

HOUSING ACTION PLAN

FINDINGS SUMMARY

Ketchum is developing a Housing Action Plan!
Thanks for learning alongside us.

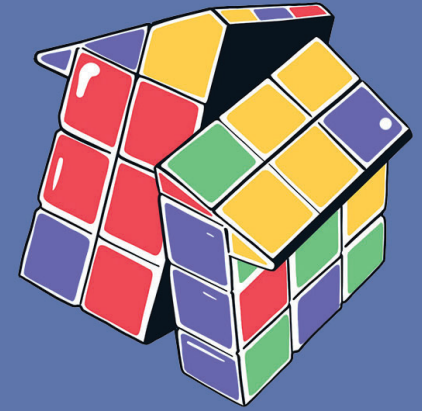


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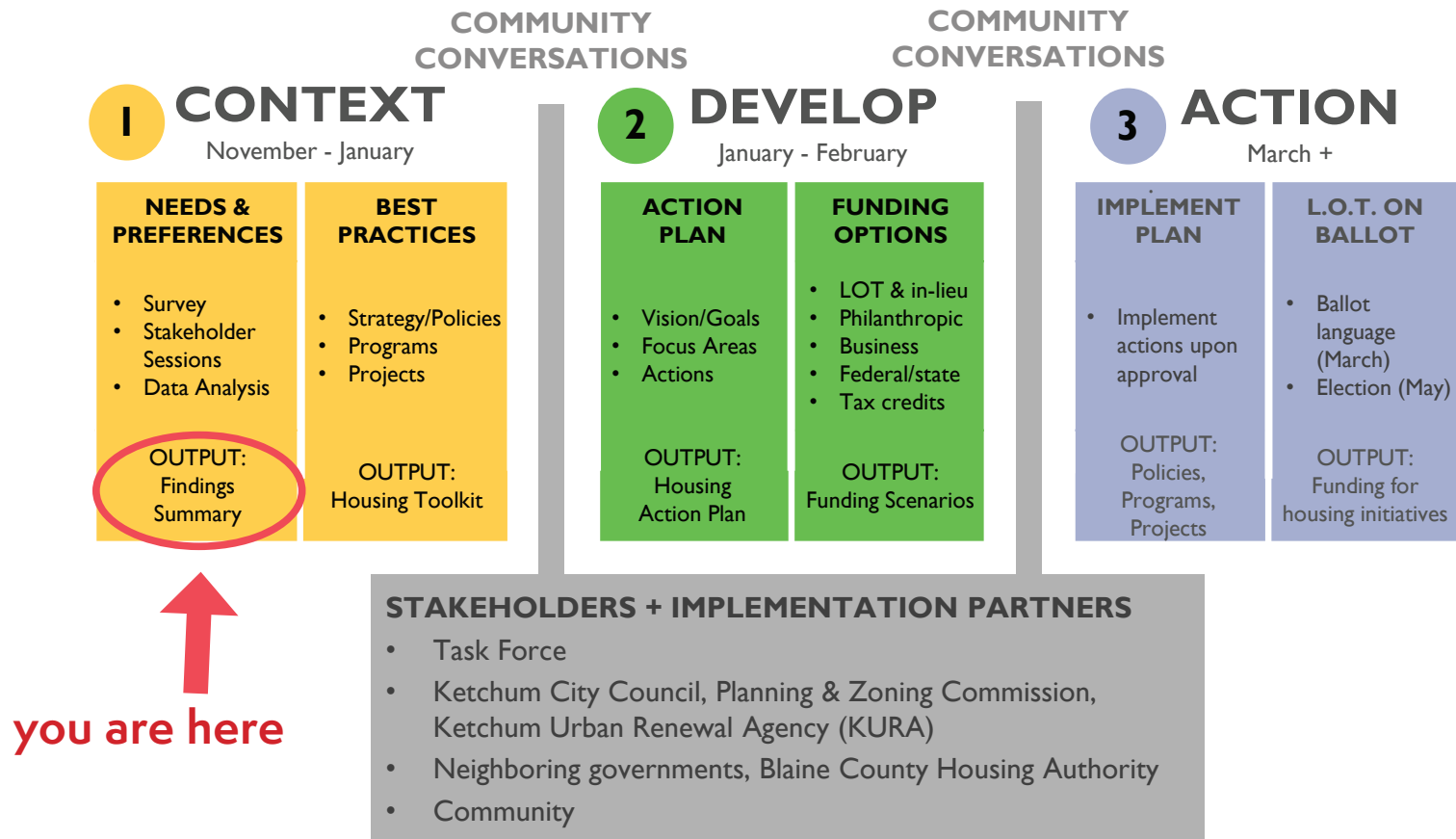
projectketchum.org/housing-matters/

