTER OF CREDIT IS TRANSFERABLE IN WHOLE BUT NOT IN PART ONE OR MORE TIMES, BUT IN EACH INSTANCE ONLY TO A SINGLE BENEFICIARY AS TRANSFEREE AND FOR THE THEN AVAILABLE AMOUNT, ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE WOULD BE IN COMPLIANCE WITH THEN APPLICABLE LAW AND REGULATION, INCLUDING BUT NOT LIMITED TO THE REGULATIONS OF THE U.S. DEPARTMENT OF TREASURY AND U.S. DEPARTMENT OF COMMERCE.

WE HEREBY AGREE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION TO US OF THE DOCUMENT DESCRIBED IN PARAGRAPH 1 ABOVE ON OR BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT, WITHOUT INQUIRY AS TO THE ACCURACY THEREOF AND REGARDLESS OF WHETHER APPLICANT DISPUTES THE CONTENT OF ANY SUCH DOCUMENTS OR CERTIFICATIONS. THE WRITTEN STATEMENT SHALL BE ACCOMPANIED BY THIS LETTER OF CREDIT FOR SURRENDER; PROVIDED, HOWEVER, THAT IF LESS THAN THE BALANCE OF THE LETTER OF CREDIT IS DRAWN, THIS LETTER OF CREDIT NEED NOT BE SURRENDERED AND SHALL CONTINUE IN FULL FORCE AND EFFECT WITH RESPECT TO THE UNUSED BALANCE OF THIS LETTER OF CREDIT.

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

Exhibit A

FORM OF REQUEST

“The undersigned, an authorized representative of Beneficiary under Letter of Credit Resolution No. _____ (“Letter of Credit”), certifies that the amount drawn hereunder represents the amount due to Beneficiary pursuant to and in connection with that certain Master Lease dated _____ between Beneficiary and Blaine County Housing Authority (as such Master Lease may be amended). Beneficiary hereby demands the amount of \$ _____ under the Letter of Credit. Payment to be made to the following account (insert wire instructions).”