

**Revised 11/01/12

CITY COUNCIL CALENDAR OF THE CITY OF KETCHUM, IDAHO

Monday, November 5, 2012, beginning at 5:30 p.m.

480 East Avenue, North, Ketchum, Idaho

Approximate starting time for each agenda item is indicated at left.



- 5:30 1. CALL TO ORDER
- 5:30 2. COMMUNICATIONS FROM MAYOR AND COUNCILORS.
a) Proclamation honoring the 1-year anniversary of the Sawtooth Brewery. Tab 1
3. COMMUNICATIONS FROM THE PUBLIC.
5:45 a) Communications from the public.
4. COMMUNICATIONS FROM CITY STAFF.
6:00 a) Recommendation to cancel the Monday, December 17, 2012 Regular City Council meeting - Gary Marks, City Administrator.
b) Update on Comprehensive Plan Project - Joyce Allgaier, Planning Manager.
- 6:05 5. COMMUNICATIONS FROM THE PRESS.
- 6:10 6. PUBLIC HEARINGS.
a) Resolution 12-019: Establishing a redevelopment area for purposes of applying for a Community Development Block Grant; Resolution 12-020: Establishing Fair Housing; Resolution 12-021: Authorizing the Mayor to sign and submit an application for an Idaho Community Development Block Grant to partially finance downtown revitalization improvements in the City's downtown area - Lisa Horowitz, Community and Economic Development Director. Tab 2
7. AGREEMENTS AND CONTRACTS.
6:45 a) Transportation Engineering Contract for Services to support the Comprehensive Plan Project - Joyce Allgaier, Planning Manager. Tab 3
7:10 b) Request for modification to the Bald Mountain Lodge Development Agreement - Lisa Horowitz, Community and Economic Development Director. Tab 4
8. ORDINANCES AND RESOLUTIONS.
8:15 a) Ordinance 1100: Amending Title 20, Chapter 20.20.020, Streetscape standards, by establishing modified street light priorities for new and replacement street lights within said core, by adding new language; clarifying the purpose, applicability and exceptions; providing a savings and severability clause, providing a repealer clause and providing for an effective date - Lisa Horowitz, Community and Economic Development Director. Tab 5
8:30 b) Resolution 12-017: Providing for publication of notice of public hearing and for public hearing for an amendment to the 2012-13 Fiscal Year Budget - Gary Marks, City Administrator/Chief Mike Elle. Tab 6
8:40 c) Resolution 12-018: Approving the re-appointment of Trish Wilson to the Board of Commissioners of the Ketchum Urban Renewal Agency; and providing for an effective date - Gary Marks, City Administrator. Tab 7

8:50 9. CONSENT CALENDAR.

Tab 8

- a) Approval of minutes from the October 2, 2012 and October 15, 2012 Council meetings.
- b) Recommendation to approve current bills and payroll summary.
- c) Consideration of the Draft Findings of Fact, Conclusions of Law and Decision regarding Powder Creek townhouse Phase III subdivision - Final Plat.
- d) Consideration of the Draft Findings of Fact, Conclusions of Law and Decision regarding Park Place III & IV Townhomes - Preliminary Plat.
- e) Approval of 2012-13 Liquor, Beer & Wine Licenses.

10. EXECUTIVE SESSION to discuss personnel, litigation and land acquisition pursuant to Idaho Code §§67-2345 1(a) (b), (c) and (f).

11. ADJOURNMENT.

Any person needing special accommodations to participate in the above noticed meeting should contact the City of Ketchum three days prior to the meeting at (208) 726-3841.

This agenda is subject to revisions and additions. NOTE: Revised portions of the agenda are underlined in bold. Public information on agenda items is available in the Clerk's Office located at 480 East Ave. N in Ketchum or (208) 726-3841.

Check out our website: www.ketchumidaho.org.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



October 31, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

November 5, 2012 City Council Agenda Report

The regular Council meeting will begin at **5:30 p.m.**

4. COMMUNICATIONS FROM CITY STAFF.

- a) Recommendation to cancel the Monday, December 17, 2012 Regular City Council meeting - Gary Marks, City Administrator.

Given the scheduling difficulties near the holidays, the Council has traditionally cancelled the second regular Council meeting in December. As such, agendas have been planned for such a cancellation. A motion of the Council is needed to confirm the cancellation.

RECOMMENDATION: Staff respectfully recommends the December 17, 2012 Regular Council meeting be cancelled.

RECOMMENDED MOTION: "I move to cancel the December 17, 2012 Regular Council meeting.

This is a legislative matter.

6. PUBLIC HEARING.

- a) Resolution 12-019: Establishing a redevelopment area for purposes of applying for a Community Development Block Grant; Resolution 12-020: Establishing Fair Housing; Resolution 12-021: Authorizing the Mayor to sign and submit an application for an Idaho Community Development Block Grant to partially finance downtown revitalization improvements in the City's downtown area - Lisa Horowitz, Community and Economic Development Director.

The City and the Ketchum Community Development Corporation (KCDC) are partnering on an Idaho Community Development Block Grant (ICDBG) grant application for sidewalks and street lights in the Community Core. The grant application requires two public hearings; one prior to application submission and one during the construction of the project (if the grant is awarded). A

detailed staff report from Lisa Horowitz has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve a series of motions detailed below.

RECOMMENDED MOTION:

Motion #1: "I move to adopt the Proposed Citizen Participation Plan shown in Attachment B."

Motion #2: "I move to adopt Resolution 12-019 outlining a Redevelopment Area."

Motion #3: "I move to adopt Resolution 12-020 granting required Fair Housing Resolution."

Motion #4: "I move to adopt Resolution 12-021 authorizing the Mayor to sign the grant application."

Motion #5: "I move to accept _____ as the certified grant administrator for the ICDBG Walkability Grant."

This is a legislative matter.

7. AGREEMENTS AND CONTRACTS.

- a) Transportation Engineering Contract for Services to support the Comprehensive Plan Project - Joyce Allgaier, Planning Manager.

Staff is seeking Council approval of a Transportation Engineering Contract for Services to support the Comprehensive Plan Project. A detailed staff report from Joyce Allgaier has been provided in the packet for Council review. Joyce will also update the Council on the Comprehensive Plan Project.

RECOMMENDATION: Staff respectfully recommends the City Council approve the Transportation Engineering Contract for Services with Ryan Hales, PR, PTOE, AICP, in an amount not to exceed \$5,200.

RECOMMENDED MOTION: "I move to approve the Transportation Engineering Contract for Services with Ryan Hales, PR, PTOE, AICP, in an amount not to exceed \$5,200."

This is a legislative matter.

- b) Request for modification to the Bald Mountain Lodge Development Agreement - Lisa Horowitz, Community and Economic Development Director.

Mike Kerby of Highmark LLC on behalf of Bald Mountain Lodge LLC is seeking a second extension to the deadline regarding the application for a building permit outlined in Section 8 of the Amended Agreement. A detailed staff report from Lisa Horowitz has been provided in the packet for Council review.

RECOMMENDATION: None. See details in Lisa's staff report.

RECOMMENDED MOTION: In the event the Council decides to grant the extension, the motion should be: *"I move to direct staff to prepare a modification to the Bald Mountain Lodge Development Agreement as decided today by the City Council."*

This is a quasi-judicial matter.

8. ORDINANCES AND RESOLUTIONS.

- a) Ordinance 1100: Amending Title 20, Chapter 20.20.020, Streetscape standards, by establishing modified street light priorities for new and replacement street lights within said core, by adding new language; clarifying the purpose, applicability and exceptions; providing a savings and severability clause, providing a repealer clause and providing for an effective date - Lisa Horowitz, Community and Economic Development Director.

The proposed ordinance will establish various standards to be used in the Community Core. A detailed staff report from Lisa Horowitz has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council waive the three readings of Ordinance 1100 and adopt by title only.

RECOMMENDED MOTION:

First Motion: *"I move to waive the three readings of Ordinance 1100 and read by title only, pursuant to Idaho Code 50-902."*

Second Motion: *"I move to adopt Ordinance 1100." (Roll call required.)*

This is a legislative matter.

- b) Resolution 12-017: Providing for publication of notice of public hearing and for public hearing for an amendment to the 2012-13 Fiscal Year Budget - Gary Marks, City Administrator/Chief Mike Elle.

Grant dollars for fire fighter turn-outs and EMS equipment was appropriated in the previous FY2011-12 budget. However, the grant dollars were not received for the end of the fiscal year. Therefore, the current FY2012-13 budget needs to be amended to provide the needed appropriations. Resolution 12-017 provides for the notice of public hearing for a public hearing to be held on November 19, 2012. A staff report from Sandy Cady has been included in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve Resolution 12-017.

RECOMMENDED MOTION: “I move to approve Resolution 12-017, providing for publication of notice of public hearing and for public hearing for an amendment to the 2012-13 Fiscal Year Budget.”

This is a legislative matter.

- c) Resolution 12-018: Approving the re-appointment of Trish Wilson to the Board of Commissioners of the Ketchum Urban Renewal Agency; and providing for an effective date - Gary Marks, City Administrator.

Trish Wilson's term on the Urban Renewal Board expires on November 15, 2012. Resolution 12-018 approves her re-appointment for a term expiring on November 15, 2016. A staff report from Sandy Cady has been included in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve Resolution 12-018.

RECOMMENDED MOTION: “I move to approve Resolution 12-018, approving the re-appointment of Trish Wilson to the Board of Commissioners of the Ketchum Urban Renewal Agency.”

This is a legislative matter.

9. CONSENT AGENDA.

- a) Approval of minutes from the October 2, 2012 and October 15, 2012 Council meetings.

Minutes from the October 2, 2012 and October 15, 2012 Council meetings have been provided in the packet of Council review.

- b) Recommendation to approve current bills and payroll summary.

A list of bills for approval and the payroll summary have been included in the packet for Council review.

- c) Consideration of the Draft Findings of Fact, Conclusions of Law and Decision regarding Powder Creek townhouse Phase III subdivision - Final Plat.

Staff recommends approval of the Draft Findings of Fact, Conclusions of Law and Decision regarding Powder Creek townhouse Phase III subdivision. Materials concerning this matter have been provided in the packet.

- d) Consideration of the Draft Findings of Fact, Conclusions of Law and Decision regarding Park Place III & IV Townhomes - Preliminary Plat.

Staff recommends approval of the Draft Findings of Fact, Conclusions of Law and Decision regarding Park Place III & IV Townhomes – Preliminary Plat. Materials concerning this matter have been provided in the packet.

e) Approval of 2012-13 Liquor, Beer & Wine Licenses.

Staff respectfully recommends the Council approve the 2012-13 Liquor, Beer and Wine Licenses listed in the packet.

Sincerely,



Gary B. Marks
City Administrator

PROCLAMATION

SAWTOOTH BREWERY 1 YEAR ANNIVERSARY NOVEMBER 10, 2012

WHEREAS, Sawtooth Brewery was opened on 11/11/11, by Head Brewer Paul Holle and Business Manager Kevin Jones; and

WHEREAS, Sawtooth Brewery currently offers 23 different Sawtooth beers and will be releasing 5 new beers including a gluten free beer; and

WHEREAS, over the past year, Sawtooth Brewery has grown from producing 33 barrels a year to producing close to 500, a 1500% growth in one year; and

WHEREAS, Sawtooth Brewery beers are available on tap in Ketchum, Sun Valley, Hailey, Bellevue, Stanley, Fairfield, Twin Falls, Boise, Meridian, Eagle, and Idaho Falls; and

WHEREAS, Sawtooth Brewery plans to expand production again in 2013 and is seeking investments for an expansion in downtown Ketchum that would allow for statewide distribution, canning, and barrel aging.

NOW, THEREFORE, I, Randy Hall, Mayor of Ketchum, congratulate Sawtooth Brewery on their success upon their 1 Year Anniversary.

Randy Hall, Mayor

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



October 30, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Resolution for Community Development Block Grant Walkability Application

Attachments

Attachment A: Background on ICDB Grant
Attachment B: Proposed Citizen Participation Plan
Attachment C: Resolution 12-019
Attachment D: Preliminary Cost Estimate for ICDBG Grant Application
Attachment E: Estimate of Matching Funds
Attachment F: Grant-required Fair Housing Resolution
Attachment G: Resolution Authorizing the Mayor to sign and submit the ICDBG Application

Introduction/History

The KCDC and the City are partnering on an Idaho Community Development Block Grant (ICDBG) grant application for sidewalks and street lights in the Community Core. There are several grant requirements that require Council action.

Current Report

The grant requires the Council to conduct two public hearings: one tonight, and one during the construction of the project (if the grant is awarded). Adoption of a Citizen Participation Plan is required, and is shown in Attachment B.

The grant also requires the City to adopt a "Redevelopment Area" which is outlined in Attachment C, Resolution #12-019. The Resolution outlines a variety of requirements related to inadequate sidewalks and lighting. Exhibit A to Resolution 12-019 shows the sidewalk sections and street light locations proposed in the grant. Attachment D shows preliminary costs estimates for the improvements.

Even though the City has adopted a Fair Housing Resolution in the last year, the grant requires adoption of the Fair Housing Resolution shown in Attachment F.

We are required to adopt a resolution authorizing the Mayor to sign the grant application, Exhibit G.

We are required to approve a grant administrator. We have contacted four (4) state-approved grant administrators. The proposals are due to the City on Friday, November 2nd. Staff will bring a recommendation to the meeting for Council action.

Financial Requirement/Impact

The grant is scored higher with a strong local match. The match is permitted to be drawn from one fiscal year past, and two fiscal years forward. Jon Duval of the KCDC has prepared an Estimate of Matching Funds, Exhibit E. The grant administrator is paid out of grant proceeds if the grant is awarded.

Recommendation

Staff recommends the following actions:

- 1) Adopt the Proposed Citizen Participation Plan shown in Attachment B.
- 2) Adopt Resolution 12-019 outlining a Redevelopment Area.
- 3) Adopt Resolution 12-020, Grant-required Fair Housing Resolution
- 4) Adopt Resolution 12-021, Resolution authorizing the Mayor to sign the grant application
- 5) Motion to approve recommended grant administrator (recommendation to be brought to the meeting)

Recommended Motions

- Motion #1: "I move to adopt the Proposed Citizen Participation Plan shown in Attachment B."
- Motion #2 "I move to adopt Resolution 12-019 outlining a Redevelopment Area"
- Motion #3: I move to adopt Resolution 12-020, grant-required Fair Housing Resolution."
- Motion #4: "I move to adopt Resolution 12-021, authorizing the Mayor to sign the grant application."
- Motion #5: "I move to accept _____ as the certified grant administrator for the ICDBG Walkability Grant."

Sincerely,



Lisa Horowitz
Community and Economic Development Director

PUBLIC HEARING

Idaho Community Development Block Grant Application
November 5, 2012 @ 5:30 p.m.
480 East Ave. North, Ketchum, Idaho
Downtown Revitalization Project

Background

The U.S Department of Housing and Urban Development will provide approximately \$8.0 million to the State of Idaho in FY 2013 to use as the Idaho Community Development Block Grant (ICDBG) program. These funds are controlled and distributed through the Idaho Department of Commerce.

Only Cities and Counties are eligible applicants for these funds. These entities can sub-grant the funds to special purpose districts such as water districts, sewer districts, fire districts, and other non-profit entities. All grantee's and sub-recipients must comply with program regulations and rules.

Idaho's ICDBG funds are broken up into four categories:

- Public Facilities – public infrastructure improvements
- Senior Centers/Community Centers
- Imminent Threat – sudden – not foreseeable (or budgetable)
- Economic Development – public infrastructure projects for:
 - Job creation/retention
 - Downtown Revitalization

Approximately \$3.44 million will be available for Economic Development projects state-wide next year.

The maximum grant amount available is \$500,000. Although no match is required, the program is extremely competitive, with the grant awards usually going to the community with the greatest need and the greatest level of financial participation.

The Process and the Project

- Applications are reviewed annually with the next submission due November 16, 2012.
- Idaho Department of Commerce staff will review the applications and complete an objective scoring of 900 points based on criteria in the application handbook.
- The Governors Economic Advisory Council (EAC) will provide the remaining 100 points for a total of 1,000 points possible. Kelly Anderson is the local representative on the Economic Advisory Council.
- If meeting a minimum scoring, the Department of Commerce staff will invite applicants to submit additional materials. This notification is usually around mid-January and additional materials will be due by March 1, 2013.

- Following the submission of the additional material, the Idaho Department of Commerce staff again reviews and ranks the applications.
- In Mid-April, applicants may be invited to make a formal presentation to the Governors' Economic Advisory Council. Fifteen (15) minutes are allowed for the technical presentation and ten (10) minutes are reserved for questions and answers.
- Recommendations by the EAC for funding are then forwarded to the Governor's office and award announcements made within the week.