1. OVERVIEW OF HOUSING ACTION PLAN



1

STAGES OF THE PLANNING PROCESS



2

KEY TERMS

AFFORDABLE HOUSING

By household: Housing is considered affordable to a household if they are paying 30% or less of their income to housing costs (either rent or mortgage).

By housing unit: Any housing unit that has a rent or mortgage that is below market-rate. Often the property will include a government subsidy, either for the capital costs or to assist with the rent. Some affordable housing is naturally occurring.

AREA MEDIAN INCOME

The income that the median household makes, meaning that 50% of households of the same size earn less than the median household and 50% of households earn more than the median household. The median income changes based on household size.

LOW-INCOME HOUSING

Housing that is affordable for households earning under 80% AMI. It is eligible for state and federal subsidies - with rent restrictions.

COMMUNITY HOUSING

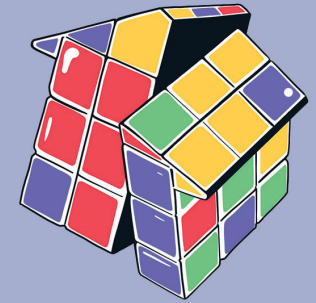
Residential housing that is restricted (through a deed restriction) to being a rental or a for-sale unit to eligible persons and households, based on applicable income and residency requirements.

WORKFORCE HOUSING

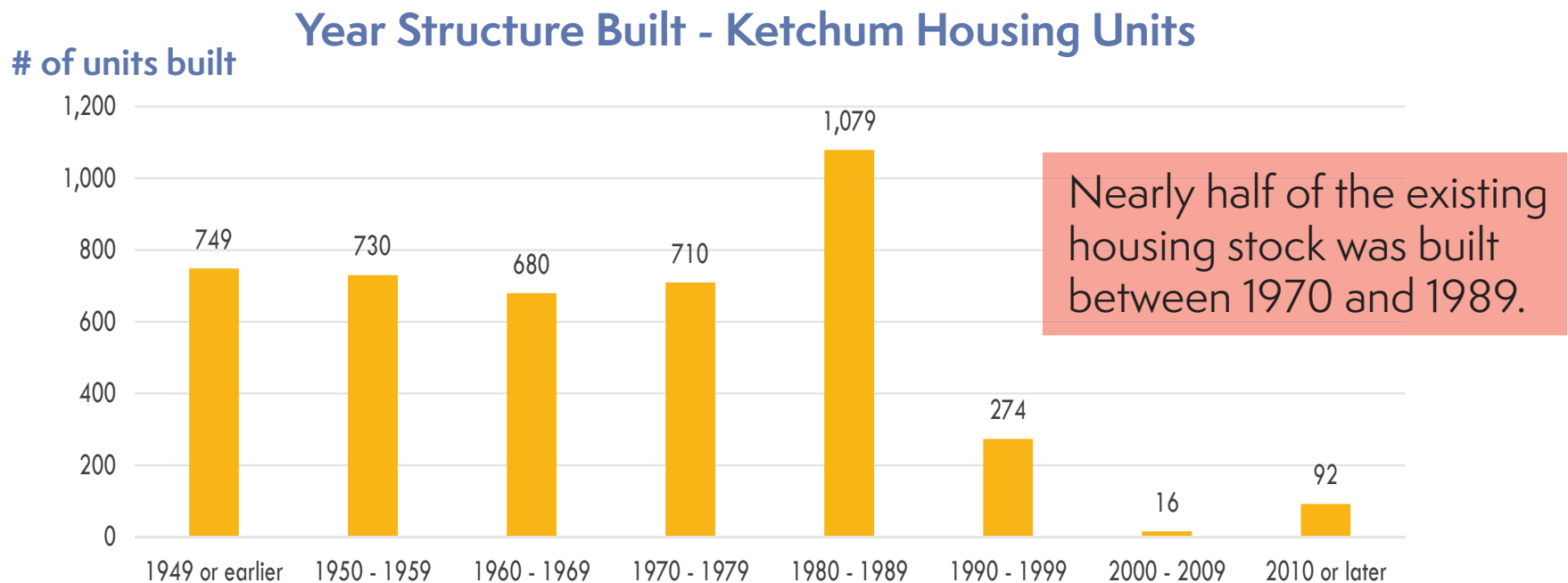
Housing targeted for those earning up to 120% of the area median income. Each community defines this term differently.

