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**Subject:** For Public record on Bluebird and for public comment on Community Housing  
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I make these remarks for public comment after listening to the June 21 City Council meeting, where Community Housing was discussed (with no public comment) as Agenda Item 12.

The way the Mayor and City Council are proceeding is unlikely to provide appropriate worker housing to anyone who currently lives/works in Ketchum in a relevant time frame. Beyond a bit of research on the part of the City Administrator and Counsel, in more than 1 1/2 months, no material progress has been made on the crisis facing Ketchum.

To date, there has been no discernible effort by the City to identify the magnitude and potential duration of the housing crisis. No registry of those who are being displaced has been undertaken, and no survey of business as to their worker shortages has been conducted. If you don't know how big a problem we have and who has what kind of challenge, how can you devise remedies that meet the needs of working people?

Councilman David mentioned the importance of creating a matching system and providing incentives to people to rent units longer term. This idea has been discussed for months, with no action by the City. It requires a registry. Every day of inaction risks people moving out of Ketchum; neighbors, friends and human capital for our future that may be permanently lost to us.

The Mayor said the City has been working hard on worker housing for 3 1/2 years and cited his lobbying of Boise and IHFA to get the points system changed so Bluebird could get tax credit funding. Bluebird is a distraction that has a diminishing probability of getting built given cost increases and the multiple legal challenges it will likely face.

As conceived, Bluebird is the wrong solution for the housing needs of Ketchum. The community has voted against it twice, at least 2:1 each time. It is a misuse of City assets and taxpayer money that won't house very many current Ketchumites, if any. There are better solutions that would benefit the people of Ketchum sooner, and at lower cost. We urge the City to move past Bluebird and get to work on those.

The zoning recommendations on the City's list could exacerbate the crisis. ADUs and tiny houses on tiny lots will be ideal for short-term rentals unless you can regulate short-term rentals, and right now the City can't. It is folly to change the zoning to permit them until after the City has a short-term rental regulation plan in place. The tent city idea is off the list, but what is the difference between that and an RV city? How will the City end the RV program when it is no longer needed?

And, as Mr. Dunfield noted at his 6/23 Q&A session, the zoning text changes he has requested of the City will permit future Bluebirds to be built in the commercial core—is that the intent of the City Council?

We can look at zoning history to know that more zoning leniency has resulted in bad buildings...or no buildings. There has been no housing success in 20 years beyond Northwood Place (which may not be a success for the low income workers it was intended to house). The 2006 zoning change to eliminate parking for small apartments resulted in KETCH—an “experiment” the City now says it regrets. The Light Industrial height relief for community housing got us...nothing. Moving height relief to the central business district for Bluebird gets Ketchum a massive apartment building with insufficient parking that is unlikely to house any current Ketchum residents, but is a gift of taxpayer assets/money to PEG and other employers who don't pay a living wage. It could incent wages reductions in Ketchum.

We have suggested multiple times a zoning code change to require hotels to provide 100% worker housing. They are significant drivers of the housing crisis. Limelight (Aspen) brought in employees from outside of Ketchum who now live in Northwood at taxpayer expense. This was unfair to Ketchum residents.

To whom is the Marriott so important that the City gave it every conceivable waiver so it can go to six stories and only house 23% of its workers? This is a hotel the Ketchum community doesn't want (3000+ signatures against at Change.org). The developer said they will bring in workers from out-of-state that they won't house. This is unfair to Ketchum residents. Unlike the zoning ideas on the Council's list, requiring hotels to house their workers is the kind of zoning code change that would result in more housing units for working people.

Consider raising the in lieu of fee—or even eliminate it, and require a certain number of community housing units for anything built in certain zoning areas. That would get units built.

Enforce Ketchum's deed restrictions on BCHA housing. P&Z Chair Morrow has said at two P&Z meetings that he knows of multiple violators of the deeds. Yet the City has done nothing to enforce them. BCHA says they have not heard from the City on this issue. The City should free up abused units for members of the community who need them.

Hiring a housing czar is a good idea long-term, but won't yield any impact for at least a year. This is a county-wide (and country-wide) problem, but if the czar has five bosses (the county plus four cities) Ketchum isn't likely to get a lot of solutions for Ketchum. Ketchum has had a housing czar for 3 1/2 years—the Mayor. He has worked tirelessly to promote Bluebird. Maybe if he devoted more of his time to other solutions we would have....other solutions.

The ideas proposed to the Council for raising the cost (LOT) and limiting the quantity (permits) of short-term rentals are steps in the right direction, and could mitigate the shift of long-term rentals to short-term rentals. This is the kind of experiment risk worth taking. Unlike with KETCH or Bluebird, if the Council make a mistake on these they can be repealed/adjusted, rather than leaving Ketchum with political statements in the middle of town for 40 years.

On the LOT, make it meaningful. Doubling the tax might be meaningful. There is no reason the state should benefit from the bed tax at multiples of what the city gets. Ketchum residents are the ones who bear the impact and should get the lion's share of the revenue to mitigate the harm. It has to be large enough to shift units from STR to LTR.

Instead of being exempted from a new LOT on STRs, hotels should be a primary target. The City of Ketchum has perpetuated a system that subsidizes hotels at the expense of Ketchum workers and residents. While hotel rooms won't be shifted to LTR, hotels are contributors to the workforce housing crisis and should pay their fair share. LOT revenue from them should be higher than what their cost would have been to build housing for their workforce. This cost will be passed on to tourists, not taxpayers. That's the kind of thing that is fair to Ketchum residents.

On permits, Sandpoint's innovative approach is something Ketchum should follow. Build in hefty enforcement penalties for cheaters—those fines could go to the in lieu of fund. Let Ketchum be a test case for STR permits for the state. It could rally the cities of Idaho in opposition to current state law.

But no contact by the City of Ketchum with Sandpoint in weeks? That seems inconsistent with crisis mode. When does the Council anticipate passing an ordinance to regulate STRs? The Council moved in a matter of weeks to pass Ordinance 1202 (without multiple readings) to get Bluebird (via a footnote to table). Why more urgency for Bluebird than for an approach that can mitigate the short-term rental problem the could obviate the need for a Bluebird?

If the City doesn't engage with local developers ASAP, you extend the housing crisis. They are the ones who will get this done. If this is a crisis, the City should be getting them all in a room to talk about how they can help and what the City can do to expedite their efforts.

If the Council thinks this is a crisis, instead of putting up a few select City-owned lots, why not put up every single excess City property for sale (including City Hall and the underutilized fire training facility) to maximize the likelihood of housing getting built, and let developer/investors decide which lots would be most expeditious. Why not tee up all the local developers to expect City land sales and get them prepared to bid for them with long-term rental projects? The City Planner teed up an out-of-state developer (GMD) to get Bluebird in a sole-bid situation; why not offer the same courtesy to local developers to get alternative solutions to Bluebird? That's the fastest way to get the most (and most diverse types of) housing built for current Ketchum residents.

The City's approach of only promoting Bluebird has failed to deliver the variety of housing solutions Ketchum residents need. It's time for new solutions.

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