Strings Attached

As with most federal programs, the ICDBG program funds have strings attached.

- Citizen Participation
- Fair Housing
- Handicapped Accessibility
- Excessive Force Policy
- Assurances including:
 - National Environmental Policy Act
 - Civil Rights Act of 1964, 1968
 - Rehabilitation Act of 1973
 - Davis-Bacon Act
 - Historic Preservation Act

ATTACHMENT B: CITIZEN PARTICIPATION PLAN

Citizen Participation Plan City of Ketchum, Idaho

Pursuant to citizen participation requirements for Idaho Community Development Block Grant (ICDBG) participants, the City of Ketchum, Idaho certifies that the following activities will be completed:

Provide for and encourage citizen participation, particularly for low and moderate income persons who reside in slum or blighted areas and areas in which ICDBG funds are proposed to be used. Provide technical assistance to groups representative of low and moderate income persons that request assistance in developing proposals in accordance with procedures developed by the Idaho Department of Commerce and Labor. Such assistance need not include providing funds to such groups.

Hold a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views. The first public hearing shall include a description of the project, scope of work, budget, schedule, location, and beneficiaries. Any earned program income must also be noted. The application, related documents, and the Application Handbook shall be available for citizens to review.

A second public hearing on the status of funded activities and accomplishments to date shall be held. This hearing shall include a general description of the remaining work, budget, schedule, location or beneficiaries.

A public hearing shall also be held in the event ICDBG project activities are added, deleted, or substantially changed from the application. Substantially changed means changes made in terms of purpose, scope, location or beneficiaries as described by the ICDBG program.

Provide reasonable and timely access to local meetings, information and records pertaining to the local government's proposed and actual use of ICDBG funds. Public hearings shall be conducted at times and locations convenient to local citizens.

Public hearings shall be advertised in a local newspaper no less than seven (7) twenty-four (24) hour days prior to the hearing date. If there is no local newspaper, public notification will occur through some other method where there is wide distribution to citizens within the project area. This may include posting the notice at the Post Office and other prominent locations within the community. Hand bills may also be delivered door-to-door with information regarding the public hearing. This method must be approved by the community development staff.

A copy of the publication and/or affidavit of publication shall be submitted to the Department. In cases where alternative means are used to distribute the public hearing notice, information regarding the method of distribution shall be provided to the Department. The notice should identify all of the topics to be addressed in the public hearing including assurances that hearings shall be held in facilities that are accessible to persons with disabilities and that alternative formats shall be available to persons with disabilities where practicable, and with advance notice to the unit of local government.

Citizens shall also be notified that they will be given the opportunity to comment orally or in writing at the hearing. Comments will also be taken in writing within five (5) days prior to the hearing. Special accommodations shall be available for persons with disabilities who may wish to comment within the five day period.

Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can be expected to participate.

Local citizen participation records which shall be made available to state and local citizens shall include: A copy of the public notice and/or affidavit of publication which describes proposed or actual project activities, scope of work, location, budget, schedule, objectives, and beneficiaries. Notices shall contain the accessible clause for persons with disabilities.

Grantees must provide the address, telephone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints within fifteen (15) working days were practicable.

Local staff shall be familiar with citizen's complaint procedures. These procedures shall provide local citizens with the opportunity to protest project activities or related issues. A written complaint or grievance is formal notification of a concern, allegation or protest to a proper authority. A formal complaint will be considered filed at the time it is delivered to the appropriate authority's office. To file a complaint, citizens must provide enough information to allow an investigation. The complaint should be clear and concise and include the following:

- a) Identification of the project, project location, and program activities.
- b) Reason for the complaint (hearsay and innuendo will not be considered valid).
- c) Sufficient data to substantiate any claims or charges. If possible, supporting documentation should be included.
- d) If desired, citizens may propose a solution to the problem.

If the complaint is concerning local activities or project implementation, complaints and grievances shall first be filed with the appropriate elected official. If this is the case, grantees shall be required to notify the Department of the complaint. A copy of the response shall also be submitted to the Department. Every attempt shall be made to respond to citizens in fifteen (15) days where practicable.

If a citizen feels the response from the local jurisdiction is unsatisfactory, he or she may appeal to the Department for resolution. Additional information may be requested by the Department at that time. Every effort will be made by the Department to provide a full response within thirty (30) days.

If valid and sufficient data has been provided to substantiate the complaint, an investigation will be conducted. The extent of an investigation depends on the scope and depth of the issues involved.

If the complaint is more appropriately directed toward ICDBG Program activities, the same procedures will be followed except all communications are between the state and the complainant.

This plan shall become effective this 5th day of November, 2012.

Randy Hall, Mayor

RESOLUTION NUMBER 12-019

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO,
ESTABLISHING A REDEVELOPMENT AREA FOR PURPOSES OF APPLYING FOR A
COMMUNITY DEVELOPMENT BLOCK GRANT.**

WHEREAS, the City has reviewed the conditions and quality of the City and found a geographic area in which slum and blight conditions exist according to IDAPA 28, Title 02, Chapter 01, Section 020. The approximate boundaries of this geographic area are the Community Core Zone District and are delineated on Exhibit A affixed hereto, which is a map of the subject area defining the limits, boundaries and location of the slum and blight conditions of said district; and

WHEREAS, the following is a description of the slum and blight conditions which exist in the delineated area:

- There are 29,690 feet of sidewalk in the delineated area, of which 7,750 linear feet of substandard sidewalks, including areas with no sidewalks and/or sidewalks that do not comply with Federal ADA standards
- 45 substandard light fixtures which do not meet the Ketchum Dark Sky Ordinance and/or do not shed adequate light for safe pedestrian travel

Detailed documentation is contained in various materials compiled by the Ketchum Streets Department, the KCDC and the City Engineer, on file in the Community and Economic Development Department

WHEREAS, the City defines standard and substandard as for infrastructure in the Ketchum Municipal Code Title 12; and

WHEREAS, these substandard conditions are risks to public safety, impediments to sound community growth and are considered economic liabilities to the community; and

WHEREAS, the City of Ketchum desires to eliminate and prevent slum and blight conditions within the stated geographic area, the City will undertake various activities to eliminate these conditions. These activities will conform to the City's Comprehensive Plan and Downtown Master Plan, and the improvements have been prioritized.

NOW THEREFORE, it is resolved by the Mayor and City Council of Ketchum, Idaho that from the signing of the date of this resolution, the City of Ketchum shall designate the above-stated geographic area as a redevelopment area and shall take action as necessary to remove and prevent slum and blight conditions. This Resolution will be in full force and effect upon its adoption and approval this first 5th day of November, 2012.

CITY OF KETCHUM, IDAHO

Randy Hall, Mayor

ATTEST:

Sandra E. Cady, CMC
City Treasurer/Clerk

ATTACHMENT D: GRANT PRELIM. COST ESTIMATE

Preliminary Opinion of Costs for ICDBG
 Ketchum Walkability Project
 Galena Engineering Inc.
 October 25, 2012

DRAFT

1. Block 54 - Sixth St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	150	\$20	\$3,000
6" Concrete Curb & Gutter	Linear Foot	150	\$20	\$3,000
Asphalt Sawcutting	Linear Foot	150	\$2	\$300
Removal of Existing Tree	Each	2	\$400	\$800
Remove and reset sign and post	Each	1	\$130	\$130
Retain and Protect device (Power pole, utility box, etc.)	Each	1	\$200	\$200
Excavation and Embankment Work	Cubic Yard	30	\$15	\$450
Landscape repair	Linear Foot	150	\$2.00	\$300
Asphalt Paving (includes base materials)	Square Foot	150	\$3.33	\$500
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$8,880

2. Block 55 - Fifth St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	150	\$20	\$3,000
6" Concrete Curb & Gutter	Linear Foot	150	\$20	\$3,000
Asphalt Sawcutting	Linear Foot	150	\$2	\$300
Removal of Existing Tree	Each	2	\$400	\$800
Retain and Protect device (Power pole, utility box, etc.)	Each	2	\$200	\$400
Drywell	Each	1	\$2,300	\$2,300
Landscape repair	Linear Foot	150	\$2.00	\$300
Asphalt Paving (includes base materials)	Square Foot	150	\$3.33	\$500
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$10,800

3. Block 65 - Fourth St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	335	\$20	\$6,700
6" Concrete Curb & Gutter	Linear Foot	335	\$20	\$6,700
Asphalt Sawcutting	Linear Foot	335	\$2	\$670
Remove and reset sign and post	Each	2	\$130	\$260
Catch Basin	Each	1	\$2,000	\$2,000
12" PVC Storm Drain Pipe	Linear Foot	10	\$23	\$230
Landscape repair	Linear Foot	335	\$2.00	\$670
Asphalt Paving (includes base materials)	Square Foot	3725	\$3.33	\$12,404
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$29,834

4. Block 64 - Sun Valley Rd Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	185	\$20	\$3,700
6" Concrete Curb & Gutter	Linear Foot	185	\$20	\$3,700
Asphalt Sawcutting	Linear Foot	185	\$2	\$370
Tree Trimming	Each	3	\$100	\$300
Adjust Valve/Lid/Rim/Hydrant	Each	3	\$300	\$900
Remove and reset sign and post	Each	1	\$130	\$130
Asphalt Removal	Square Foot	800	\$0.20	\$160
Landscape repair	Linear Foot	185	\$2.00	\$370
Asphalt Paving (includes base materials)	Square Foot	185	\$3.33	\$616
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$10,446

5. Block 62 - Second Ave Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	220	\$20	\$4,400
6" Concrete Curb & Gutter	Linear Foot	220	\$20	\$4,400
Asphalt Sawcutting	Linear Foot	220	\$2	\$440
Remove and reset sign and post	Each	2	\$130	\$260
Landscape repair	Linear Foot	220	\$2.00	\$440
Asphalt Paving (includes base materials)	Square Foot	220	\$3.33	\$733
Imported Fill	Cubic Yard	120	\$30	\$3,600
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$14,473

6. Block 62 - First St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	335	\$20	\$6,700
6" Concrete Curb & Gutter	Linear Foot	335	\$20	\$6,700
Asphalt Sawcutting	Linear Foot	335	\$2	\$670
Remove and reset sign and post	Each	1	\$130	\$130
Retain and Protect device (Power pole, utility box, etc.)	Each	2	\$200	\$400
Drywell	Each	1	\$2,300	\$2,300
Asphalt Removal	Square Foot	500	\$0.20	\$100
Landscape repair	Linear Foot	335	\$2.00	\$670
Asphalt Paving (includes base materials)	Square Foot	2010	\$3.33	\$6,693
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$24,563

7. Block 60 - First St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
Curb, Gutter and Sidewalk Repair	Lump Sum	1	\$2,000	\$2,000
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$2,200

8. Block 59 - First Ave Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	125	\$20	\$2,500
6" Concrete Curb & Gutter	Linear Foot	125	\$20	\$2,500
Asphalt Sawcutting	Linear Foot	125	\$2	\$250
Remove and Reset Fence	Linear Foot	55	\$30	\$1,650
Adjust Valve/Lid/Rim/Hydrant	Each	1	\$300	\$300
Retain and Protect device (Power pole, utility box, etc.)	Each	1	\$200	\$200
Remove Corner of Planter Box, Rebuild Planter	Lump Sum	1	\$750	\$750
Landscape repair	Linear Foot	125	\$2.00	\$250
Asphalt Paving (includes base materials)	Square Foot	125	\$3.33	\$416
Curb, Gutter and Sidewalk Repair	Lump Sum	0	\$50	\$0
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$9,016

9. Block 58 - Second St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	150	\$20	\$3,000
6" Concrete Curb & Gutter	Linear Foot	150	\$20	\$3,000
Asphalt Sawcutting	Linear Foot	150	\$2	\$300
Removal of Existing Tree	Each	10	\$400	\$4,000
Retain and Protect device (Power pole, utility box, etc.)	Each	1	\$200	\$200
Catch Basin	Each	1	\$2,000	\$2,000
Drywell	Each	1	\$2,300	\$2,300
12" PVC Storm Drain Pipe	Linear Foot	10	\$23	\$230
Landscape repair	Linear Foot	150	\$2.00	\$300
Asphalt Paving (includes base materials)	Square Foot	900	\$3.33	\$2,997
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$18,527

10. Block 58 - First Ave Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	60	\$20	\$1,200
6" Concrete Curb & Gutter	Linear Foot	60	\$20	\$1,200
Asphalt Sawcutting	Linear Foot	60	\$2	\$120
Remove and reset sign and post	Each	1	\$130	\$130
Landscape repair	Linear Foot	60	\$2.00	\$120
Asphalt Paving (includes base materials)	Square Foot	660	\$3.33	\$2,198
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$5,168

11. Block 38 - First Ave Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk Ramp	Linear Foot	55	\$60	\$3,300
6" Concrete Curb & Gutter	Linear Foot	55	\$20	\$1,100
Infrastructure to match up against building and deck	Lump Sum	1	\$5,000	\$5,000
Asphalt Sawcutting	Linear Foot	55	\$2	\$110
Asphalt Paving (includes base materials)	Square Foot	55	\$3.33	\$183
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$9,893

12. Block 38 - Second St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	105	\$20	\$2,100
6" Concrete Curb & Gutter	Linear Foot	105	\$20	\$2,100
Asphalt Sawcutting	Linear Foot	105	\$2	\$210
Adjust Valve/Lid/Rim/Hydrant	Each	1	\$300	\$300
Remove and reset sign and post	Each	1	\$130	\$130
Asphalt Paving (includes base materials)	Square Foot	105	\$3.33	\$350
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$5,390

13. Block 19 - Washington Ave Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	115	\$20	\$2,300
6" Concrete Curb & Gutter	Linear Foot	115	\$20	\$2,300
Asphalt Sawcutting	Linear Foot	115	\$2	\$230
Removal of Existing Tree	Each	2	\$400	\$800
Catch Basin	Each	1	\$2,000	\$2,000
12" PVC Storm Drain Pipe	Linear Foot	10	\$23	\$230
Landscape repair	Linear Foot	115	\$2.00	\$230
Asphalt Paving (includes base materials)	Square Foot	165	\$3.33	\$549
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$8,839

14. Block 19 - First St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	100	\$20	\$2,000
6" Concrete Curb & Gutter	Linear Foot	100	\$20	\$2,000
Asphalt Sawcutting	Linear Foot	100	\$2	\$200
Removal of Existing Fence	Linear Foot	10	\$10	\$100
Excavation and Embankment Work	Cubic Yard	70	\$15	\$1,050
Asphalt Removal	Square Foot	462	\$0.20	\$92
Landscape repair	Linear Foot	100	\$2.00	\$200
Asphalt Paving (includes base materials)	Square Foot	100	\$3.33	\$333
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$6,175

15. Block 18 - Second St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
Curb, Gutter and Sidewalk Repair	Lump Sum	1	\$2,000	\$2,000
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$2,200

16. Block 41 - Second St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	85	\$20	\$1,700
6" Concrete Curb & Gutter	Linear Foot	85	\$20	\$1,700
Asphalt Sawcutting	Linear Foot	85	\$2	\$170
Removal of Existing Shrub	Each	6	\$100	\$600
Landscape repair	Linear Foot	85	\$2.00	\$170
Asphalt Paving (includes base materials)	Square Foot	85	\$3.33	\$283
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$4,823

17. Block 44 - Fifth St Frontage

Item	Units	Quantity	Unit Cost	Item Cost
5' Concrete Sidewalk	Linear Foot	150	\$20	\$3,000
6" Concrete Curb & Gutter	Linear Foot	150	\$20	\$3,000
Asphalt Sawcutting	Linear Foot	150	\$2	\$300
Removal of Existing Tree	Each	2	\$400	\$800
Adjust Valve/Lid/Rim/Hydrant	Each	1	\$300	\$300
Retain and Protect device (Power pole, utility box, etc.)	Each	3	\$200	\$600
Asphalt Removal	Square Foot	525	\$0.20	\$105
Landscape repair	Linear Foot	150	\$2.00	\$300
Asphalt Paving (includes base materials)	Square Foot	150	\$3.33	\$500
Traffic Control	Lump Sum	1	\$200	\$200

Subtotal Construction Cost = \$9,105

Total Sidewalk Construction Cost = \$180,331

SOLAR STREET LIGHTS

Item	Units	Quantity	Unit Cost	Item Cost
Solar street light	Each	32	\$8,000	\$256,000

Subtotal Construction Cost = \$256,000

Total Construction Cost = \$436,331

10% Construction Contingency = \$43,633

Budget for Surveying/Engineering/Construction Administration 12% = \$52,360

Budget for Grant Administration = \$40,000

Total Project Cost = \$572,324

"Davis-Bacon wage rates are included in the construction project cost estimates."