2. WHAT IS THE PROBLEM?

Ketchum has an increasingly challenging housing environment for local, year-round residents, especially those earning 120% or below the area median income (AMI).



1 Residential development has slowed.



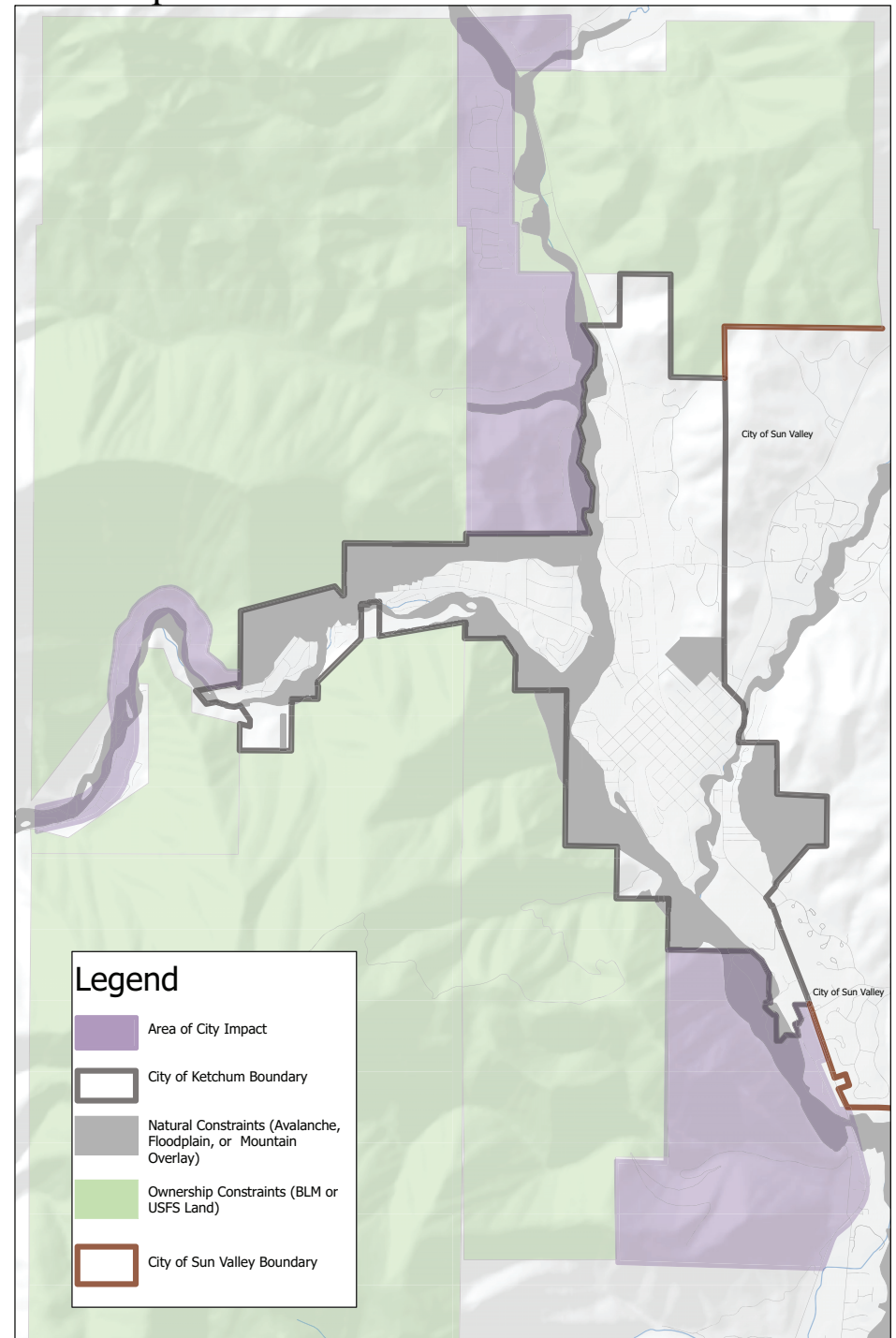
Source: U.S. Census Bureau: American Community Survey 5-Year Estimates (2013-2019), cross-referenced with City of Ketchum building permit data

