RESOLUTION 06-082

RESOLUTION OF THE KETCHUM CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE MEMORANDUMS OF UNDERSTANDING WITH QUALIFIED EMPLOYEES PROVIDING TEMPORARY HOUSING ASSISTANCE PENDING ACCEPTANCE OF A STRATEGIC AFFORDABLE HOUSING PLAN

(Revised July 12, 2006)

WHEREAS, the housing costs in the Ketchum area have increased faster than the state or national average, making employee housing in the north Wood River Valley less available and less affordable, and

WHEREAS, the City of Ketchum has experienced significant difficulty recruiting and retaining qualified employees, because of the hardships created by the housing market, and

WHEREAS, the lack of affordable workforce housing challenges and threatens the City's ability to provide essential city services, and

WHEREAS, the Mayor and City Council have directed staff to prepare both an interim and strategic plan for affordable employee housing

NOW THEREFORE BE IT RESOLVED, that the Ketchum City Council authorizes the Mayor to direct a workgroup to complete recommendations for a comprehensive employee housing plan (CEHP) to be implemented within 12 months, and

FURTHER BE IT RESOLVED, the City adopt an interim housing assistance plan ("The Plan") that will govern agreements entered into for the next 12 months, or until the CEHP is implemented. The interim plan will include the following:

1. The opportunity is available to all existing and newly–hired city "emergency services" employees (to include fire, police, communications and street department operations personnel as well as other emergency response personnel as defined by city administrator). These individuals must demonstrate need to qualify for "The Plan".
2. Funding for "The Plan" will reside in the individual department budgets
2. FURTHER BE IT RESOLVED, under the direction of the City Administrator, the City will

1. have final approval of the housing selected by the employee as a condition of that employee receiving a housing subsidy , however , the employee will enter the lease as the lessee.
2. Preference will be given to residential properties in descending order – Ketchum city limits, Sun Valley city limits, north and central Wood River Valley, and south Blaine County.

FURTHER BE IT RESOLVED, the City will enter an MOU with each participating employee memorializing the terms and conditions of the assistance. The MOU will include at a minimum the following elements:

1. A rent subsidy in accordance with the following "rent to income" guidelines
   a. Income– Based on the employee's household income.
   b. Market Cost – Average Market Rate for Ketchum rental units calculated by the Chamber Visitor Bureau (CVB) Community Profile and adjusted for inflation.
   c. Subsidy =
      i. The employee is classified, based on household income determined by KBHA , to the appropriate Category (one through four) on the Ketchum Blaine County Housing Authority (KBHA) rental guide (based on percentage of the area median income [Attachment I]).
      ii. The housing unit size need is identified based on employee's household needs according to (KBHA) guidelines (Attachment I).
      iii. The (KBHA) recommended rent is identified.
      iv. The CVB *average rent* minus the KBHA *recommended rent* equals the City subsidy , provided that the subsidy shall not exceed six hundred dollars ($600.00) per month

Average rent for appropriate Unit size
<u>- Recommended rent payment</u>
<u>= **Rent subsidy (max. $600.00)**</u>

2. A term not to exceed 24 months.
3. Requirement that the employee maintain his/her status as a full time City employee.
4. The employee will have completed KBHA application, maintain his/her place on the KBHA housing list and be qualified to purchase "deed restricted" housing through the KBHA at the time the MOU is executed. The Housing Authority will provide the City a letter verifying application and qualification.
5. The employee will pursue permanent housing, within the City's defined acceptable boundaries, in good faith.

6. The employee will agree to a minimum term (36 months) of employment.
7. Employees who voluntarily violate the terms of the MOU, with the City, will be subject to sanctions identified in the MOU.
8. Upon adoption of the CEHP, the MOU participants will be migrated into the CEHP.

This Resolution with be in full force and effect upon its adoption this seventeenth (17th) day of July, 2006.

Randy Hall, Mayor

Attest:

Sandra Cady, CMC
City Treasurer/Clerk

Approved as to form and content:

Benjamin Worst, Esq.
City Attorney