RESOLUTION NUMBER 12-020

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO,
ESTABLISHING FAIR HOUSING**

LET IT BE KNOWN TO ALL PERSONS OF the City of Ketchum that discrimination on the basis of race, color, religion, gender or national origin in the sale, rental, leasing or financing of housing or land to be used for construction of housing or in the provision of brokerage services is prohibited by Title VIII of the 1968 Civil Rights Act (Federal Fair Housing Law).

It is the policy of the City of Ketchum to encourage equal opportunity in housing for all persons regardless of race, color, religion, gender or national origin. The Fair Housing Amendments Act of 1988 expands coverage to include disabled persons and families with children. Therefore, the city does hereby pass the following Resolution.

BE IT RESOLVED that within available resources the City will assist all persons who feel they have been discriminated against because of race, color, religion, gender, national origin, disability or familial status to seek equity under federal and state laws by referring them to the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, Compliance Division.

BE IT FURTHER RESOLVED that the City shall publicize this Resolution and through this publicity shall encourage owners of real estate, developers, and builders to become aware of their respective responsibilities and rights under the Federal Fair Housing Law and amendments and any applicable state or local laws or ordinances.

SAID PROGRAM will at a minimum include: 1) publicizing this resolution; 2) posting applicable fair housing information in prominent public areas; 3) providing fair housing information to the public; 4) preparing a fair housing assessment; and 5) declaring April as Fair Housing Month.

NOW THEREFORE, it is resolved by the Mayor and City Council of Ketchum, Idaho that from the signing of the date of this resolution, the City of Ketchum shall designate the above-stated geographic area as a redevelopment area and shall take action as necessary to remove and prevent slum and blight conditions. This Resolution will be in full force and effect upon its adoption and approval this first 5th day of November, 2012.

CITY OF KETCHUM, IDAHO

____Randy Hall, Mayor

ATTEST:

Sandra E. Cady, CMC
Treasurer/Clerk

**RESOLUTION NUMBER 12-021
AUTHORIZING THE MAYOR TO APPLY FOR AN ICDBG GRANT**

A RESOLUTION OF THE COUNCIL, CITY OF KETCHUM, IDAHO, AUTHORIZING THE MAYOR TO SIGN AND SUBMIT AN APPLICATION FOR AN IDAHO COMMUNITY DEVELOPMENT BLOCK GRANT TO PARTIALLY FINANCE DOWNTOWN REVITALIZATION IMPROVEMENTS IN THE CITY'S DOWNTOWN AREA.

WHEREAS, the City is committed to providing safe and healthy public facilities to the citizens of Ketchum; and

WHEREAS, the City has conducted a compressive assessment of the community's downtown area; and

WHEREAS, the assessment identified that improvements are necessary to bring the area into compliance with regulatory requirements; and

WHEREAS, the City is unable to financially bear the burden of these improvements themselves and therefore needs the assistance of the Idaho Community Development Block Grant program to help fund infrastructure improvements.

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL FOR THE CITY OF KETCHUM, IDAHO, that the Mayor is hereby authorized to sign and submit appropriate application materials to the Idaho Department of Commerce to request funding through the Idaho Community Development Block Grant program to assist the City with their downtown revitalization efforts.

Adopted this 5th day of November, 2012.

Randy Hall, Mayor

Attest: _____
Sandra Cady, City Treasure-Clerk

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



October 30, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

**2012 Comprehensive Plan Project Update: "Planning Our Common Future"
&
Authorization of Mayor to Sign Contract for Services**

Introduction/History

In October, 2011, the City of Ketchum embarked on the 2012 Ketchum Comprehensive Plan Project, a rewrite of the city's guiding land use and development document. The Project is called, "Planning Our Common Future" reinforcing the importance of community members being actively involved in the process and outcome of the plan rewrite. The comprehensive plan will provide a long-range vision for the community; it will include policies and goals, and provide an implementation road map of how to get there through strategies and actions.

The Ketchum Comprehensive Plan was last adopted in 2001 and is in need of update, considering the amount of change that has occurred over the last decade and the new circumstances communities find themselves in with changes in the national and state economy. These are good times for comprehensive planning as it allows communities to see themselves in a different light; when development is not pressing and the attributes and shortcomings of community seem more apparent. The comprehensive plan will also meet the requirements of the State of Idaho laws regarding community planning.

Staff will present a PowerPoint presentation on the status of the plan, its contents, key areas of focus and the approach that the plan is taking. It will also touch upon the following highlights and timeline.

Highlights of "Planning Our Common Future"

- The Planning and Zoning Commission has held 12 work sessions/meetings to discuss and work on the plan since October, 2011, in addition to participating in community outreach events.
- Community outreach has engaged over 525 people in 15 different engagements (events, meetings with organizations, businesses and individuals)
- Two 2nd homeowner/visitor survey days were conducted (210 surveys collected)
- Four e-newsletters have been sent to mailing lists of 317 addresses

- Comprehensive Plan Advisory Group has met two times in intensive work sessions at important junctures
- Background data for all plan elements is updated and in first draft form

Key Milestones/Time Line

- End of October – Initial drafts of all chapters along with goals and policies
- November/December
 - Community outreach event as “Community Check-in” on key concepts
 - P&Z Work sessions – develop actions
 - Council update/engagement on key concepts
 - Internal draft prepared
- December
 - P&Z Work sessions – review/discuss draft
 - Community outreach
 - Fine tuning and final edits of draft
- January/February
 - P&Z Work sessions – review/discuss draft for final edits
 - Final edits
 - Public review draft ready
 - Community outreach
- February/March
 - Adoption process begins with P&Z, then City Council

Budget

The City Council appropriated \$55,000 in the FY 2012-2013 Adopted Budget. It is intended that these funds will be used for citizen outreach, information technology support, plan production, and consulting.

At this time, staff would like the City Council to authorize a contract of \$5,200 for work by transportation engineer, Ryan Hales, PE, PTOE, AICP, for assistance in the Mobility Element of the plan. Mr. Hales’ work would include analysis of studies, traffic trends and projections, presentation of findings, and discussion of key deficiencies and potential improvements/opportunities. Mr. Hales would also provide schematic renderings and some text for use in the plan. (Contract attached.)

Financial Requirement/Impact

None at this time, other than the use of appropriated funds.

Recommendation

“I move to allow Mayor Hall to sign the contract for services with Hales Engineering for an amount not-to-exceed \$5,200 for FY 13.”

Sincerely,



Joyce Allgaier, AICP
Planning Manager

October 24, 2012

City of Ketchum, Idaho
Lisa Horowitz / Joyce Allgaier
PO Box 2315
Ketchum, Idaho 83340

Subject: City of Ketchum Comprehensive Plan – Update

Dear Lisa and Joyce:

Thank you for inviting Hales Engineering to submit this proposal to help update the City of Ketchum's Comprehensive Plan - update. The following is an outline of our proposed scope of work and cost estimate to help the City update this plan.

Scope of Work

Task 1: Review Current Text and Previous Studies

Hales Engineering will review the current text of the existing Comprehensive Plan – Transportation Element and the text completed to date within the proposed Comprehensive Plan and make any preliminary recommendations before the meetings in Ketchum. We will also review other related documents / studies that have been completed within the area that add support to the comprehensive plan including but not limited to: the Ketchum Transportation Plan; Blaine County Transportation Plan; SH-75 Environmental Impact Statement, etc.

Task 2: Attend Transportation Informational Meeting

Hales Engineering will prepare for and attend / present to the combined groups (City Council / Planning Commission) and/or the City's Transportation Committee historical traffic volumes, current trends and future projections. These discussions will focus on various high impact areas of the City including:

1. Warm Springs Road
2. Lewis Street / Warm Springs Road & Saddle Road / Warm Springs Road
3. 10th Street / Main Street
4. 6th Street / Main Street / Warm Springs Road
5. Main Street

Lisa Horowitz
October 24, 2012
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6. 2nd Avenue
7. Serenade Lane / Main Street
8. Serenade Lane / 2nd Avenue

We will discuss the effects of the economic downturn on the building trends and the eventual buildout of the area.

It is anticipated that we will seek for and receive input for the various areas within the community so that we have formal direction on the overall transportation element. This input will help guide our approach and set direction for various improvements.

Task 3: Identification of Critical Intersections / Projects

Hales Engineering will take the input from the combined meeting, the most recent studies and current traffic counts and synthesize the information into 5 or 6 geographical areas of focus and further sub-divide the areas into key projects within those areas.

Task 4: Comprehensive Plan – Transportation Element

Hales Engineering will write up text about the process, areas of focus and key projects for improvements that will be included within the Comprehensive Plan.

Cost Estimate

We anticipate that the breakdown of the cost to complete the four (4) tasks identified in the scope of work will be \$5,200.

Meeting Attendance/Out of Scope Work

Predicting the number of meetings and time commitment required to move a Comprehensive Plan – Transportation Element through the approval process varies from project to project. Therefore, in the best interest of our clients, we have not included any meetings beyond those previously identified. If additional meetings are necessary, they will be billed separately on a time and materials basis and will be attended by representatives of Hales Engineering only upon prior written or electronic approval given by the City of Ketchum.

Lisa Horowitz
October 24, 2012
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Schedule

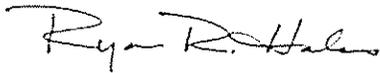
If you agree to the terms and conditions of this letter, please countersign below. We will begin work after we have received the written authorization to proceed. This letter will serve as our contract along with the attached Standard Terms and Conditions.

Agreement

Invoices for work completed will be submitted monthly for payment.

Again, thank you for asking Hales Engineering to prepare this proposal. We look forward to working with you on this project. If you have any questions, please feel free to call.

Sincerely,
HALES ENGINEERING, LLC



Ryan Hales, PE, PTOE, AICP
Principal / Owner

Accepted by: _____

Signature: _____

Representing: _____

Title: _____

Date: _____

P0638-UT

Lisa Horowitz
October 24, 2012
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STANDARD TERMS AND CONDITIONS

These STANDARD TERMS AND CONDITIONS apply to, and are made part of, the attached letter agreement ("Agreement") by and between HALES ENGINEERING, LLC, a Utah company, ("Consultant"), and the "Client" referenced in the signature block on the Agreement.

WITNESSETH THAT, in consideration of the premises and covenants hereinafter set forth, the parties agree as follows:

1. **Data To Be Furnished.** All information, data, reports, records and maps with respect to the Project which are available to Client and which Client deems reasonably necessary for the performance of work set forth in the Agreement, shall be furnished to Consultant without charge by Client.
2. **Personnel.** Consultant agrees that it will employ, at its own expense, all personnel necessary to perform the services required by this Agreement and in no event shall such personnel be the employees of Client. All of the services required hereunder shall be performed by Consultant and all personnel engaged therein shall be fully qualified under applicable federal, state and local law to undertake the work performed by them. Consultant assumes full and sole responsibility for the payment of all compensation and expenses of such personnel and for all state and federal income tax, unemployment insurance, Social Security, disability insurance and other applicable withholdings.
3. **Compensation.** Client shall pay Consultant an amount not to exceed the sum noted in the Agreement as consideration for the services described. Consultant shall submit invoices to the Client monthly. Client agrees to pay the invoices within 30 days of receipt. If payment is not received within 60 days, Consultant may, at its sole discretion, elect to stop work until payments are received. In that case, Consultant will notify Client that work has ceased. Client also agrees to pay all costs, including attorney's fees and court costs, incurred by Consultant to collect on past due invoices. If Client fails to make any payment due Consultant for services and expenses within thirty (30) days after receipt of Consultant's statement, the amounts due Consultant will be increased at the rate of 1.5% per month from due date identified on invoice.
4. **Ownership of Documents.** The work papers, drawings, photographs and any other written or graphic material, hereinafter materials, prepared by Consultant for this Project are instruments of the Consultant's service for use solely with respect to this Project and, unless otherwise provided, the Consultant shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including the copyright. The Client shall be permitted to retain copies, including reproducible copies of Consultant's materials for information and reference in connection with the Client's use on the Project. The Client or others shall not use the Consultant's materials on other projects, or for changes to this Project without the express written consent of the Consultant. Submission or distribution of documents to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication or violation of copyright.
5. **Attorneys' Fees/Arbitration.** In the event that either party brings an action or claim arising out of or in connection with this Agreement, the prevailing party shall be entitled to reasonable and actual attorneys' fees incurred, as well as costs incurred, as well as expert witness fees. Any and all disputes shall be resolved by way of binding Arbitration, which shall take place in Salt Lake City, Utah utilizing a single Arbitrator. Arbitration shall take place under the auspices of either the American Arbitration Association or JAMS, at the election of the party commencing Arbitration. The prevailing party shall also be entitled to be reimbursed for any and all Arbitration expenses incurred.
6. **Limitation of Liability.** Unless Client and Consultant otherwise agree in writing in consideration for an increase in Consultant's fee, Client agrees to limit Consultant's liability to Client to the sum of the Consultant's fee for any loss or damage, including but not limited to special and consequential damages arising out of or in connection with the performance of services or any other cause, including Consultant's professional negligent acts, errors, or omissions, and Client hereby releases and holds harmless Consultant from any liability above such amount.
7. **Modification/Termination.** No waiver, alteration, modification or termination of this Agreement shall be valid unless made in writing. This agreement may be terminated for convenience and without cause by either party upon seven days' written notice.
8. **Governing Law.** This Agreement shall be governed by and constructed in accordance with the laws of the State of Utah.
9. **Entire Agreement.** This Agreement sets forth the entire understanding between the parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, letters of understanding or other promises, whether oral or in writing.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



October 30, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Bald Mountain Lodge Development Agreement Amendment Request

Attachments

- Attachment 1: October 11, 2012 Letter from Highmark Investments, LLC
- Attachment 2: Original Bald Mountain Lodge Development Agreement, September 17, 2010
- Attachment 3: Amended Bald Mountain Lodge Development Agreement November 7, 2011
- Attachment 4: Minutes from the October 17, 2011 City Council meeting

Introduction/History

At its meeting of June 7, 2010, the City Council approved the Bald Mountain Lodge Planned Unit Development (PUD). This PUD is subject to the adoption of a development agreement, which contractually binds the parties to the Conditions of Approval developed by the Council for the project. The Council conducted a Public Hearing on the Development Agreement at the August 16 Council meeting, and adopted the Development Agreement on September 17, 2010 (Attachment 2 to this report).

At the October 17, 2011, Highmark LLC requested an extension to the 2010 Development Agreement to roll all the dates forward by one year. After lengthy discussion, this change was approved by the Council, with the inclusion of language regarding property maintenance. The Amended Agreement is Attachment 3 to this report. Minutes from the meeting are Attachment 4 to this report.

Current Report

Attachment 1 to this report is a letter from Mike Kerby of Highmark LLC on behalf of Bald Mountain Lodge, LLC. The letter requests a second extension to the deadline regarding the application for a building permit outlined in Section 8 of

the Amended Agreement. Section 8 provides for a full waiver of employee and community housing requirements if the applicant applies for a building permit by December 31, 2012 (along with several other trigger dates shown in Attachment 3). This change would necessitate a change to all of the other deadlines in Section 8; each date would be rolled forward one year. The letter indicates that if the Council is willing to extend the Amended Development Agreement deadlines for an additional year, the applicant will apply for a modification to the PUD and Development Agreement to convert the fourth floor of the building from condominium units to hotel units.

The Council deliberated at length regarding Section 8 of the Bald Mountain Lodge Development Agreement. This section was agreed to by the Council as a serious incentive to the development team to get the project going by waiving a City requirement never previously waived. Last year at this time, the dates were rolled forward by one year by the Council. While the applicant has made progress towards beginning the development, they are not ready to apply for a building permit by December of this year.

The City's adopted codes clearly indicate a preference for "hot beds" (hotel rooms) in hotel buildings over "cold beds" condominium units. The sections of the PUD that would require further analysis if the fourth floor were to be converted to hotel rooms are:

- 1) Employee housing/Community Housing analysis. The Zoning Code stipulates different housing requirements for hotels (calculated per employee based on the number of sleeping rooms) versus residential (condominium) uses, which are based on the square footage of the unit. A revised analysis of the employee and community housing requirements would be conducted as part of the PUD amendment.
- 2) Parking analysis. The Zoning Code has different parking requirements for hotel rooms versus residential uses. A revised parking analysis would be conducted as part of the PUD amendment.
- 3) External building modifications. Any changes to the external building facades or other external features would trigger a change to the approved Design Review. The applicant has stated that facades are unlikely to change.
- 4) Fiscal Impact analysis. As part of the Council review of the project, a Fiscal Impact Analysis was prepared. This analysis would need to be updated to reflect the change from residential condominium use on the fourth floor to hotel use.

Financial Requirement/Impact

There will be a change in the long-term fiscal impacts of converting the fourth floor of the building from residential condominium uses to hotel rooms. This will

likely be a positive revenue change for the City. That analysis has not been completed at this time.

While indirect fiscal impacts such as the loss of building permit revenues can be discussed, the likelihood of those revenues in the current economy is speculative.

