

RESOLUTION NUMBER 08-092

RESOLUTION OF THE CITY OF KETCHUM CITY COUNCIL RESCINDING RESOLUTION 800 AND ESTABLISHING NEW GUIDELINES FOR THE SPENDING AND DISTRIBUTION OF COMMUNITY HOUSING IN-LIEU FEES COLLECTED BY THE CITY OF KETCHUM.

WHEREAS, the City of Ketchum adopted Resolution Number 800 which established policies for the use of the Community Housing in-lieu fees collected by the City of Ketchum for distribution to the Blaine County Housing Authority (BCHA) for use in the creation of Community Housing units; and

WHEREAS, it has been determined by the City of Ketchum that a new policy needs to be established so the City of Ketchum has more control on where and how the money is being spent.

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the City of Ketchum, that the following will be the policy guidelines for the use of collected Community Housing in-lieu fees and the disbursement of such fees to the BCHA and/or other qualified Housing organizations or agencies for the creation of Community Housing units:

1. 100% of all Community Housing in-lieu payments will be deposited into the City of Ketchum Community Housing In-Lieu Account.

2. Community Housing unit acquisition with the in-lieu fee payments may be made by any combination of the following:

a. The fee or a portion of the fee may be paid to the BCHA as a down payment on a housing unit to be resold as a Community Housing Unit. The sales price to the qualified buyer will be the difference between the price the BCHA paid for the unit, plus associated closing costs, and the amount of down payment paid by the BCHA. Deed Restrictions will be used to ensure long-term affordability.

b. The fee or a portion of the fee may be paid to the BCHA as a down payment on a housing unit to be rented to a qualified renter as a rental Community Housing Unit. The BCHA will obtain mortgage financing on the purchased unit. The rent collected from the qualified renter will be enough to cover the monthly mortgage payment and associated monthly expenses paid by the BCHA for the rental Community Housing Unit. It is assumed that affordable rent levels will be achieved through the large amount of money the BCHA will be able to put down on the rental Community Housing Unit through the use of the in-lieu fees.

c. The fee or a portion of the fee may be used to assist qualified households in purchasing their own home, through "creative financing" programs such as down payment assistance programs. Any such program will have a mechanism for ensuring long-term affordability of the housing.

d. The fee or a portion of the fee may be used to help sponsor or fund a new community housing development.

3. Regular reports will be made to the Ketchum City Council from BCHA to ensure the proper spending in accordance with this policy.
4. In-lieu fees collected in the City of Ketchum for community housing must be spent within Ketchum city limits or within 1 mile of Ketchum city limits.
5. While Ketchum City Council acknowledges the importance and primary role of the BCHA in creating solutions for affordable workforce housing, it defines this relationship as non-exclusive. Ketchum may explore alliances with other entities in furtherance of its community housing goals.

This Resolution will be in full force and effect upon its adoption this second (2nd) day of September, 2008.



Larry Helzel, Acting Mayor

ATTEST:



Sandra Cady, CMC
City Treasurer/Clerk



