

**ATTACHMENT G: Comments from City Departments and Agencies**

- Ketchum Parks and Recreation, September 20, 2011
- Blaine County Housing Authority, October 24, 2011

## Rebecca Bundy

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**From:** Jen Smith  
**Sent:** Tuesday, September 20, 2011 11:14 AM  
**To:** Lisa Horowitz; Rebecca Bundy  
**Cc:** John Kearney  
**Subject:** WSRR comments from KP&R

These comments from Ketchum Parks & Recreation refer to image MP-1100 and letter from Lawson Laski Clark & Pogue, PLLC dated 9/14/11.

### Tennis/golf:

- Courts have not been proposed on river right (south bank) that I could find in my records; issues with this location are – 1. Environmental: avalanches, flooding, and limited season due to location beneath steep northern aspect of Bald Mountain. Applicant needs to do further research on all environmental issues. What was proposed originally in the location was a golf hole and, in fact, a “no build zone” which seems more appropriate (i.e. a golf hole will be less impacted by an avalanche or flood that could wipe out fencing, seating, etc.). 2. Accessibility and facilities: no parking access, spectator seating or restroom facilities nearby are indicated.
- Number of courts provided is not adequate comparable to original “recreation contribution;” cost for construction of one tennis court is approximately \$50,000.
- Golf course “practice facility” is not adequate comparable to original submission nor will it offset amount of original “recreation contribution.” Currently, the Recreation Division utilizes facilities at Big Wood Golf Course for its Summer Youth Recreation Program.

### Recreation Contribution:

- Original language included “A financial contribution of \$500,000 will be made to the City that may be used for the creation of offsite tennis courts, improvement to existing tennis facilities, *or other recreational facilities and needs the City sees appropriate.*” As recreation trends change over time, the KP&RD required this professional flexibility to plan and develop recreation facilities and programs based on contemporary needs and desires of Ketchum residents and visitors.
- As such, the Parks & Recreation Department’s Capital Improvement Plan (for years 2010-2016) included demolition and re-construction of existing four tennis courts at Atkinson Park, street-scape expansion of the Guy Coles Skate Park, construction of a children’s “Splash Park” at Atkinson Park, playground equipment expansion, construction of a neighborhood park at the donated River Run annexation, trail improvements and construction of connector trail from Warm Springs to River Run base areas, and development of the Northwood/Hemingway Natural Area.
- This CIP is now defunct (according to Helios’ proposed deletion of Section 16.2) and Ketchum residents and visitors will not see any compensation for public access recreation loss at the WSRR property – regardless of which applicant de-commissioned the tennis courts and golf course – for years to come. It is no secret and well documented that Ketchum’s existing public access recreation facilities are woefully inadequate according to National Recreation and Park Association best management standards as well as regional standards. Because the department’s CIP will most likely be discarded due to WSRR’s deletion of its originally committed “recreation contribution,” it also lost three years of potential planning for capital improvements as well as budgeting for deferred maintenance (the impacts of which increased due to de-commissioning of WSRR public-access recreation facilities).
- For reasons cited above, loss of this “recreation contribution” is this department’s most pressing area of concern regarding changes to Helios’ original development agreement.
- In short, a “recreation contribution” comparable to the original agreement would potentially offset this department’s position that the newly proposed tennis and golf facilities are inadequate.

Respectfully Submitted,

*Jennifer L. Smith* | Director of Parks & Recreation

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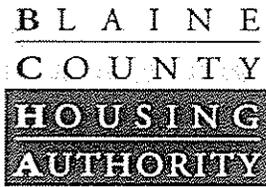
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October 24, 2011

City Council  
City of Ketchum  
P.O. Box 2315  
Ketchum, ID 83340

Via email: [pzcomments@ketchumidaho.org](mailto:pzcomments@ketchumidaho.org)

Dear Council Members,

Thank you for the opportunity to comment on your upcoming hearing on the application by Helios Development to amend, among other items, the workforce housing section of the recorded Development Agreement. This letter replaces BCHA's previous letter of August 15, 2011 on this topic which was written prior to a formal application from the applicant.

BCHA recognizes the challenges of financing development projects in the current economic environment, as well as the City of Ketchum's desire to realize the creation of new hotels. BCHA is also seeking ongoing funding sources to support affordable housing development or acquisition and operations. BCHA believes the applicant has proposed an innovative plan to meet its workforce housing obligations. The proposed 0.5% fee on all gross sales at the resort to create a fund to subsidize employee's housing expenses is a creative plan that BCHA supports under the current economic conditions and with the considerations noted below.

The 0.5% proposed fee should be dedicated in full to the workforce housing fund. Other obligations of the applicant should not be allowed to alter the 0.5% fee.

BCHA continues to wholeheartedly support Ketchum's workforce housing requirement (Section 17.64.010.H (3)). The proposed plan does not yet, but should, include sufficient requirements and details to ensure that the resort is meeting its obligations to fully

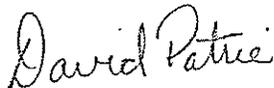
provide, not just subsidize, housing for 25% of its workforce. In addition, the plan should be flexible and allow for other uses of the funds to support workforce housing as approved by Ketchum or the BCHA. The fund should be an ongoing funding source for workforce housing, including operations and stewardship.

BCHA notes that the workforce housing requirement referenced above is required by Ketchum Code. To that end, we do not support the proposal to unconditionally waive the workforce housing requirement under any circumstance. The applicant's proposal to meet their workforce housing requirements essentially passes that cost on to the resort guests. Therefore, BCHA does not consider the proposed waiver an incentive to begin construction by eliminating front-end costs. The front-end costs are virtually eliminated by the plan itself.

BCHA currently recognizes a perceived surplus of affordable rental units in Ketchum. This perception of affordability does not account for the condition of the units available nor the utility costs associated with heating these units in the winter months. In our mission statement, we specify the need for a supply of "desirable and affordable housing choices." Many of the available units in Ketchum do not meet the "desirable and affordable" threshold. Finally, the perceived surplus is temporary. Just one hotel project that creates 125 or more construction jobs that will later be replaced by permanent workers will fill the 53 advertised rental vacancies in Ketchum/Sun Valley (Mt. Express Classifieds 10/19/11). In the long term, it is reasonable to forecast that rental and for-sale housing affordable to lower to medium-income service workers will be needed.

To our knowledge, the proposed fee on the sale of goods at the resort to fund workforce housing has not been employed in Idaho. BCHA believes that any agreement to amend the terms of the development agreement to provide workforce housing should include an alternative plan to ensure the requirement is met in the event the proposed plan is ruled illegal.

David Patrie



Executive Administrator

cc: BCHA Board of Commissioners