Recommendation

This item is a quasi-judicial matter. Similar to last year's recommendation, staff is reluctant to recommend approval of one-year extension based on the Council's previous position that this housing waiver was a unique, special incentive offered as a time-sensitive proposal. However, we do not feel the City is presented with many good options. Choosing to deny this extension request will not further change the pace at which this or other projects are being financed or constructed, and will add to the cost of the project in the form of community and employee housing requirements. The proposal by the applicant to change the fourth floor from condominium units to hotels is a positive improvement in line with the goals of the City's adopted hotel policies, and may make this extension request more appealing to the Council.

Proposed Motion: I move to direct staff to prepare a modification to the Bald Mountain Lodge Development Agreement as decided today by the City Council.

Sincerely,



Lisa Horowitz
Community and Economic Development Director



October 11th, 2012

Mayor Randy Hall and Ketchum City Council Members
City of Ketchum
480 East Ave. North
P.O. Box 2315
Ketchum, ID 83340

Re: Bald Mountain Lodge

Dear Mayor Hall and Ketchum City Council Members:

Our original development agreement was completed on September 17th, 2010. On November 7th, 2011 we requested and received a one year extension based on the original terms and conditions. The justification for the extension was due to the current economic conditions nationally and in Ketchum. This was not unusual as the other hotel developers received similar extensions.

We are respectfully requesting a one year extension based on the original terms and conditions of the Development Agreement and the First Amendment. At the time of approval, we are willing to commit to four floors of hotel rooms and the fifth floor remaining as eleven condominiums.

Over the last year we have put a tremendous amount of time and effort working with the investment community looking for a third partner. While discussing our project with investors, we realized we needed to value engineer the project and reduce the price of our construction costs without sacrificing the quality of the building and hotel services. During the past six months we have been working with four different contractors and have reduced the price by an average of 10%. On a project this size, that number is significant. I want to reassure the Mayor and Council we have not changed the exterior of the project or sacrificed the quality of the building.

In addition, as you are well aware based on the financial and economic news, the economy hasn't improved from a year ago. To invest \$65 million into this project poses great risk: we never want to fail as a developer and the City of Ketchum doesn't want a failed project in the city's core.

The question now remains, what will happen in the next year that would prompt us to build the hotel? With the reduced costs in the project, adding the one year extension, and hopefully an improving economy, this will give us the best opportunity we have ever had to find a third partner and build this project.

Thank you for your consideration.

Sincerely,



Michael W. Kerby, Member
Bald Mountain Lodge
HighMark Investments

*Cc: Mark Robison
Steve Burnstead
David Bever, Esq.*

Recording Requested By and
When Recorded Return to:

Planning & Zoning Administrator
City of Ketchum
P.O. Box 2315
Ketchum, Idaho 83340

Instrument # 581098

HAILEY, BLAINE, IDAHO

9-30-2010 11:00:30 No. of Pages: 222

Recorded for : HIGHMARK INVESTMENTS, LLC

JOLYNN DRAGE

Fee: 673.00

Ex-Officio Recorder Deputy

Index to: AGREEMENT/CORRECTION



For Recording Purposes
Do Not Write Above This Line

**BALD MOUNTAIN LODGE
DEVELOPMENT AGREEMENT**

By and Between

CITY OF KETCHUM

And

BALD MOUNTAIN, LLC

**BALD MOUNTAIN LODGE
DEVELOPMENT AGREEMENT**

THIS BALD MOUNTAIN LODGE DEVELOPMENT AGREEMENT ("Agreement"), is entered into this 17th day of SEPTEMBER, 2010 ("Effective Date"), by and between the CITY OF KETCHUM, IDAHO, a municipal corporation, ("Ketchum") and BALD MOUNTAIN, LLC, a Washington limited liability company authorized to do business in the state of Idaho ("Owner"), and together with Ketchum the "Parties".

RECITALS

WHEREAS, Owner owns a parcel of land located at 151 South Main Street, Ketchum, Idaho, and more particularly described in **Exhibit A** attached hereto and incorporated herein by reference ("the **Property**"), currently zoned Community Core (CC);

WHEREAS, on September 23, 2009, Owner filed the following applications (collectively referred to as the "**Original Applications**") with Ketchum for development of the Property: (1) an application for a Planned Unit Development ("**PUD**") for the Bald Mountain Lodge Hotel to be developed on the Property; (2) an application for a conditional use permit ("**CUP**") for the PUD; and (3) an application for Community Core Design Review. This enables Ketchum to review all of the applications affecting the use and development of the Property in an integrated manner consistent with its comprehensive plan, as adopted and in effect on the Application Date, and other applicable ordinances and regulations of Ketchum;

WHEREAS, Owner supplemented the Original Applications on September 30, 2009 with a letter, revised hotel application certification of completeness, additional design drawings, and other addenda, again on October 27, 2009 with an updated height analysis, and again on April 8, 2010 with additional design drawings (referred to as the "**Supplemental Applications**," and together with the Original Applications, the "**Land Use Applications**");

WHEREAS, Owner, as the owner of the Property, agrees to submit the Property to a development agreement pursuant to Idaho Code § 67-6511A and Ketchum City Code Section 17.154;

WHEREAS, Ketchum is a municipal corporation having all of the powers and authority granted municipalities under the laws of the state of Idaho, including, without limitation, the authority to contract (Idaho Code § 50-301), to approve planned unit developments (Idaho Code § 67-6515), to approve special use permits (Idaho Code § 67-6512), and to enter into development agreements (Idaho Code § 67-6511A);

WHEREAS, Ketchum, having held all required public hearings and public meetings for consideration of said PUD and this Agreement; approving said PUD and this Agreement;

WHEREAS, Owner has agreed to the use restrictions and other limitations set forth herein and in the PUD Findings, Design Review Findings, and the Findings, defined in Section I below for the use and development of the Property;

WHEREAS, Ketchum and Owner enter this Agreement for the purpose of establishing certain rights and obligations of the Parties with regard to the development of the Property, including limitations as to the use, development, design, phasing, construction of necessary improvements (on-site and off-site) and mitigating the impacts directly attributable to the Project.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, Ketchum and Owner hereby mutually covenant and agree as follows:

1. **DEFINITIONS.** Throughout this Agreement, the following terms will be defined as follows:

1.1 “**Application Date**” means September 23, 2009.

1.2 “**Commission**” shall mean the City of Ketchum’s Planning and Zoning Commission.

1.3 “**Council**” shall mean the City Council of the City of Ketchum.

1.4 “**Design Review**” shall mean and include the procedures, criteria and standards established by Ketchum City Code 17.96, as adopted and in effect on the Application Date.

1.5 “**Design Review Findings**” shall mean the findings of fact, conclusions of law and decision approving the Design Review application, adopted by the Commission on the 22nd day of March, 2010. The Design Review Findings are attached hereto as **Exhibit B** and incorporated by reference herein.

1.6 “**Effective Date**” means the date this Agreement is fully executed by the Parties or the date on which the approvals described in the Findings are final, whichever occurs later.

1.7 “**Gross Square Footage**” means gross floor area as defined in the Ketchum Zoning Ordinance.

1.8 “**Ketchum PUD Ordinance**” shall mean Title 16, Chapter 16.08 of the Ketchum City Code, as adopted and in effect on the Application Date.

1.9 “**Ketchum Subdivision Ordinance**” shall mean Title 16, Chapter 16.04 of the Ketchum City Code, as adopted and in effect on the Application Date.

1.10 “**Ketchum Zoning Ordinance**” shall mean Title 17 of the Ketchum City Code, as adopted and in effect on the Application Date.

1.11 “**Ketchum Comprehensive Plan**” shall mean the Comprehensive Plan adopted on March 1, 2001 by Ketchum by Resolution No. 756.

1.12 “**Ketchum**” shall mean the City of Ketchum, Idaho, a municipal corporation, acting

by and through its duly elected City Council, Mayor, and all of its agencies and departments.

1.13 “**Land Use Applications**” shall mean collectively the PUD Application, the CUP application and the Design Review Application, dated October 8, 2009; and any subsequent applications or amendments in effect as of the date of this Agreement.

1.14 “**Owner**” shall mean Bald Mountain, LLC, a Washington limited liability company, authorized to business in the State of Idaho, and its successors and assigns.

1.15 “**Project**” shall mean the development of the Property contemplated by this Agreement and described in the Site Plan.

1.16 “**PUD Findings**” shall mean the findings of fact, conclusions of law and decision approving the PUD application, adopted by the Council and signed by the Mayor on the 7th day of June, 2010. The PUD Findings are attached hereto as **Exhibit C** and incorporated by reference herein.

1.17 “**Site Plan**” shall mean the master plan for the Bald Mountain Lodge as depicted on the plans submitted to Ketchum dated April 8, 2010, on file with the Ketchum Community and Economic Development Department.

2. **LEGAL AUTHORITY.** This Agreement is made pursuant to and in accordance with the provisions of Idaho Code §§ 50-301, 67-6511A, 67-6512, and Ketchum City Code Chapters 16.08, 17.64 010 (l) (6), and 17.154.

3. **CONDITIONS ON DEVELOPMENT.** The Project shall be completed substantially as presented in the Site Plan and consistent with this Agreement.

3.1 **Hotel.** The hotel shall operate at industry-acknowledged four-star standards or higher. The hotel shall contain the following components: 82 guest suites, 9 lock-off units, reception and lobby area, full service restaurant and bar, day spa, hotel-related retail space, conference/ballroom facilities, outdoor terrace and swimming pool, activities center and underground parking garage. The conference capacity shall be approximately 250-275 guests, or as allowed by the City of Ketchum Municipal Code. The conference center, day spa, restaurant and bar will be open to the general public as well as hotel guests. The fourth and fifth floors of the hotel will house twenty-six (26) residential condominium units, including the nine (9) lock-off units on the fourth floor.

3.1.1 **Compliance with Hotel Definition.** In order to meet the hotel definition as outlined in Chapters 17.64 010 (l) (6), and 17.08 of the Ketchum Zoning Code, nine (9) lock-off hotel units shall be provided on the fourth floor or such lesser amount that meets the hotel definition, provided that such lesser amount shall be agreed to by Owner and the Design Review Subcommittee referenced in Section 3.3.7 below. Based on the currently proposed hotel square footage calculations, the lock-off units shall total a 3,538 gross square feet. The PUD Findings made by the City Council with regards to the definition of Hotel are particular to this Project, based on specific facts as outlined in the PUD Findings.

3.1.2 Residential Units. Only residential units may be condominiumized and sold separately. The hotel portion of the Project including the hotel guest rooms shall not be condominiumized.

3.2 Parking. On-site parking will consist of a two-level underground parking garage, which shall have a minimum of 116 stalls, and nine (9) on-street parking spaces. The parking garage will also be available to the general public while using the conference center, day spa, restaurant and bar, subject to availability.

3.3 Design. The Project shall be completed substantially as presented in the plans dated April 8, 2010, and as altered by the PUD Findings, Design Review Findings and this Agreement. Building permit plans must conform to the approved Design Review plans unless otherwise approved in writing by the Commission or the Planning and Zoning Administrator. Any development of any portion of the Property substantially inconsistent with this Agreement or the Design Review Findings that is not approved by the Commission or the Zoning Administrator or without modification of the Design Review Findings, shall constitute a breach of this Agreement by the Owner. All Design Review elements as depicted in the Design Review plans dated September 22, 2009, as amended by the revised plans dated April 8, 2010, and required through the PUD Findings shall be completed prior to final inspection/occupancy. The Design Review Findings shall be valid for a period of four (4) years from the date of recordation of this Agreement pursuant to Chapter 17.154.040 (G), unless extended by Council upon written request by Owner prior to the expiration. A written request for extension of the Design Review Findings must be received by Ketchum within sixty (60) days of the expiration.

3.3.1 Building Type and Bulk. The ceiling heights and marquees along all facades of the building shall be approved by the Design Review Subcommittee as defined in Section 3.3.7 below and meet the standards of a Building Type 6, hotel, except as otherwise approved through the approved waivers outlined in the PUD Findings. Compliance shall be reviewed and approved as set forth in the Design Review Findings. Any signs erected in connection with marquees shall be subject to separate sign permit approval. To reduce the appearance of building bulk, the upper floor steel diagonal columns shall be made vertical, in accordance with the Findings with any non-substantial modifications subject to Design Review Subcommittee approval.

3.3.2 Terrace Walls. Terrace walls along Washington Avenue and River Street shall be constructed as approved by the Design Review Findings.

3.3.3 Rooftop and Marquee Plans. Prior to building permit approval, Owner shall submit a detailed plan illustrating how rooftop mechanical equipment will be screened and how rooftop and marquee snow retention and drainage will be achieved. The snow retention and drainage plan shall be reviewed and approved as set forth in the Design Review Findings by the Design Review Subcommittee.

3.3.4 Marquees. All marquees may extend into the public right of way as described in the Waiver Requests set forth in Table 5 of the Findings as supplemented through Design Review.

3.3.5 Setbacks. The proposed 4th and 5th floor setbacks shall be as described in the Waiver Requests set forth in Item 7, Table 5 of the Findings as supplemented through Design Review.

3.3.6 Zoning Waiver Requests. Ketchum acknowledges the zoning and subdivision waivers set forth in Item 7 Table 5 of the PUD Findings, which are hereby incorporated by reference as though fully set forth in this Agreement.

3.3.7 Design Review Subcommittee. For purposes of Design Review and this Section 3.3.7, a Design Review Subcommittee of the Commission is hereby established and shall have the power and authority to approve, disapprove or conditionally approve the following: (i) those matters delegated to it by the Commission that are not contrary to or inconsistent with the Findings, and (ii) any Owner-requested non-material changes to the Design Review approval(s), or the construction elements required of this Agreement. The Design Review Subcommittee shall consist of three (3) persons, one of whom shall be the current director of the Community and Economic Development Department, one of whom shall be a current or former member of the Commission that approved the original Design Review approval(s), and one of whom is a current member of the Commission as may be appointed by the Mayor and confirmed by the Council in the normal course. The members of the Design Review Subcommittee appointed by the Mayor and approved by the Council shall serve until they are replaced or the Project is completed. In the event that a member of the Design Review Subcommittee is unable or unwilling to serve, the Mayor shall appoint and the Council shall approve a replacement. The vote or written assent of any two members of the Design Review Subcommittee shall constitute action of the Design Review Subcommittee. The Design Review Subcommittee shall periodically report in writing all actions taken by it to the Commission. Any action by the Design Review Subcommittee adverse to the Owner is appealable by the Owner pursuant Chapter 17.144 of the City of Ketchum Zoning Code, entitled "Appeals".

3.4 Deliveries. Delivery vehicles associated with the Project, including the residential portion of the building, shall not interfere with the regular flow of traffic surrounding the building. Delivery vehicles shall not block the regular flow of traffic on First Street and shall not block the sidewalk along First Street.

3.5 Emergency Services. All fire code requirements of the Ketchum Fire Department shall be satisfied as outlined in the PUD Findings and/or Design Review Findings prior to the issuance of a building permit.

3.6 Bike Racks. The final number of bicycle racks required shall be determined by the Design Review Subcommittee and shall meet all requirements of the Ketchum Zoning Code, Chapter 17.64, prior to issuance of a certificate of occupancy. A significant number of such racks shall be installed along Washington Avenue. A detailed bicycle rack plan shall be reviewed and approved by the Design Review Subcommittee prior to building permit approval.

3.7 Utilities. All water, sewer and other utility main lines, service lines, manholes and fire hydrants shall be as depicted in the preliminary civil drawings for the Project, prepared

by Galana Engineering, dated September 30, 2009, and maintained or improved as required by the Ketchum Water and Sewer Department.

3.8 CC&Rs. Owner agrees to record a declaration of covenants, conditions and restrictions (“**CC&Rs**”) and a separate Condominium Declaration (“**Declaration**”) against the Property. Owner shall form a condominium association (“**Association**”) to address allocation of responsibility for maintenance of common areas associated with the condominiums. The Declaration shall include the following provisions:

(a) The Association shall be required to maintain at its expense all of the common area associated with the condominiums.

(b) No person or entity acquiring any portion of the Property shall be permitted to develop, construct, erect, or install any building, utility, improvement or landscaping which does not conform in all respects to this Agreement and the Site Plan.

3.9 Property Maintenance. Owner shall take reasonable steps to maintain the Property as may be required pursuant to Ketchum City Code until construction commences.

4. STREETS, PARKING AND CIRCULATION. Right-of-way encroachments, right turn lane and curb line alignment, slope and drainage, and sidewalk widths shall be in accordance with this Section 4, to be reviewed and approved by the City Engineer, Street Department and Fire Department prior to issuance of a building permit. Prior to issuance of a building permit Owner shall apply for and obtain a right-of-way encroachment permit from Ketchum for all right-of-way encroachments associated with the Project.