2

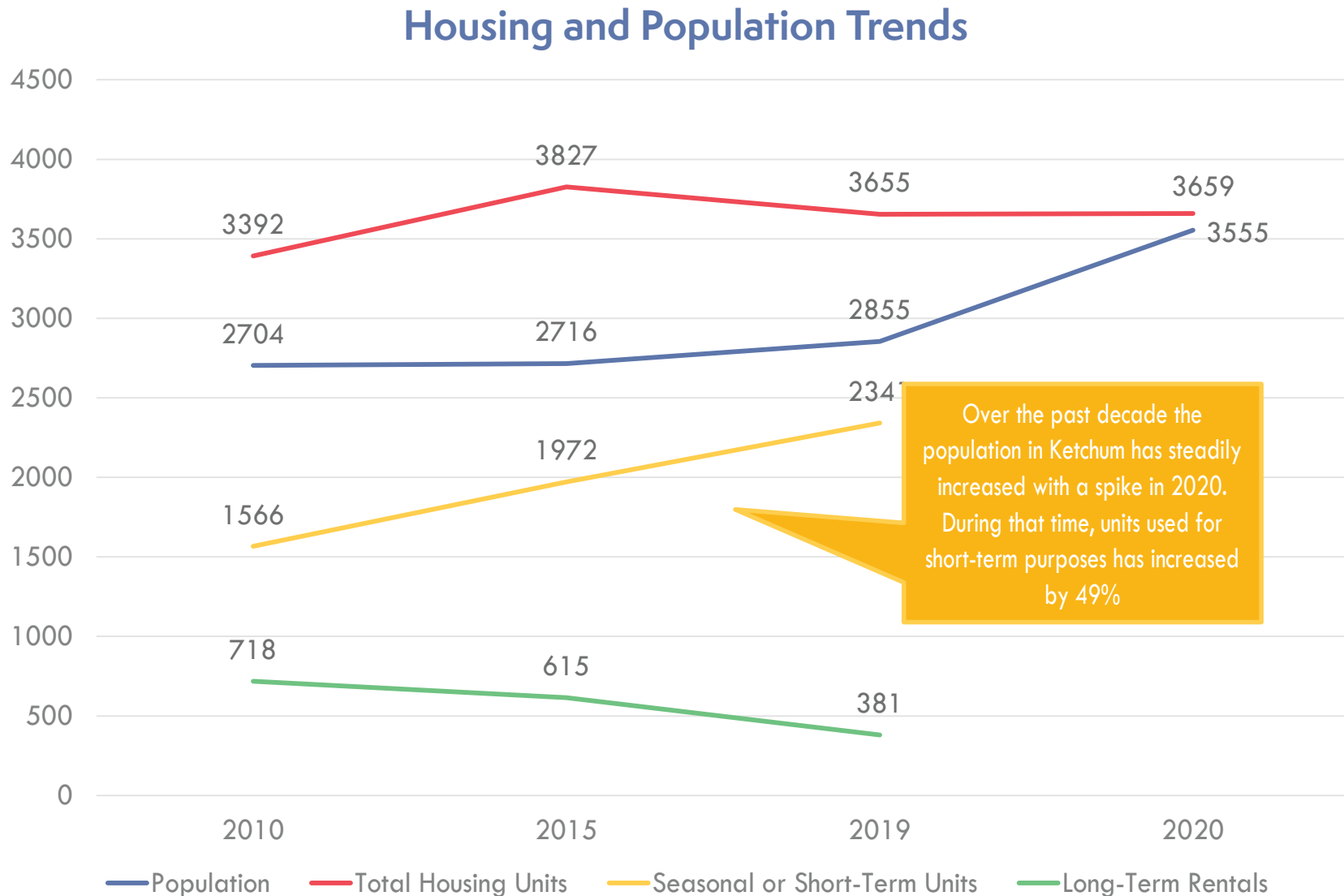
Land available for development is constrained.

