

RESOLUTION NO. 24-URA04

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO, APPROVING A NOT TO EXCEED FUNDING AMOUNT FOR THE PROJECT COMMONLY REFERRED TO AS THE FIRST AND WASHINGTON AFFORDABLE WORKFORCE HOUSING PROJECT (“PROJECT”), SUCH FUNDING TO BE PROVIDED TOWARDS ELIGIBLE PUBLIC INFRASTRUCTURE AND PUBLIC PURPOSE EXPENSES ASSOCIATED WITH THE COST OF CONSTRUCTION OF THE PROJECT, WHICH PROJECT IS BEING DEVELOPED ON LAND OWNED BY THE AGENCY AND FOR WHICH THE AGENCY WILL ASSUME OWNERSHIP OF THE PROJECT AT THE EXPIRATION OF THE LEASEHOLD INTEREST IN SAID PROJECT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION is made on the date hereinafter set forth by the Urban Renewal Agency of Ketchum, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the “Act”), as a duly created and functioning urban renewal agency for Ketchum, Idaho (hereinafter referred to as the “Agency”).

WHEREAS, the City Council of the city of Ketchum (the “City”) by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the “2006 Plan”) to be administered by the Agency; and

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the amended Ketchum Urban Renewal Plan (the “2010 Plan”); and

WHEREAS, the 2010 Plan identified the “revitalization, redesign, and development of undeveloped areas which are stagnate or improperly utilized especially through the creation of affordable workforce housing, a central town plaza and parking lots and structures” as a central purpose of the 2010 Plan; and

WHEREAS, in order to achieve the objectives of the 2010 Plan, the Agency is authorized to acquire real property for the revitalization of areas within the 2010 Plan boundaries; and,

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B), and Lot 6, Block 19 (Parcel RPK0000019006B) (the “Site”); and

WHEREAS, in accordance with Idaho Code § 50-2011, Disposal of Property in Urban Renewal Area, the Agency issued a Request for Proposals (“RFP”) on May 26, 2022, seeking to initiate a redevelopment project to construct affordable workforce housing within the 2010 Plan boundary area in compliance with the 2010 Plan through redevelopment of the Site as contemplated in the 2010 Plan; and

WHEREAS, the Agency ultimately selected Wood River Community Housing Trust Inc. and its subsidiary First + Washington Properties LLC, and deChase 1st + Washington Development Services LLC (collectively referred to for purposes of this resolution as “Developer”) to develop and construct an affordable workforce housing project (“Project”) at the Site; and

WHEREAS, Developer and Agency intend to enter into a Disposition and Development Agreement (“DDA”) and long-term ground lease (“Ground Lease”) which would govern the development and operation of the Site; and

WHEREAS, the terms of the DDA and Ground Lease contemplate the Developer developing the Project on the Site and operating the Project under a fifty (50) year ground lease, at which point at the expiration of the Ground Lease the Project and associated improvements will revert to the Agency or its successor; and

WHEREAS, the Project contemplates affordable workforce housing units which are restricted to average median income (“AMI”) levels and geographical workforce criteria to help resolve the affordable workforce housing crisis in the local community; and

WHEREAS, because the Project is being developed for affordable workforce housing and being that the units will be rent restricted, the Project requires additional funding sources to make the Project financially viable; and

WHEREAS, the Developer, a non-profit entity with the mission to develop, acquire, own, and manage rental units that will be rented to qualifying local residents who are actively working and living in the local community, has requested funding participation from the Agency for certain aspects of the construction of the Project; and

WHEREAS, the 2010 Plan terminates November 15, 2030, recognizing the Agency will receive its allocation of revenues in 2031, pursuant to Idaho Code § 50-2903(7). The Agency desires to further the purpose of the 2010 Plan to create affordable workforce housing by assisting in funding eligible aspects of the Project; and

WHEREAS, based on unknown variables such as interest rates, potential in-kind contributions, and donations, the Developer is unable to ascertain with specificity the funding amount that will be needed by the Agency to help make this Project financially viable; and

WHEREAS, the Developer has requested a funding commitment by the Agency of an amount not to exceed Eight Million Dollars (\$8,000,000.00) to be used to further the development and construction of the Project and contingent on the financing needs and eligible construction costs; and

WHEREAS, the Developer has requested that a portion of this funding in the amount of Four Million Dollars (\$4,000,000.00) be provided to the Developer for the Project and eligible infrastructure expenses at the time of financing the Project; and

WHEREAS, the Agency Board finds it in the best interest of the Agency to continue to further the purposes of the 2010 Plan and in the best interest of the public to provide financial support for eligible infrastructure related to the Project; and

WHEREAS, the Agency Board desires to commit an amount not to exceed Eight Million Dollars (\$8,000,000.00), such exact amount to be determine, towards the Project for eligible infrastructure which furthers the purpose of the 2010 Plan in establishing affordable workforce housing; and

WHEREAS, the Agency Board commits to entering into a funding agreement with the Developer at the time in which the financing for the Project is obtained by the Developer in an amount to be determined but in no event an amount exceeding Eight Million Dollars (\$8,000,000.00); and

WHEREAS, the Board of Commissioners of the Agency find it in the best public interest to approve a funding commitment of an amount not to exceed Eight Million Dollars (\$8,000,000.00) for eligible infrastructure costs associated with the Project and authorize the Chair and Secretary to further such commitment, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE KETCHUM URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, IDAHO, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the Agency does hereby commit to providing a funding amount not to exceed Eight Million Dollars (\$8,000,000.00) towards eligible infrastructure costs for the construction of the Project, such specific amount to be determined, Four Million Dollars (\$4,000,000.00) of which is contemplated to be provided towards eligible costs at the time in which the Developer obtains financing of the Project.

Section 3: The Agency and Developer will enter into a separate funding agreement for such eligible infrastructure costs at the time funding is provided by the Agency.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Ketchum, Idaho on February 20, 2024. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on February, 2024.

URBAN RENEWAL AGENCY OF KETCHUM

By Susan Scovell - Chair
Susan Scovell, Chair

ATTEST:

By [Signature]
Secretary



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