4.1 Sidewalks. Snowmelt shall extend to the curb line at entrances and exits of the Project. All sidewalks adjacent to the Project shall be designed according to the approved sidewalk scheme, as follows:

4.1.1 River Street Frontage.

- (a) The bulb-out at River and Main Streets shall be eighteen feet (18’) wide including curb/gutter.
- (b) The sidewalk width shall be ten feet (10’), not including curb/gutter, with angled parking along the length of River Street.
- (c) A bulb-out with exit/entrance at the intersection adjacent to Washington Avenue shall be eighteen feet (18’) wide including curb/gutter.

4.1.2 Main Street Frontage (Based on two, twelve feet wide southbound travel lanes).

- (a) At First Street, the bulb-out shall be sixteen feet (16’) wide

including curb/gutter.

- (b) The bus pull-out shall be eight feet (8') wide including curb/gutter, leaving an eight feet (8') wide sidewalk (subject to Mountain Rides requirements).
- (c) The bulb-out at mid-block shall be sixteen feet (16') wide including curb/gutter.
- (d) The sidewalk/bulb-out from the porte-cochere exit to River Street shall be sixteen feet (16') wide.

4.1.3 First Street Frontage.

- (a) Sidewalks shall be a minimum of ten feet (10') wide.
- (b) No bulb-outs are permitted.
- (c) Parking spaces are required from the loading dock to Washington Avenue (a total of two spaces).

4.1.4 Washington Avenue Frontage. Owner shall present a final design scheme for Washington Avenue to City Council prior to building permit submittal.

4.2 Lighting. All lighting shall comply with the Ketchum Dark Sky Standards, Chapter 17, Ketchum City Code. The use of Ketchum Streetscape Lighting Standards is required. Minimum lighting mitigation measures shall include: recessed, shielded and downward facing light fixtures.

4.3 Streets and Bridges Assurances. Owner shall enter into a Road Security Agreement with Ketchum establishing when Owner will be required to deposit funds, a letter of credit, bond, a set-aside letter, or other form of financial assurance acceptable to Ketchum, in an amount to be established to mitigate all material impacts to roads in Ketchum caused by construction traffic during the Project build-out. The Road Security Agreement shall reflect the City Engineer's methodology for determining the material damage to Ketchum's roads including reasonable evidence that would be used to determine the damage caused by construction traffic and the estimated cost of repair. Owner's engineer shall meet and confer with Ketchum's engineer to determine the required mitigation and associated cost based on the methodology. In the event that the engineers are unable to agree, they shall select a third engineer who shall determine the final cost, which shall be binding on the Parties. Prior to commencement of construction, Owner may choose to document current road conditions. Such documentation will be provided to the City Engineer and shall be utilized along with any other relevant documentation from Ketchum to determine if damage was caused by construction traffic as opposed to normal non-construction traffic.

4.4 Parking. Owner shall provide parking as set forth in Section 3.2 herein.

4.5 **Washington Avenue.** Owner shall make improvements to Washington Avenue between First Street and River Street pursuant to the final design scheme referenced in Section 4.1.4 herein. This section of Washington Avenue shall be designed to serve events and functions taking place at both Bald Mountain Lodge and the Forest Service Park.

4.6 **Traffic Impact Analysis and Mitigation.** The recommendations of the City Engineer and of Ryan Hales of Hales Engineering with regard to traffic circulation in and out of the porte-cochere shall be followed. These recommendations are outlined in the memo from Hales Engineering entitled "Ketchum-Bald Mountain Lodge TIA/1st Street Review" dated April 14, 2010, attached hereto as **Exhibit D** and incorporated herein by this reference.

4.7 **Ketchum Gateway (Main Street/River Street Intersection).** Owner shall plant street trees along Main Street consistent with the approved landscape drawings submitted during the Land Use Application Process. Owner agrees to participate financially and to work with Ketchum's Community and Economic Development staff and other entities to design the intersection of Main Street and River Street, including public/pedestrian amenities. Owner shall be responsible for the construction costs of one (1) of the four (4) corners of said intersection.

5. **INFRASTRUCTURE IMPROVEMENTS.** Owner shall engineer, construct, and otherwise provide, at its sole expense, improvements, facilities and services (public and private) as provided in the PUD Findings and this Agreement.

5.1 **Water and Sewer Service.** Owner requests water and sewer service from Ketchum to the Property and Ketchum hereby agrees to provide such water and sewer service at the same fees as charged to equivalent users of Ketchum.

5.2 **Utilities and Warranty.** All utilities, including water, sewer, gas, cable, phone and electric shall be installed underground within the street rights-of-way. This includes on site and off site utilities: no new above-ground utility lines are permitted. Detailed engineered construction drawings and specifications for construction of such improvements shall be prepared by Owner and approved by Ketchum prior to construction. Prior to acceptance of any such improvements to be dedicated to Ketchum, Ketchum shall inspect and approve same and Owner shall provide Ketchum with "as built" drawings thereof. Owner hereby warrants that to the best of its knowledge the "as built drawings" are substantially correct and Owner shall, for a period of one (1) year from Ketchum's receipt of said drawings, be liable and hold Ketchum harmless for any damage which may result from material errors in said drawings after acceptance by Ketchum of said utilities unless such damage is caused directly or indirectly by the acts or omissions of Ketchum, or its agents or contractors.

5.3 **Transfer of Warranties.** Owner agrees to assign any warranties accruing to it and arising out of construction of the improvements described in this Section remaining in effect at the time such improvements are transferred and/or dedicated to Ketchum, subject to all applicable state and federal laws.

6. **GREEN BUILDING PRACTICES.** The Project shall, at a minimum, meet the

requirements of and receive LEED "Certified" Certification as outlined by the United States Green Building Council's Leadership in Energy and Environmental Design ("LEED") Program. In addition, the Project shall meet or exceed the minimum requirements set forth in the currently adopted version of the International Energy Conservation Code ("IECC").

7. **LOCAL OPTION TAXES.** The Project shall be subject to the provisions of Ketchum Municipal Code Chapter 3.12, relating to local option taxes ("LOT"), as follows:

7.1 **Housing Unit Rentals.** As of the Effective Date, Ketchum Municipal Code Section 3.12.030(B) imposes an additional one percent (1%) hotel-motel room occupancy sales tax on receipts from all short term (30 days or less) rental charges for hotel rooms, motel rooms, condominium units, tourist homes and the like. So long as the Ordinance is in effect, the owner of the hotel resort, as to completed hotel units only, and each condominium unit owner, as to his or her condominium unit(s) only, shall comply with the subject tax. Nothing herein shall be deemed or construed to require the owner of a housing unit within the Project to pay any local option tax to occupy their own unit. Further, the obligation to pay local option tax shall not apply to the rental of workforce housing units. Nothing herein creates an independent tax obligation to the Owner unless the Owner is also the owner of the hotel resort, or the owner of one or more of the condominium units at the resort at the time the tax accrues.

7.2 **Building Materials.** As of the Effective Date, Ketchum Municipal Code Section 3.12.030(A) imposes a one percent (1%) sales tax upon each sale at retail within the City of Ketchum. So long as the Ordinance is in effect, Owner shall comply with the subject tax.

7.3 **Amendments to LOT Ordinance.** Any amendments to or repeal of Ketchum's Local Option Tax Ordinance and/or Idaho law relating to such local option taxes shall also apply to and modify this Section 7 to the extent of such amendment(s) and/or repeal.

8. **CONSTRUCTION TIMELINE AND INCENTIVES.** Owner acknowledges Ketchum's desire for a construction commencement date at the earliest possible time. Ketchum, having exercised its discretion in approving this Agreement, the PUD Findings and Design Review Findings, shall act reasonably and in good faith when processing the approval or issuance of such applications, permits, plans, specifications, plats, and/or entitlements for the Project as may be necessary or prudent in order to implement the Project, and consistent with the Ketchum City Code and applicable State and/or federal laws, so that Owner will have the benefit of the incentives provided Section 8.1, 8.2 and 8.3 below. In regards to the obligations in this Section 8, time is of the essence. In consideration of Owner's option to commence construction as early as 2011, Ketchum agrees to the following construction incentives:

8.1 **Timeline A.** The Project shall receive the following waivers if a building permit is applied for by December 31, 2011 and construction commences by June 30, 2012. If a building permit is not applied for by December 31, 2011, construction does not commence in June 30, 2012 and the certificate of occupancy for the hotel portion of the Project is not approved by January 30 2015, these waivers shall not apply.

8.1.1 **Community Housing.** The community housing requirement of 7,444

square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.1.2 Employee/Workforce Housing. The employee housing requirement is waived in its entirety.

8.1.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The Urban Renewal Agency (“URA”) is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of Ketchum. Ketchum agrees to recommend to that URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.2 Timeline B. The Project shall receive the following waivers if a building permit is applied for by December 31, 2012 and construction commences by December 31, 2013. If a building permit is not applied for by December 31, 2012, construction does not commence by December 31, 2013 and the certificate of occupancy for the hotel portion of the Project is not approved by January 2016, these waivers shall not apply.

8.2.1 Community Housing. The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.2.2 Employee/Workforce Housing.

- (a) Ketchum will waive fifty percent (50%) of the total employee housing requirement. The remaining fifty percent (50%) of the employee housing fee (\$1.38 million) shall be paid via one of the following options:
 - (i) Construction of employee housing units within the city limits or the Area of City Impact (as defined in the Ketchum Municipal Code), which construction can include concepts of

partnership with Ketchum or other entities;

- (ii) Payment via a real estate transfer fee, with the transfer fees accruing to the Ketchum Housing In Lieu Fund at the time of closing of each unit; or
 - (iii) By another method determined by Owner and approved by Ketchum.
- (b) If the remaining employee housing requirement is to be paid through real estate transfer fees, a minimum of thirty percent (30%) of the total required in-lieu fee shall be paid within one (1) year of issuance of the certificate of occupancy for the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of four percent (4%) of the remaining fee per unit closed until paid in full. In the event the foregoing schedule does not result in one hundred percent (100%) of the fees being paid within ten (10) years of the issuance of the certificate of occupancy for the hotel portion of the Project, any remaining balance will be due and payable at the end of such ten (10) year period.

8.2.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The URA is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of the City. Ketchum agrees to recommend to the URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.3 Timeline C. In the event a building permit is not applied for and construction does not commence as outlined in Timelines A or B, the PUD CUP shall be valid for a period of four (4) years. An application for building permit shall be submitted within four (4) years, unless extended by Council upon written request by Owner prior to the CUP expiration. A written request for extension of the CUP must be received by Ketchum within sixty (60) days of the expiration of the

CUP. Waivers to the community housing and employee housing requirements shall not apply under this timeline.

8.3.1 Community Housing. Owner shall fulfill the workforce housing requirement prior to building permit approval for the hotel. Fulfillment of the requirement shall include development of a workforce housing plan to be approved by the City Council prior to building permit approval. The following is a list of several options that may be pursued in developing the workforce housing plan:

- (a) Provide housing via new construction within the City of Ketchum;
- (b) Fulfill the requirement via master leasing of existing units within the City of Ketchum;
- (c) Agree to a real estate transfer fee wherein all fees would be dedicated to the development, construction or maintenance of workforce housing in the City of Ketchum;
- (d) Agree to a revenue-based fee based on the profits derived from the hotel; or
- (e) Develop a workforce housing plan that incorporates several of these options.

In the event that Ketchum does not extend the construction incentives for the Project beyond December 31, 2013, or otherwise waive or modify the requirements Community Housing,

8.3.2 Employee/Workforce Housing. Owner shall be required to provide a detailed Employee Housing Plan, which provides for housing for twenty-three (23) employees on a site acceptable to Council and within Ketchum city limits.

- (a) The Employee Housing Plan shall contain the following elements:
 - (i) Salary/hourly wages (current dollars) for the various income categories of employees;
 - (ii) The expected number of each level of employee that is intended to be served by the employee housing units;
 - (iii) Which employee category will be served by which type/size of units;
 - (iv) Information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees, including whether utilities and homeowner's dues (if any) will be included in the proposed rates;

- (v) Establishment of maximum occupancy per unit type (i.e. one person per one bedroom unit; two persons per two bedroom units);
 - (vi) Location of units to be within Ketchum city limits;
 - (vii) A matrix on the breakdowns of the different types of units (1 BD; square footage; total number of units; anticipated rent, etc.);
 - (viii) The priority system for occupancy of these units (i.e. first availability to full-time employees, second to seasonal employees, and third to persons that are verified to be working in the City of Ketchum);
 - (ix) What units will be available and how the pool of units available will be determined;
 - (x) What minimum standards will be used to determine employee eligibility to live in the employee housing (i.e. whether full-time status is required and what constitutes full-time status);
 - (xi) How the overflow of demand of units by employees will be handled (i.e. priority system); and
 - (xii) Information on housing families with children and/or married couples.
- (b) The proposed Employee Housing Plan shall meet minimum size thresholds and income categories established by BCHA and/or Ketchum.
- (c) Owner shall submit the following information to Ketchum in connection with the Employee Housing Plan:
- (i) Wage/salary range and a breakdown of the number of employees within each classification (full-time, part-time, seasonal, etc.);
 - (ii) Information on the type of housing provided per employee classification;
 - (iii) Costs incurred in rent (and utilities) and transportation/parking by employees;

- (iv) Details on anticipated lease terms/rental agreements for employees housed on-site; and
 - (v) Anticipated transportation and parking scenarios for both on-site and commuting employees.
- (d) The Employee Housing Plan shall be submitted and approved by Council as an amendment to this Agreement and shall be recorded prior to issuance of a building permit.
- (e) All of the required employee housing shall be available prior to the issuance of any certificates of occupancy for the hotel, or any other uses in the hotel.

8.3.2 Infrastructure Partnering. Owner shall contribute a proportionate share to the underground relocation of overhead utility lines as more particularly set forth in Section 10 herein.

9. CONSTRUCTION STAGING AND MITIGATION. A detailed Construction Staging and Mitigation plan, including at a minimum provisions for off-site employee parking, off-site storage of bulk materials, and required right-of-way encroachments during construction, shall be submitted and approved by the Ketchum Building Department prior to building permit approval. Owner is encouraged to use local contractors wherever possible.

10. ELECTRIC POWER. Owner acknowledges the Franchise Agreement between Ketchum and Idaho Power Company prohibits above ground installation of new electric transmission lines. Owner shall pay its proportionate share for underground relocation of overhead utility lines based on the frontage of the subject property along River Street. Said contribution shall be utilized by Ketchum solely for the relocation of power lines from overhead to underground for the Project. Ketchum and Owner agree that other businesses and property owners, as well as the general public will benefit from the above. In regards to such underground relocation, Ketchum and Owner shall, in good faith, attempt to negotiate an agreement to the effect that the portion of the costs in connection with such development of the electric power lines benefitting properties other than the Property shall be paid by the following, in order of preference: (1) the franchise agreement fund; (2) a local improvement district (“LID”) formed by Ketchum for that purpose; (3) by URA funds; (4) Ketchum general funds; and (5) reimbursement to Owner from the service connection charges collected from such other benefited property owners who otherwise have not paid or contributed their proportionate share toward upgrading and undergrounding the electric power lines. In all instances, the Agreement referred to in this Section shall be made in accordance with local and State law. In the event Ketchum and Idaho Power do not complete undergrounding of electric power lines as a city project, Owner may relocate the power lines directly adjacent to the Project as an off-site improvement.

11. FINANCIAL ASSURANCE AND ASSISTANCE.

11.1 Hold Harmless. Owner is responsible for all costs associated with the construction and maintenance of the Project as approved in the Findings and described herein, and hereby holds Ketchum harmless for any financial obligations related thereto.

11.2 Performance, Payment and Reclamation Bonds. Upon issuance of the building permit for the Project, Owner shall provide financial assurances to Ketchum, in the form of letter(s) of credit, bonds or other similar instrument to demonstrate to Ketchum Owner's ability to complete the permitted construction.

11.3 Public Funding Opportunities. Ketchum agrees to reasonably cooperate with Owner in exploring public funding opportunities for financial assistance with any of Owner's obligations under this Agreement.

11.4 Lender Letter of Assurance. Owner agrees to provide a "comfort letter" from its proposed Project Lender(s) prior to execution of this Agreement. Such letter should memorialize any existing relationship between Owner and Lender(s), and the Lender(s)' interest in financing the Project subject to market conditions and Lender(s)' internal credit underwriting policies.

11.5 Right of Entry. Owner hereby grants Ketchum a license to enter upon the Property, during business hours and upon reasonable advance written notice, with Owner or Owner's representatives having the right to be present during such times, to (a) inspect the same, (b) determine if Owner is complying with this Agreement, and (c) to undertake the cure of any default of Owner; provided, however, all such cures shall be performed as promptly as possible and so as to cause the least interference to guests, invitees and other occupants of property in the Project. Ketchum agrees to indemnify, defend and hold harmless Owner from any and all liability, claims, damages, expenses, judgments, proceedings and causes of action of any kind whatsoever, arising out of Ketchum's exercise of the license granted herein, including injuries to Ketchum employees, or Ketchum's agents or representatives while on the Property.