- Majority of town is surrounded by federal property or is difficult to develop due to hazards (avalanche, floodplain, and steep slope).
- Redevelopment and infill are the primary development opportunities.

Development Constraints In and Around Ketchum



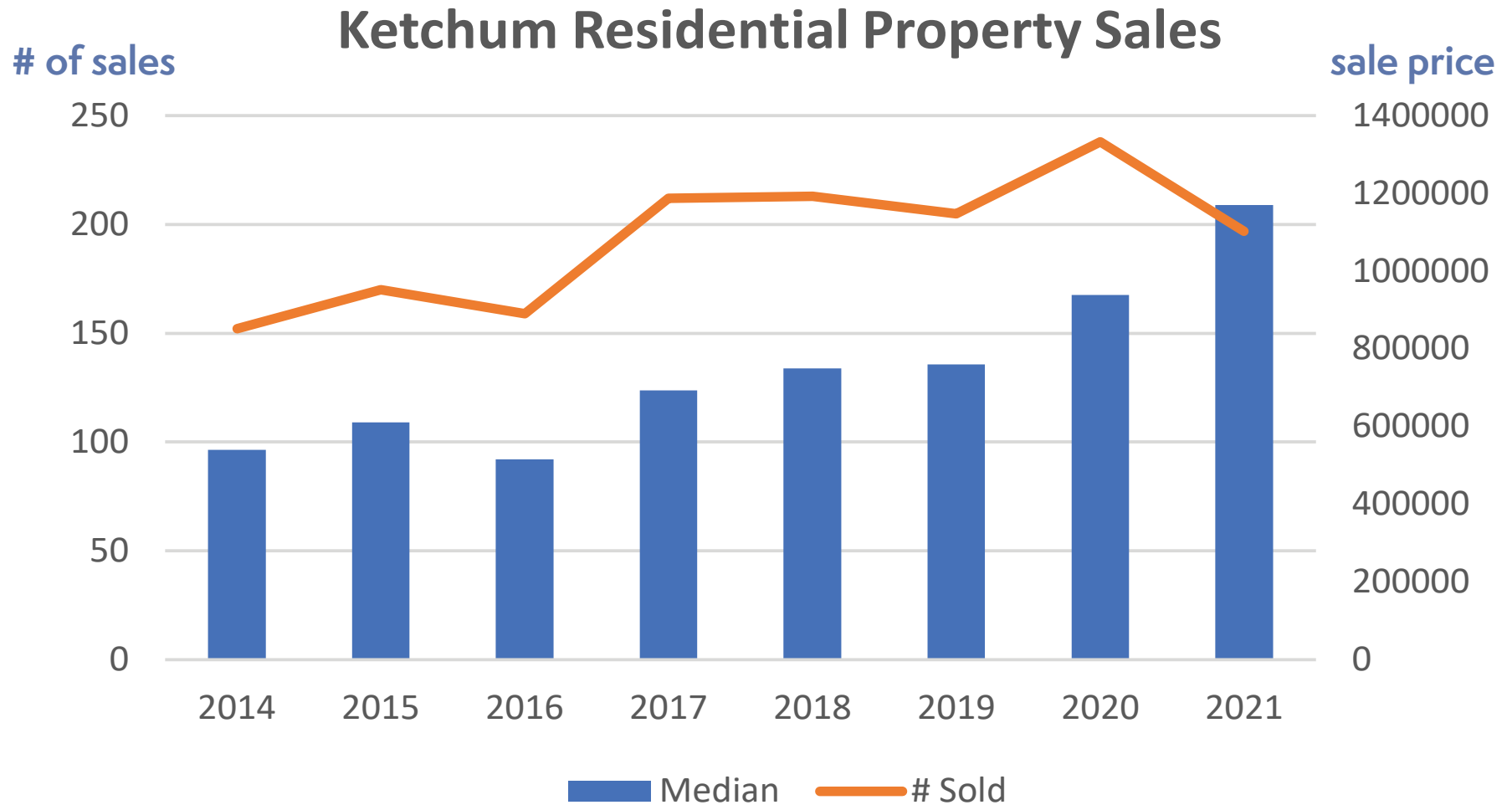
3 Seasonal and short-term rentals have increased.