12. AGREEMENT TO COOPERATE; JOINT DEFENSE AND CONFLICT WAIVER. The Parties agree at all times to cooperate and exercise good faith to achieve the purposes of this Agreement. In the event any legal or equitable action or other proceeding is instituted by a third-party or other governmental entity or official challenging the validity of any provision of Ketchum's approval and/or implementation of the PUD Findings, the Design Review Findings or this Agreement, the Parties hereby agree to cooperate in defending such action or proceeding. Ketchum and Owner may agree to select mutually agreeable legal counsel to defend such action or proceeding with the parties sharing equally in the cost of such joint counsel, or each party may select its own legal counsel at each party's expense. All other costs of such defense(s) shall be shared equally by the parties. Each party shall retain the right to pursue its own independent legal defense.

13. SALE OR TRANSFER OF THE PROPERTY.

13.1 This Agreement shall run with the land comprising the Property, and shall be binding upon and benefit Owner, its assigns, and any successor in interest to any portion of the Property, as provided in this Agreement. All duties, rights, covenants and obligations of Owner

under this Agreement, are freely assignable in whole or part, at Owner's discretion to a third party or parties, who either invest in all or part of the Project by purchase of a majority or minority interest in the Owner's company or by joint venture or other type of arrangements, or by purchase the Property in fee title. In the event that Owner or a successor in interest to Owner, sells or transfers the Property, or any portion thereof, written notice of said transaction shall be given to Ketchum no less than thirty (30) days prior to closing.

13.2 The purchasers of condominium units therein for which final occupancy permits have been issued by Ketchum shall be subject to those portions of this Development Agreement regarding the CCRs, transfer fees, adherence with building standards and Ketchum City Code requirements regarding their use of their property. Owner agrees for itself, its successors and assigns that the CC&Rs recorded for the Project shall contain the covenants set forth in Section 3.8 herein, to be observed by Owner, its successors and assigns. The CC&Rs relating to the continuing obligation of all subsequent purchasers of any interest in the Property to abide by the requirements of Ketchum approvals therefore cannot be amended absent Council's prior written approval. Upon conveyance of a condominium unit to a third party, except as otherwise provided in this Agreement, the lien and encumbrance of this Agreement shall be automatically released from said unit.

14. **AMENDMENT OF AGREEMENT AND CHANGES TO DEVELOPMENT PLAN.** This Agreement shall be amended or terminated, in whole or in part, only by the mutual consent of the Parties, executed in writing after proper notice and public hearing before the Council. Ketchum agrees that Owner has the right to undertake and complete the development of the Property in the manner and to the extent set forth and pursuant to this Agreement, the PUD Findings, the Design Review Findings, and all approvals by Ketchum as referenced in this Agreement, including, without limitation, the Site Plan, the Conditional Use Permit, and the approved Land Use Applications (collectively, the "Approvals").

15. **DEFAULT AND ENFORCEMENT.** In the event either party, their respective heirs, successors, assigns or any other person acquiring an interest in the Property, fails to faithfully comply with all of the terms and conditions included herein resulting in a material violation of this Agreement or the PUD Conditional Use Permit, the PUD Findings, the Design Review Findings, or any material violation of any condition thereof, and following the cure period provided in Section 15.4 below, the same shall constitute an "Event of Default" entitling the non-defaulting party to all legal and equitable remedies available, as described in Section 15.3 below.

15.1 **Events of Default.** A petition filed by Owner under any bankruptcy, reorganization, arrangement, insolvency, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, that is not dismissed within ninety (90) days after such filing (a "Bankruptcy Filing") shall also constitute an Event of Default of this Agreement and shall entitle Ketchum to seek all available legal and equitable remedies as described in Section 15.3 below. Notwithstanding the foregoing, however, or any contrary provision herein, Ketchum shall not have the right to place a moratorium as described in Section 15.3 below on the basis of a Bankruptcy Filing alone without the existence of an Event of Default as described in the first paragraph of this Section 16 above.

15.2 **Waiver.** A waiver by a party of any default by the other party of any one or more of the covenants or conditions hereof shall apply solely to the breach or breaches so waived and shall

not bar any other rights or remedies or apply to any subsequent breach of any such or other covenants and conditions.

15.3 Remedies and Specific Performance. In the event of a material violation of this Agreement or the PUD Conditional Use Permit, or any material violation of any condition thereof, or the PUD Findings or Design Review Findings, the Parties shall have the right, without prejudice, to specific performance, or any other rights or remedies available under the Ketchum City Code or Idaho law, including but not limited to the right to demand the non-defaulting party to cure such default or enjoin violation and otherwise enforce the requirements contained in this Agreement. Ketchum shall also have the right to place a moratorium on further approvals under the PUD Conditional Use Permit issued pursuant to this Agreement and the PUD Findings in the event of and during the continuance of an Event of Default which is not cured, by motion of the Council after notice and an opportunity to cure, followed by a due process hearing upon at least sixty (60) days written notice to Owner.

15.4 Right to Cure. In the event of a material breach of this Agreement or a material breach of the Findings, the Parties agree that Ketchum and Owner shall have sixty (60) days after delivery of notice of said breach to cure and correct the same prior to the non-breaching party seeking any remedy provided for herein; provided, however, in the event that the default or breach cannot with diligence be cured within such 60-day period, if the defaulting party shall commence to cure the same within such 60-day period, and thereafter prosecute the cure of same with diligence, then the time within which such breach may be cured shall be extended for such period as necessary to complete the cure.

16. NO PRECEDENT. The issuance of this PUD, Development Agreement and Conditional Use Permit shall not be considered a binding precedent for the issuance of other conditional use permits. This permit is not transferable from one parcel of land to another.

17. POLICE POWERS. Nothing contained herein is intended to limit the police powers of Ketchum or its discretion in reviewing subsequent applications regarding development and construction of the Property. This Agreement shall not be construed to modify or waive any law, ordinance, rule, or regulation, including without limitation, applicable building codes, fire codes, zoning ordinances, subdivision ordinances, or comprehensive plan provisions, unless expressly provided herein.

18. TIMELINES. Time and timely performance are of the essence of this Agreement.

19. RELATIONSHIP OF PARTIES. It is understood the contractual relationship between Ketchum and Owner is such that Owner is not the agent, partner, or joint venturer of Ketchum.

20. FORCE MAJEURE. If either party hereto is delayed in the performance of any of its obligations hereunder because of inclement weather; material shortages; labor shortages; unavailability of gas, electric or other utilities through no fault of Owner; dispute or strike; civil strife; acts beyond the control of the delayed party including, , acts of God; and actions by the United States of America or the State of Idaho, or Ketchum or any of their agencies, the time of performance for completion of such amenity or improvement shall be extended for the same time as

lost by the cause hereinabove set forth.

21. **ATTORNEY FEES AND COSTS.** If legal action by either party is brought because of breach of this Agreement or to enforce a provision of this Agreement, the prevailing party is entitled to reasonable attorney fees and costs incurred with regard to such action including, without limitation, any appeals.

22. **NOTICES.** All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notices required to be given to Ketchum shall be addressed as follows:

City of Ketchum
P.O. Box 2315
Ketchum, Idaho 83340

Notices required to be given to Owner shall be addressed as follows:

Bald Mountain, LLC
c/o Michael Kerby, CEO
HighMark Investments, LLC
3450 S. 344th Way, Suite 115
Federal Way, WA 98001
c/o James D. Garrison
11980 N.E. 24th St., Suite 200
Bellevue, WA 98005

With a copy to:

James D. Garrison, Consultant
11980 N.E. 24th St., Suite 200
Bellevue, WA 98005

Carney Badley Spellman, P.S.
Attention: David W. Bever, Esq.
701 Fifth Avenue
Seattle Washington, 98104-7010

A party may change the address by giving notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

23. **NO WAIVER.** In the event Ketchum or Owner do not strictly comply with any of their obligations or duties herein, thereby causing a default of this Agreement, or any forbearance of any kind that may be granted or allowed by Ketchum or Owner to the other under this Agreement shall not in any manner nor in any way be deemed or construed or considered as waiving or surrendering any of the conditions or covenants of this Agreement or any subsequent default.

24. **RECORDATION.** This Agreement, including subsequent amendments thereto, shall be recorded in the Office of the Blaine County Recorder, Hailey, Idaho.

25. **PARTIAL INVALIDITY.** In the event any portion of this Agreement or part thereof shall be determined by any court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions hereunder, or parts thereof, shall remain in full force and effect.

26. **ENTIRE AGREEMENT.** This Agreement constitutes the full and complete Agreement of and between the parties hereto. No representations or warranties made by the Parties, or their officers, employees or agents shall be binding unless contained in this Agreement or subsequent written amendments thereto.

27. **NO PRESUMPTION.** No presumption shall exist in favor or against any party to this Agreement as a result of the drafting and preparation of this Agreement.

28. **NO THIRD PARTY BENEFICIARIES.** Nothing contained herein shall be deemed or construed to create any third party beneficiaries or third party rights.

29. **RULES OF CONSTRUCTION.** The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory, "may" is permissive. The captions to paragraphs of this Agreement are for convenience only and shall not be deemed to enlarge, diminish, explain or in any manner affect the meaning of such paragraphs. Where there is a conflict between the terms of the PUD Findings or Design Review Findings and this Agreement, including any amendments thereto, the terms of this Agreement shall control, followed by the PUD Findings, the Design Review Findings, and any subsequently adopted findings.

30. **CHOICE OF LAWS.** This Agreement shall be construed in accordance with the laws of the state of Idaho in effect at the time of the execution of this Agreement.

31. **EXHIBITS.** Attached to this Agreement and made a part of this Agreement by reference are the following Exhibits:

- A -- Legal Description
- B -- Design Review Findings
- C -- PUD Findings
- D -- Traffic Impact Analysis

33. **RECITALS INCORPORATED.** The recitals set forth in this Agreement are hereby incorporated herein by reference.

34. **AUTHORITY TO EXECUTE.** Each of the persons executing this Agreement represent and warrant that he has the lawful authority and authorization from their respective entities to execute this Agreement, as well as all applications, plats and other documents required hereunder for and on behalf of the entity executing this Agreement.

35. RELIANCE BY KETCHUM. This Agreement is intended by Owner to be considered by Ketchum as part of the Land Use Applications. Owner acknowledges and intends for Ketchum to consider and rely upon this Agreement in Ketchum's review and consideration of said Land Use Applications.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in accordance with the laws of the state of Idaho, the date and year first written above.

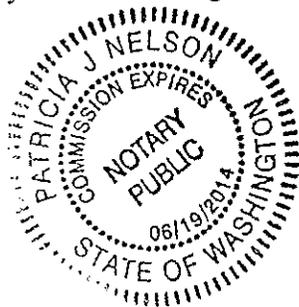
BALD MOUNTAIN, LLC, a Washington limited liability company

By: [Signature]
Name: MICHAEL KERRY
Title: MEMBER

CITY OF KETCHUM, IDAHO
By: [Signature]
Mayor

STATE OF WASHINGTON,)
County of KING) ss.
)

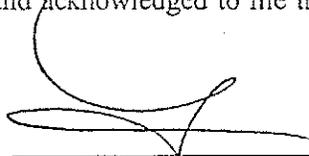
On this 17th day of SEPTEMBER, 2010, before me, a Notary Public in and for said State, personally appeared MICHAEL W. KERRY, known or identified to me to be a Managing Member of BALD MOUNTAIN LLC, the limited liability company that executed the within instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



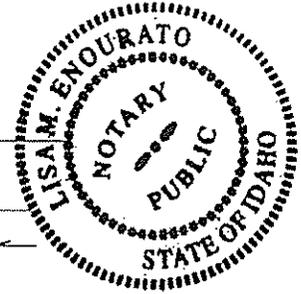
Patricia J. Nelson
NOTARY PUBLIC for IDAHO WA
Residing at Prud'homme, WA
Commission expires 10/19/2014

STATE OF IDAHO,)
) ss.
County of Blaine)

On this 10th day of September, 2010, before me, a Notary Public in and for said State, personally appeared Randy Hall, Mayor of the City of Ketchum, Idaho, known or identified to me to be the person whose name is subscribed to the within instrument as the Mayor of the City of Ketchum, Idaho, and acknowledged to me that he executed the same as Mayor of the City of Ketchum, Idaho.



NOTARY PUBLIC for IDAHO
Residing at Hamley, Id
Commission expires 4/19/12



RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO: Community and Economic Development Director City of Ketchum P.O. Box 2315 Ketchum, Idaho 83340	
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(Space Above Line For Recorder's Use)

**FIRST AMENDMENT TO THE BALD MOUNTAIN LODGE DEVELOPMENT
AGREEMENT**

This First Amendment ("First Amendment") is made as of Nov. 7, 2011 by and between the City of Ketchum, Idaho ("Ketchum"), a municipal corporation, and Bald Mountain Lodge, LLC, a Delaware limited liability company ("Owner", and together with Ketchum, the "Parties").

1. Recitals. This Amendment is made in contemplation of the following facts and purposes:

1.1 Ketchum and Owner are parties to a Bald Mountain Lodge Development Agreement ("Agreement"), dated September 17, 2010, and recorded on September 30, 2010 in the records of Blaine County, Idaho as Instrument No. 581098, under and by virtue of which the Parties established certain rights and obligations with regard to the development of the real property commonly known as the Bald Mountain Lodge, 151 South Main Street, Ketchum and more particularly described in Exhibit "A" of the Agreement.

1.2 The parties desire to amend and supplement the Agreement as hereinafter provided.

2. Amendments. In view of the foregoing, the Parties agree to amend and supplement the Agreement, as follows:

2.1 Section 8 (Workforce Housing) is deleted and the following is substituted therefore:

8. CONSTRUCTION TIMELINE AND INCENTIVES. Owner acknowledges Ketchum's desire for a construction commencement date at the earliest possible time. Ketchum, having exercised its discretion in approving this Agreement, the PUD Findings and Design Review Findings, shall act reasonably and in good faith when processing the approval or issuance of such applications, permits, plans, specifications, plats, and/or entitlements for the Project as may be necessary or prudent in order to implement the Project, and consistent with the Ketchum City Code and applicable State and/or federal laws, so that Owner will have the benefit of the incentives provided Section 8.1, 8.2 and 8.3 below. In regards to the obligations in this Section 8, time is of the essence. In consideration of Owner's option to commence construction as early as 2011, Ketchum agrees to the following construction incentives:

8.1 **Timeline A.** The Project shall receive the following waivers if a building permit is applied for by December 31, 2012 and construction commences by June 30, 2012. If a building permit is not applied for by December 31, 2012, construction does not commence in June 30, 2012 and the certificate of occupancy for the hotel portion of the Project is not approved by January 30 2016, these waivers shall not apply.

8.1.1 **Community Housing.** The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.1.2 **Employee/Workforce Housing.** The employee housing requirement is waived in its entirety.

8.1.3 **Infrastructure Partnering.** Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The Urban Renewal Agency ("URA") is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of Ketchum. Ketchum agrees to recommend to that URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.2 **Timeline B.** The Project shall receive the following waivers if a building permit is applied for by December 31, 2013 and construction commences by June 30, 2014. If a building permit is not applied for by December 31, 2013, construction does not commence by June 30, 2014 and the certificate of occupancy for the hotel portion of the Project is not approved by January 2017, these waivers shall not apply.

8.2.1 **Community Housing.** The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.2.2 **Employee/Workforce Housing.**

- (a) Ketchum will waive fifty percent (50%) of the total employee housing requirement. The remaining fifty percent (50%) of the employee housing fee (\$1.38 million) shall be paid via one of the following options:
 - (i) Construction of employee housing units within the city limits or the Area of City Impact (as defined in the Ketchum Municipal Code), which construction can include concepts of partnership with Ketchum or other entities;
 - (ii) Payment via a real estate transfer fee, with the transfer fees accruing to the Ketchum Housing In Lieu Fund at the time of closing of each unit; or
 - (iii) By another method determined by Owner and approved by Ketchum.
- (b) If the remaining employee housing requirement is to be paid through real estate transfer fees, a minimum of thirty percent (30%) of the total required in-lieu fee shall be paid within one (1) year of issuance of the certificate of occupancy for the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of four percent (4%) of the remaining fee per unit closed until paid in full. In the event the foregoing schedule does not result in one hundred percent (100%) of the fees being paid within ten (10) years of the issuance of the certificate of occupancy for the hotel portion of the Project, any remaining balance will be due and payable at the end of such ten (10) year period.

8.2.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The URA is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of the City. Ketchum agrees to recommend to the URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby

acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.3 Timeline C. In the event a building permit is not applied for and construction does not commence as outlined in Timelines A or B, the PUD CUP shall be valid for a period of four (4) years. An application for building permit shall be submitted within four (4) years, unless extended by Council upon written request by Owner prior to the CUP expiration. A written request for extension of the CUP must be received by Ketchum within sixty (60) days of the expiration of the CUP. Waivers to the community housing and employee housing requirements shall not apply under this timeline.

8.3.1 Community Housing. Owner shall fulfill the workforce housing requirement prior to building permit approval for the hotel. Fulfillment of the requirement shall include development of a workforce housing plan to be approved by the City Council prior to building permit approval. The following is a list of several options that may be pursued in developing the workforce housing plan:

- (a) Provide housing via new construction within the City of Ketchum;
- (b) Fulfill the requirement via master leasing of existing units within the City of Ketchum;
- (c) Agree to a real estate transfer fee wherein all fees would be dedicated to the development, construction or maintenance of workforce housing in the City of Ketchum;
- (d) Agree to a revenue-based fee based on the profits derived from the hotel; or
- (e) Develop a workforce housing plan that incorporates several of these options.

In the event that Ketchum does not extend the construction incentives for the Project beyond December 31, 2013, or otherwise waive or modify the requirements Community Housing,

8.3.2 Employee/Workforce Housing. Owner shall be required to provide a detailed Employee Housing Plan, which provides for housing for twenty-three (23) employees on a site acceptable to Council and within Ketchum city limits.

- (a) The Employee Housing Plan shall contain the following elements:
 - (i) Salary/hourly wages (current dollars) for the various income categories of employees;
 - (ii) The expected number of each level of employee that is intended to be served by the employee housing units;

- (iii) Which employee category will be served by which type/size of units;
 - (iv) Information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees, including whether utilities and homeowner's dues (if any) will be included in the proposed rates;
 - (v) Establishment of maximum occupancy per unit type (i.e. one person per one bedroom unit; two persons per two bedroom units);
 - (vi) Location of units to be within Ketchum city limits;
 - (vii) A matrix on the breakdowns of the different types of units (1 BD; square footage; total number of units; anticipated rent, etc.);
 - (viii) The priority system for occupancy of these units (i.e. first availability to full-time employees, second to seasonal employees, and third to persons that are verified to be working in the City of Ketchum);
 - (ix) What units will be available and how the pool of units available will be determined;
 - (x) What minimum standards will be used to determine employee eligibility to live in the employee housing (i.e. whether full-time status is required and what constitutes full-time status);
 - (xi) How the overflow of demand of units by employees will be handled (i.e. priority system); and
 - (xii) Information on housing families with children and/or married couples.
- (b) The proposed Employee Housing Plan shall meet minimum size thresholds and income categories established by BCHA and/or Ketchum.
- (c) Owner shall submit the following information to Ketchum in connection with the Employee Housing Plan:

- (i) Wage/salary range and a breakdown of the number of employees within each classification (full-time, part-time, seasonal, etc.);
 - (ii) Information on the type of housing provided per employee classification;
 - (iii) Costs incurred in rent (and utilities) and transportation/parking by employees;
 - (iv) Details on anticipated lease terms/rental agreements for employees housed on-site; and
 - (v) Anticipated transportation and parking scenarios for both on-site and commuting employees.
- (d) The Employee Housing Plan shall be submitted and approved by Council as an amendment to this Agreement and shall be recorded prior to issuance of a building permit.
 - (e) All of the required employee housing shall be available prior to the issuance of any certificates of occupancy for the hotel, or any other uses in the hotel.

8.3.2 **Infrastructure Partnering.** Owner shall contribute a proportionate share to the underground relocation of overhead utility lines as more particularly set forth in Section 10 herein.

2.2 Section 3.9, Property Maintenance is hereby amended by adding the underlined language as follows:

3.9 Property Maintenance. Owner shall take reasonable steps to maintain the Property as may be required pursuant to Ketchum City Code until construction commences, including, but not limited to, landscape maintenance, irrigation and noxious weed control.

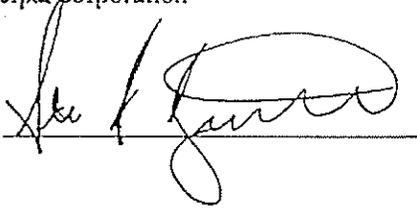
3. Construction. This First Amendment and the Agreement constitute one agreement between the Parties. In the event of any inconsistency between this First Amendment and the Agreement, the terms of this First Amendment shall govern. All capitalized terms in the Agreement shall have the meaning in the Agreement when used in this First Amendment, unless otherwise defined herein.

4. Ratification. The Agreement, as amended and supplemented by this First Amendment, is hereby ratified and affirmed.

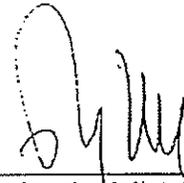
This First Amendment is executed by the Parties as of the date first above written.

BALD MOUNTAIN LODGE, LLC, a Washington By: CITY OF KETCHUM
limited liability Company
City of Ketchum, Idaho,
a municipal corporation

By:



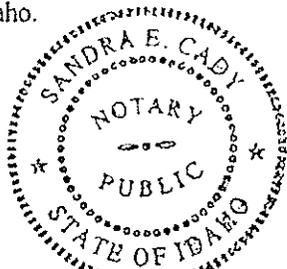
By:



Randy Hall, Mayor

STATE OF IDAHO,)
) ss.
County of Blaine)

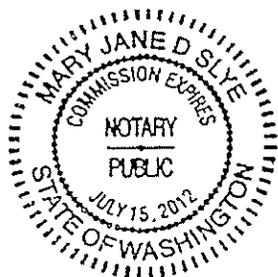
On this 7th day of November, 2011, before me, a Notary Public in and for said State, personally appeared Randy Hall, Mayor of the City of Ketchum, Idaho, known or identified to me to be the person whose name is subscribed to the within instrument as the Mayor of the City of Ketchum, Idaho, and acknowledged to me that he executed the same as Mayor of the City of Ketchum, Idaho.



Sandra E. Cady
Notary Public for Idaho
Residing at Hailey, Idaho
Commission expires 11-20-2013

State of WA)
) ss.
County of King)

On this 7th day of November, 2011, before me, a Notary Public in and for said State, personally appeared Steve Burstad known or identified to me to be the Manager of Bald Mountain Lodge, LLC, a limited liability company and the managing member of Bald Mountain Lodge, LLC, a limited liability company, the member or one of the members who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that such limited liability company executed the same in the name of Bald Mountain Lodge, LLC.



Mary Jane D. Slye
Notary Public for King Co, WA
Residing at Bilwade
My Commission expires 7/15/12
Mary Jane D. Slye



Recorded

REGULAR KETCHUM CITY COUNCIL MEETING
Monday, October 17, 2011 at 5:30 p.m.
Ketchum City Hall, Ketchum, Idaho

Present: Mayor Randy Hall
Council President Larry Helzel
Councilor Baird Gourlay
Councilor Nina Jonas
Councilor Curtis Kemp

Also Present: Ketchum City Administrator Gary Marks
Ketchum City Attorney Stephanie Bonney
Ketchum Community and Economic Development Director Lisa Horowitz
Ketchum Planning Manager Joyce Allgaier
Recording Secretary Sunny Grant

1. The meeting was called to order by Mayor Randy Hall at 5:30pm.

COMMUNICATIONS FROM MAYOR AND COUNCILORS

2. Sun Valley Marketing Alliance Quarterly Update (joint meeting with the Sun Valley City Council)

Also present: Sun Valley Mayor Wayne Willich
Sun Valley Council President Dewayne Briscoe
Sun Valley Councilor Bob Youngman
Sun Valley Councilor Nils Ribi (by phone)
Sun Valley City Attorney Adam King
Sun Valley Marketing Alliance Board President Jake Peters
Sun Valley Marketing Alliance Chief Marketing Officer Arlene Schieven
Sun Valley Marketing Alliance Sun Valley representative Brooke Wojcik
Sun Valley Company Vice President and General Manager Tim Silva

Absent: Sun Valley Councilor Joan Lamb

Schieven gave the Sun Valley Marketing Alliance quarterly marketing report. The mission of the Sun Valley Marketing Alliance is to increase brand awareness, create demand for Sun Valley, and inspire new people to choose to come to Sun Valley over other destinations. Once they're here, the goal is to exceed their expectations. Events have been a big success, and have been especially successful in attracting and serving younger demographic. Summer is quite strong; winter needs more focus.

Air access remains a barrier, and is costly. Sun Valley is perceived as an expensive resort.

Compared to other destinations, Sun Valley has a relatively small marketing budget, so the Alliance has to stay focused to the markets with the best opportunity, including Boise as a "drive" market, and Seattle and Los Angeles with direct air access that can recoup minimum revenue guarantees. As more budget is available, more markets will be added, including those flying on SkyWest through Salt Lake City.

SVMA is working closely with Sun Valley Company, and using the same agency to maximize efforts and dollars spent. The SVMA is focusing on online keyword searches, visitsunvalley.com website, travel hub sites, and social media. Digital media is good because it can be monitored and adjusted when appropriate. Social media is inexpensive and works for general promotion of events. 30-second publicity shorts are in some very targeted movie theaters in Seattle and Boise.

The Nordic campaign is still be developed, and will feature the Nordic Festival and Nordic Town USA.

While the Visitors Center on Town Square is being remodeled and updated, the SVMA offices are relocated to the Bitterroot Building; and a temporary Visitors Center is in the Clarion Inn.

Peters presented the FY2012 budget.

Ketchum Council said they would need a commitment to proportionate financial participation from the City of Sun Valley if the Sun Valley Marketing Alliance were to be effective. Sun Valley Council President Dewayne Briscoe said the art of government involved compromise and a balanced budget.

At the urging of the Ketchum Urban Renewal Agency, the Visitors Center asked the two cities to provide their \$12,000 annual rent in addition to their annual financial contributions.

2. **Mayoral Proclamation of the 50th Anniversary of the City of Ketchum**

Mayor Randy Hall proclaimed October 16, 2011 as the 50th Anniversary of the City of Ketchum.

Ketchum was created as a village on March 10, 1947, by the Blaine County Commissioners. In 1961, Ketchum had a population of 746, and the governor of Idaho proclaimed it as a City Second Class.

3. **Mayoral Proclamation of Red Ribbon Week**

Mayor Randy Hall proclaimed October 22, 2011 as Red Ribbon Week, in cooperation with the Blaine County Community Drug Coalition and Idaho Drug Free Youth.

Blaine County Idaho Drug Free Youth Coordinator David Horras introduced Idaho Drug Free youth Cassie. The Blaine County Drug Coalition is dedicated to combating use of harmful substances—all drugs and alcohol—by developing youth.

4. **Mayoral Proclamation of Domestic Violence Awareness Month**

Mayor Randy Hall proclaimed October as Domestic Violence Awareness Month.

Advocates for Survivors of Domestic Violence Board President Joy Kasputys said Advocates provided support and shelter, and also worked especially for awareness of teen violence. About 75% of Advocates shelter clients transition to abuse-free and positive lives.

5. **COMMUNICATIONS FROM THE PUBLIC**

There were no comments from the public at this time.

6. **COMMUNICATIONS FROM THE PRESS**

There were no questions from the press at this time.

7. **CONTRACTS AND AGREEMENTS**

Contract for Services with Crist & Sons Construction for Roofing Services at the Wastewater Treatment Plant

Also Present: Ketchum Wastewater Plant Supervisor Dave Taylor

This is an enterprise fund budgeted repair of the roof at the administrative building and shop.

Councilor Curtis Kemp moved to approve the Contract for Services Agreement with Crist & Sons Construction for the not to exceed amount of \$16,903. Motion seconded by Council President Larry Helzel, and passed unanimously.

COMMUNITY PLANNING AND DEVELOPMENT

8. **Report on the 2012 Comprehensive Plan Project**

Ketchum Planning Manager Joyce Allgaier said the City of Ketchum had budgeted \$90,000 to redo its 2001 Comprehensive Plan. The Comp Plan is Ketchum's way to rethink what the community is and what it wants to be in the future. The Planning & Zoning Commission will spearhead the effort, surrounded by volunteer engagement. Planning staff hopes to get 200 people to the upcoming first Comp Plan workshop.

The Comp Plan will encompass:

- An analysis of property rights, and a section on how to analyze what impacts the policies/guidelines/vision have on people's property rights.
- Sustainability and connectivity discussions.
- Housing inventory and affordable housing needs.
- Parks, open space, and trails.
- Economic development and economic base analysis, and jobs analysis.
- Land use, both natural and built environment.
- Natural resources and waterways.
- Community design: the downtown and commercial core, industrial areas, infill.
- Schools.
- An implementation program and action plan. Who will do what, and what organizations will play a big role.

PUBLIC COMMENT:

Mickey Garcia said the whole process was grueling and silly. Instant polling is rigged. He said it should all be very general so it could be interpreted any way you want.

9. Request from Highmark Investments to amend the 2010 Bald Mountain Lodge Development Agreement
Also Present: Mike Kerby, CEO, Bald Mountain, LLC
Jack Bariteau, Ketchum developer

Bald Mountain Lodge is facing an uncertain national and local economic and political climate. The developer can build the hotel on their own, but would prefer to spread the risk, and is looking to nail down a third party investor. Hotels right now are selling for half-price, and hotel rooms are also half-price. In the meantime, the developer is exploring a conceptual plan to build some high-end cabins on the property.

Ketchum is waiting for the Housing Authority's Housing Needs Assessment in order to update all outstanding development agreements and housing requirements. Kerby said Bald Mountain Lodge was comfortable with its original housing negotiation.

PUBLIC COMMENT:

Jack Bariteau confirmed that the economic picture is very difficult and the only way to get an investment was to narrow the risk.

Mickey Garcia said investing was always iffy.

Council President Larry Helzel moved to direct staff to prepare a modification to the Bald Mountain Lodge Development Agreement, extending the dates by one year and making the modification to Timeline B, correcting the date, and to further clarify the owners' responsibility for maintenance. Motion seconded by Councilor Baird Gourlay, and passed unanimously.

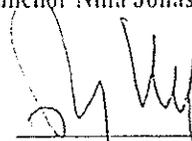
10. CONSENT CALENDAR

- a. Approval of Minutes from the October 3, 2011 Council meeting
- b. Recommendation to approve current bills and payroll summary
- c. Approval of 2011-2012 beer and wine licenses

Councilor Curtis Kemp moved to adopt the Consent Calendar of October 17, 2012. Motion seconded by Councilor Baird Gourlay, and passed unanimously.

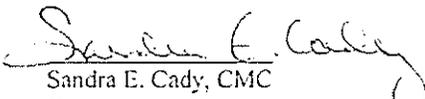
ADJOURNMENT

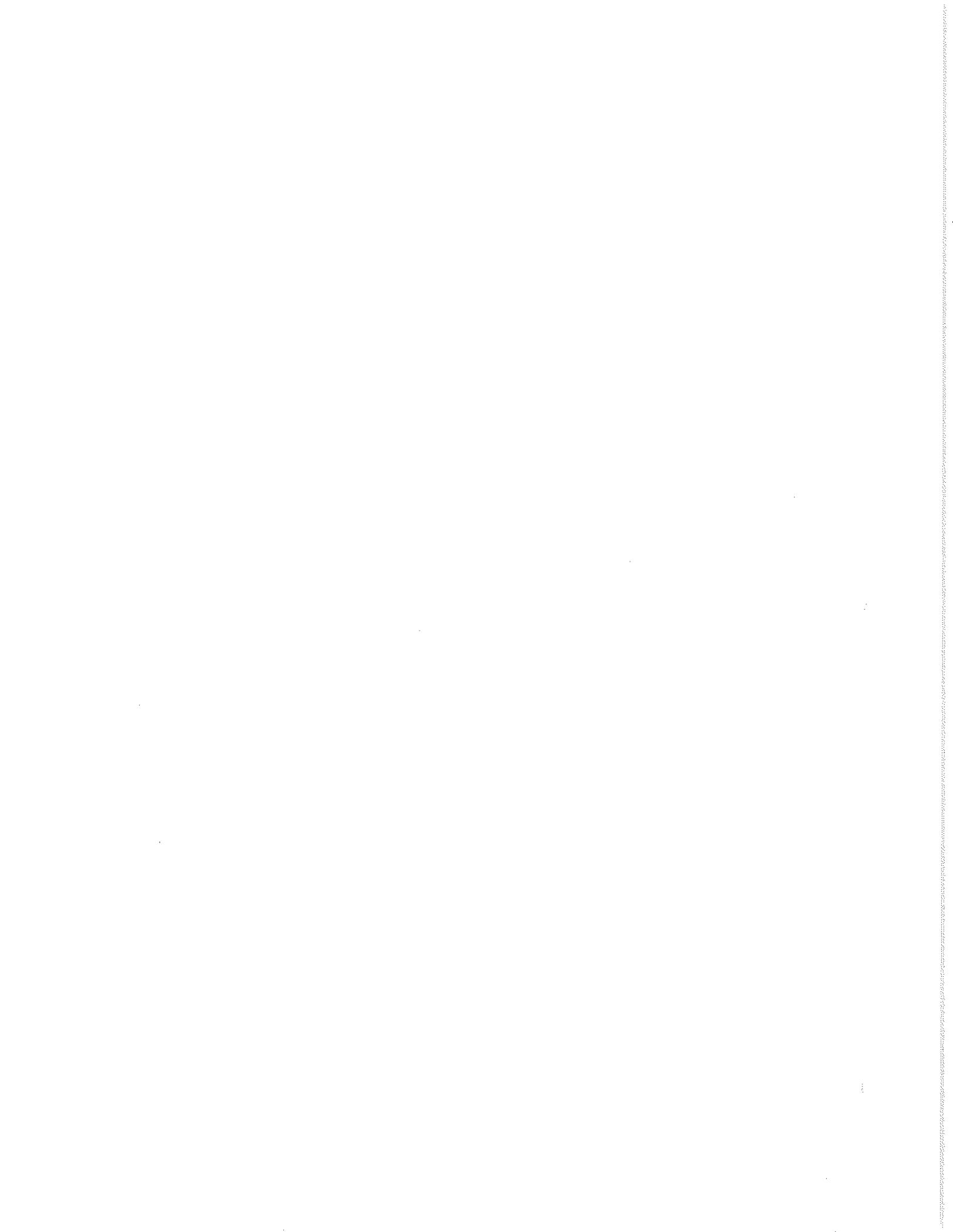
Councilor Curtis Kemp moved to adjourn at 8:17pm. Councilor Nina Jonas seconded the motion, and it passed unanimously.



Randy Hall
Mayor

ATTEST:


Sandra E. Cady, CMC
City Clerk



City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



October 30, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Street Light Standards Ordinance

Attachments: Ordinance 1100

Introduction/History

The Ketchum Streetscape Standards were adopted by ordinance in 1999, and codified in Title 20 Chapter 20.20.020. As part of the Community Development Block Grant Application for the Walkability project, it has come to our attention that we need to update our rules in Chapter 20.20.020 relative to street light standards.

Current Report

Walkability Team has been working with the Streets and Community and Economic Development Departments to develop Ordinance 1100 attached to this report. This ordinance will establish various standards to be used in the Community Core as outlined in the Ordinance.

Financial Requirement/Impact

Street lights are upgraded in the following manners:

- Through specific projects such as the 4th Street Heritage Corridor or Town Square
- On a site-by site basis by developers
- Through specific projects funded through a portion of the Idaho Power Franchise Agreement Fund
- Through grant applications such as the one underway.

The adoption of standards does not in and of itself have a financial impact.

Recommendation

This is the first reading of Ordinance 1100. The KCDC Walkability team advises that the grant requirements stipulate that these standards should be adopted prior to the grant submittal. Therefore, the additional readings need to be waived, and the Ordinance adopted tonight. Staff respectfully recommends waiving the additional readings and adopting Ordinance 1100.

Recommended motions:

First Motion: I move to waive the three readings of Ordinance 1100 and read by title only, pursuant to Idaho Code 50-902".

Title: AN ORDINANCE OF THE CITY OF KETCHUM, IDAHO, AMENDING TITLE 20, CHAPTER 20.20.020, STREETScape STANDARDS, BY ESTABLISHING MODIFIED STREET LIGHT STANDARDS FOR THE KETCHUM COMMUNITY CORE AND ESTABLISHING PRIORITIES FOR NEW AND REPLACEMENT STREET LIGHTS WITHIN SAID CORE, BY ADDING NEW LANGUAGE; CLARIFYING THE PURPOSE, APPLICABILITY AND EXCEPTIONS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE, PROVIDING A REPEALER CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

Second Motion: "I move to adopt Ordinance 1100." (Roll call required)

Sincerely,



Lisa Horowitz
Community and Economic Development Director

ORDINANCE NUMBER 1100

AN ORDINANCE OF THE CITY OF KETCHUM, IDAHO, AMENDING TITLE 20, CHAPTER 20.20.020, STREETScape STANDARDS, BY ESTABLISHING MODIFIED STREET LIGHT STANDARDS FOR THE KETCHUM COMMUNITY CORE AND ESTABLISHING PRIORITIES FOR NEW AND REPLACEMENT STREET LIGHTS WITHIN SAID CORE, BY ADDING NEW LANGUAGE; CLARIFYING THE PURPOSE, APPLICABILITY AND EXCEPTIONS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE, PROVIDING A REPEALER CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Ketchum per Ordinances 697 and 751 adopted Ketchum Streetscape Standards in 1999, which were used by the City and private developers throughout Ketchum; and,

WHEREAS, the 2001 Ketchum Comprehensive Plan and the 2006 Downtown Mater Plan both promote a more walkable downtown Ketchum with safe streets lit appropriately for pedestrian use; and,

WHEREAS, an inventory of the different street light standards within the downtown core has been created and is outlined below and shown on Exhibit A; and,

WHEREAS, it is beneficial for the City to establish standards and guidelines for the management of the existing inventory, and for implementation of new street lights; and,

WHEREAS, the City desires to only use standards that comply with the Ketchum Dark Sky Ordinance, and to move towards sustainable street lights that consume less energy; and

WHEREAS, the Ketchum Community Development Corporation, through their Town Design Team and Walkability projects have provided expertise to the City on the following standards and guidelines, and;

WHEREAS, those portions of Title 20 Chapter 20.20.020 related to Street Lights are hereby amended and replaced with the guidelines herein.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO:

SECTION 1: CHAPTER 20.20.020 is hereby amended by adding the underlined language below:

1.1: Street Light Type Inventory (Example of each Fixture listed below. Exhibit B)

Fixture A: 20' tall green 1999 Ketchum Streetscape Standards Light (approx 40 in Community Core)

Fixture B: 12' tall green 1999 Ketchum Streetscape Standards Light (approx 14 in Community Core)

Fixture C: Old cobra head street lights provided by Idaho Power on power poles (quantity unknown)

Fixture D: Miscellaneous other street standards such as 4th Street Heritage Corridor Standard

Fixture E: Town Square Solar Standard

1.2: Guidelines

2.1 The City's adopted goal in the Community Core is a minimum of two (2) fixtures per street intersection, with distribution of fixture types as follows:

2.2 Fixture A locations: Fixture A to remain on Sun Valley Road.

2.3 Fixture B locations: Fixture B to be phased out wherever possible at intersections as the 12' height casts light too low for safe pedestrian travel. Figure B may remain mid-block and other locations not vehicular intersections.

2.4 Fixture C locations: Fixture C to be phased out wherever possible.

2.5 Fixture D locations: Fixture D to remain on the Fourth Street Heritage Corridor, including future phases of the corridor.

2.5 Fixture E locations: Fixture E to be used at all locations other than Sun Valley Road and Fourth Street Heritage corridor.

1.3: Lumen Strength

Fixtures A and B shall be converted over time to a lumen strength of 100 watts or less. Major intersections should be converted over time to a lumen strength of 200 watts or less.

SECTION 2. SAVINGS AND SEVERABILITY CLAUSE. It is hereby declared to be the legislative intent that the provisions and parts of this Ordinance shall be severable. If any paragraph, part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid for any reason by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 3. CODIFICATION CLAUSE. The City Clerk is instructed to immediately forward this Ordinance to the codifier of the official municipal code for proper revision of the code.

SECTION 4. REPEALER CLAUSE. All City of Ketchum code sections, ordinances or resolutions or parts thereof, which are in conflict herewith are hereby repealed.

SECTION 5. PUBLICATION. This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit A, shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval and publication.

SECTION 6. EFFECTIVE DATE. This Ordinance shall be in full force and effect upon the date of its publication as provided by law which is November 14, 2012.

PASSED BY THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, and approved by the Mayor this 5th day of November, 2012.

CITY OF KETCHUM, IDAHO

Randy Hall, Mayor

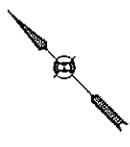
ATTEST:

Sandra E. Cady, CMC
City Treasurer/Clerk

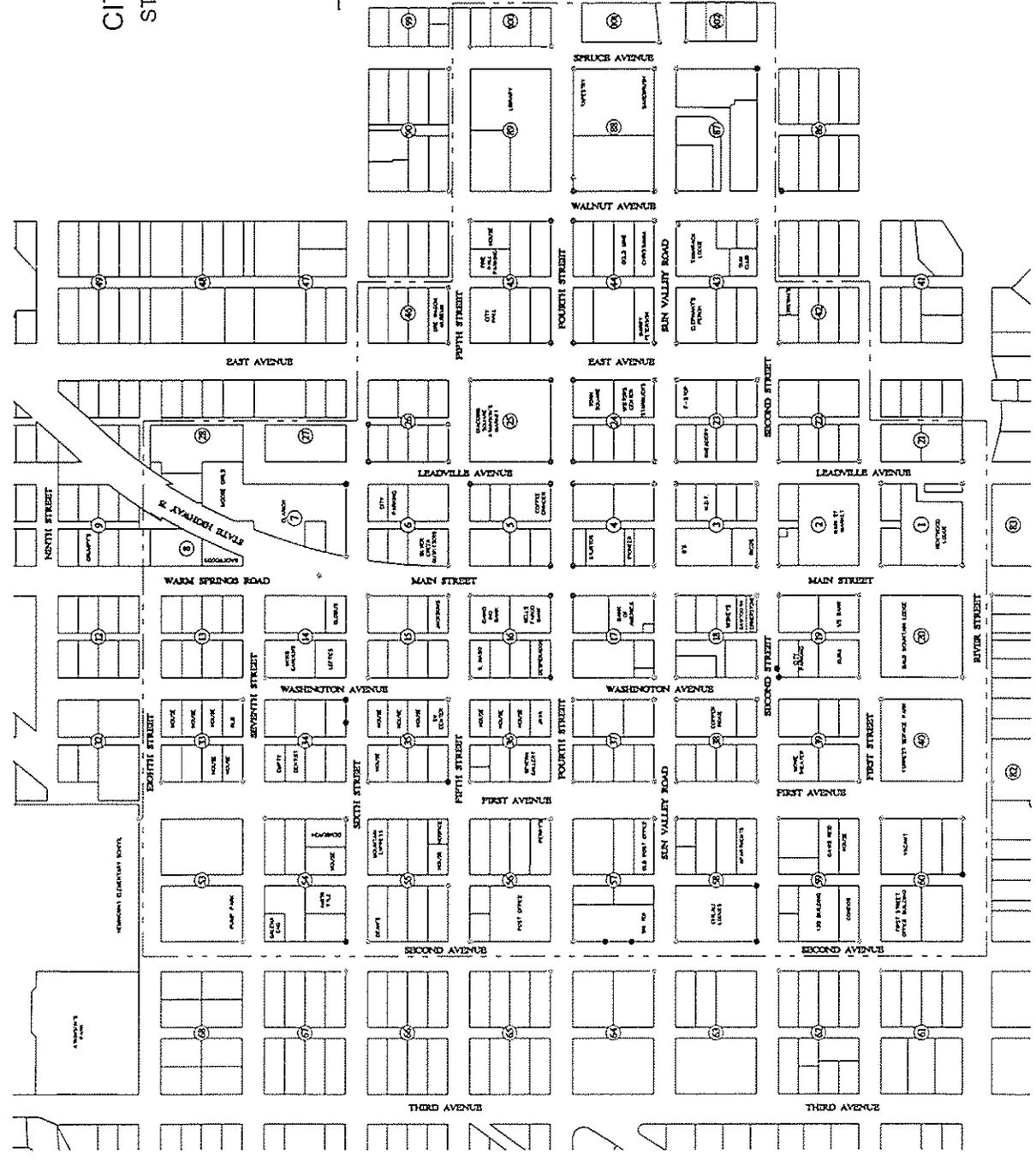
CITY OF KETCHUM
STREETLIGHT EXHIBIT
NOVEMBER 2012

LEGEND

- CITY CORE
- ① BLOCK NUMBER
 - PROPOSED PRIMARY STREETLIGHT LOCATION
 - PROPOSED SECONDARY STREETLIGHT LOCATION
 - EXISTING TYPE A STREETLIGHT
 - EXISTING TYPE B STREETLIGHT
 - EXISTING TYPE C STREETLIGHT
 - EXISTING TYPE D STREETLIGHT



NOT TO SCALE



GALENA ENGINEERING, INC.
Civil Engineers & Land Surveyors
317 N River St
Hailey, Idaho 83340
(208) 788-1705
email: galena@galena-engineering.com

FIGURE 'A'

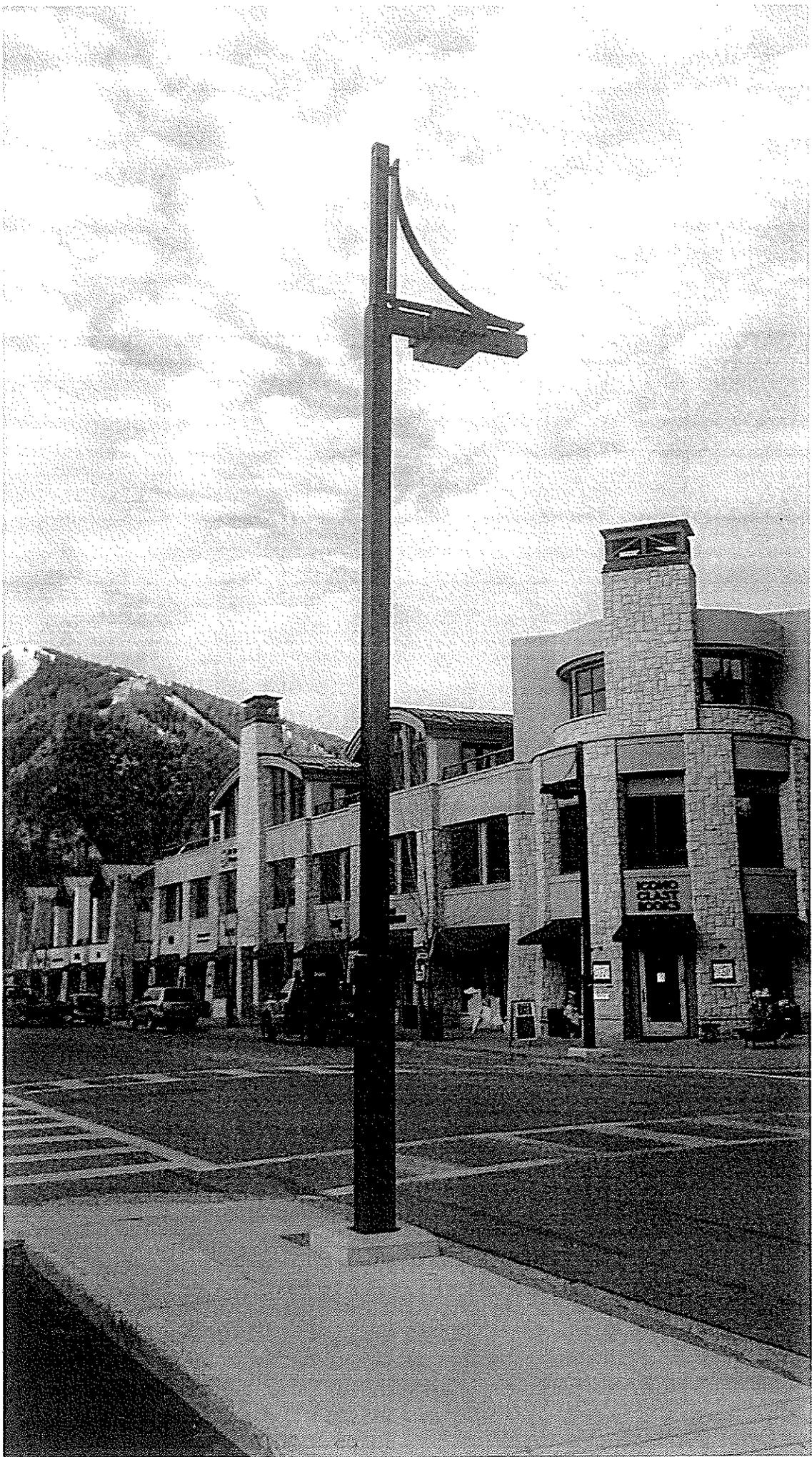


FIGURE 'A'

FIXTURE 'A'

CONSTRUCTION OF ARM AND
INSTALLATION OF FIXTURE
SHALL BE SIMILAR TO EXISTING
CITY PARKING LOT LIGHTS