Source: U.S. Census: DEC Redistricting Data for 2020 data; U.S. Census: ACS 5-Year Estimates for 2010, 2015, 2019 data

4

Housing costs have increased.

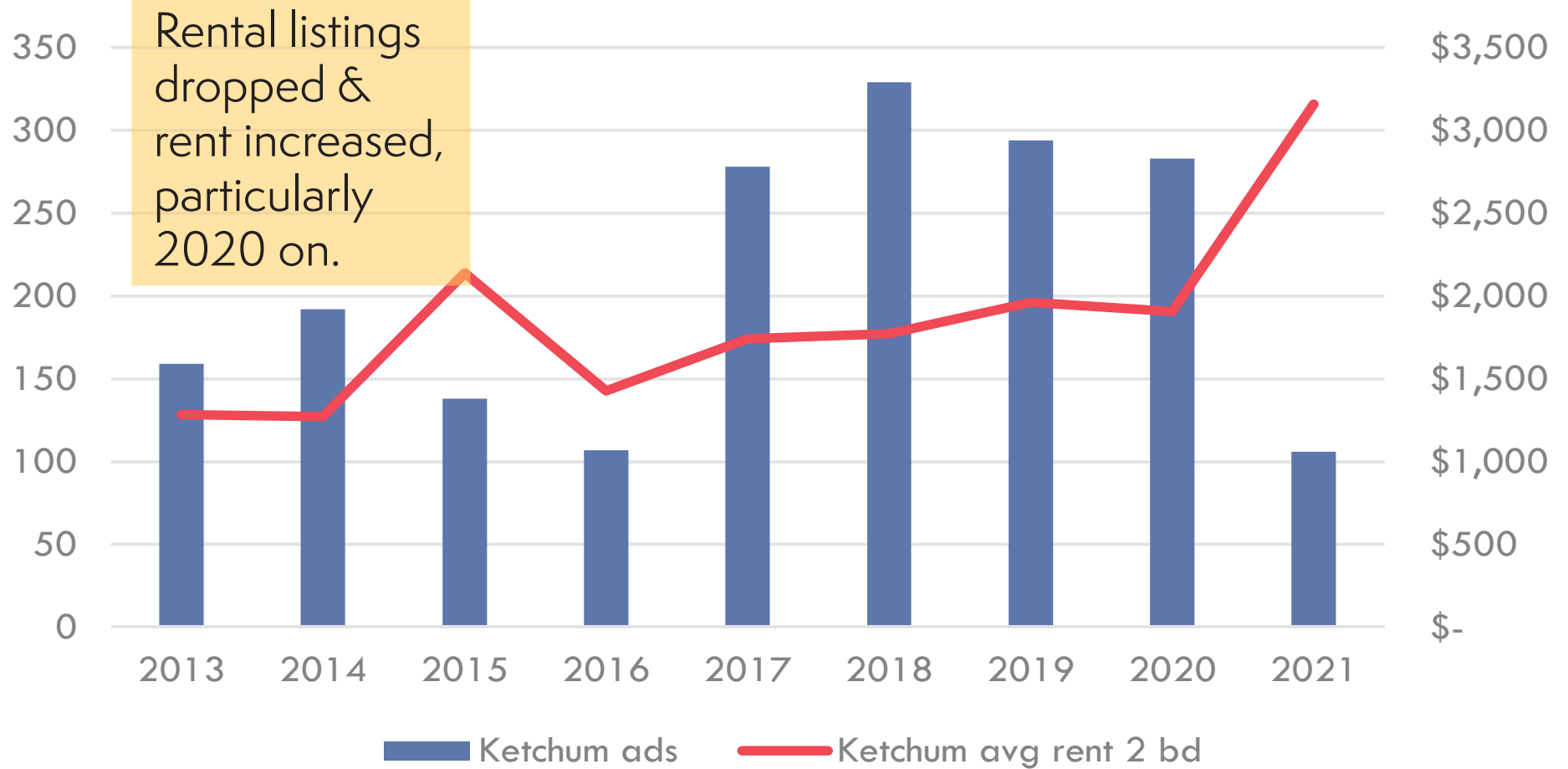


Source: Sun Valley Board of Realtors

of listings

Ketchum Rental Listings

listed rent

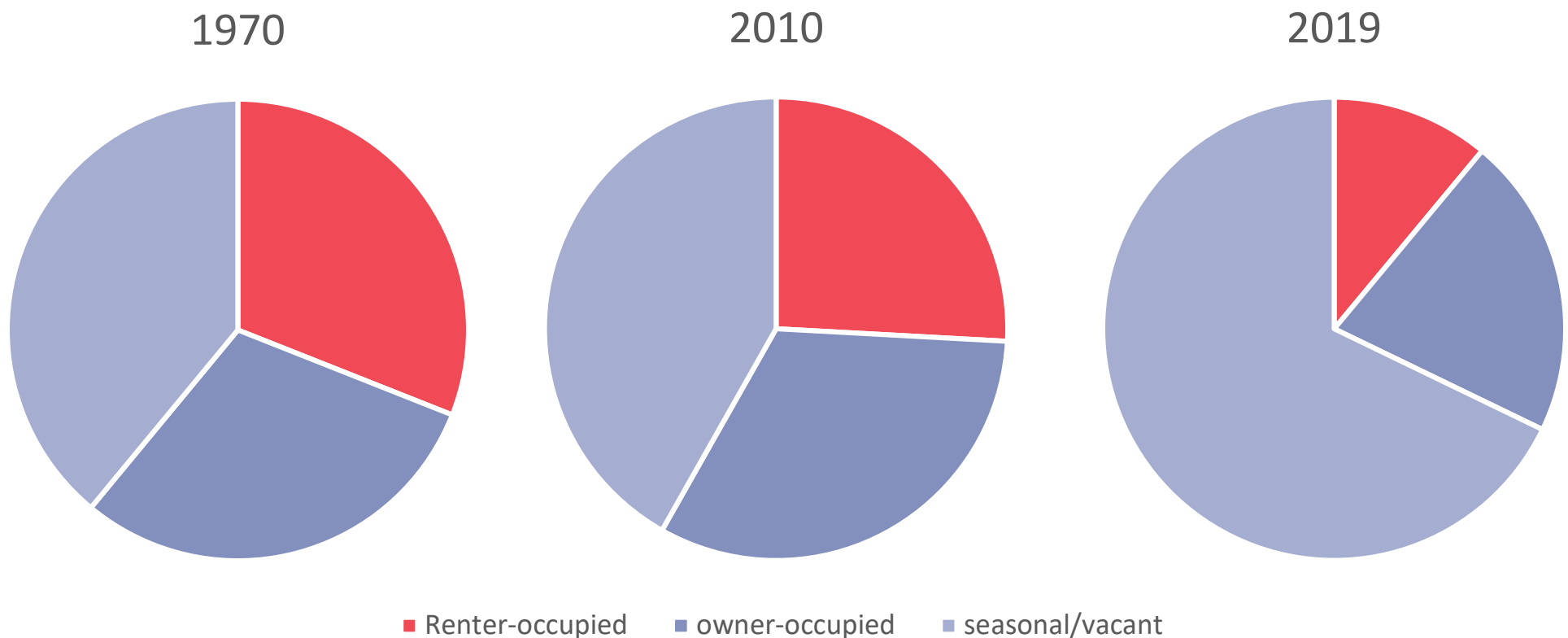


Source: Blaine County Housing Authority, Idaho Mountain Express articles

5

Long-term rentals have decreased.

- The proportion of long-term rentals decreased from 31% in 1970 to 10% in 2019.
- About 335 long-term rental units were “lost” in Ketchum since 2010, with a significant proportion likely converted to seasonal or short-term use.



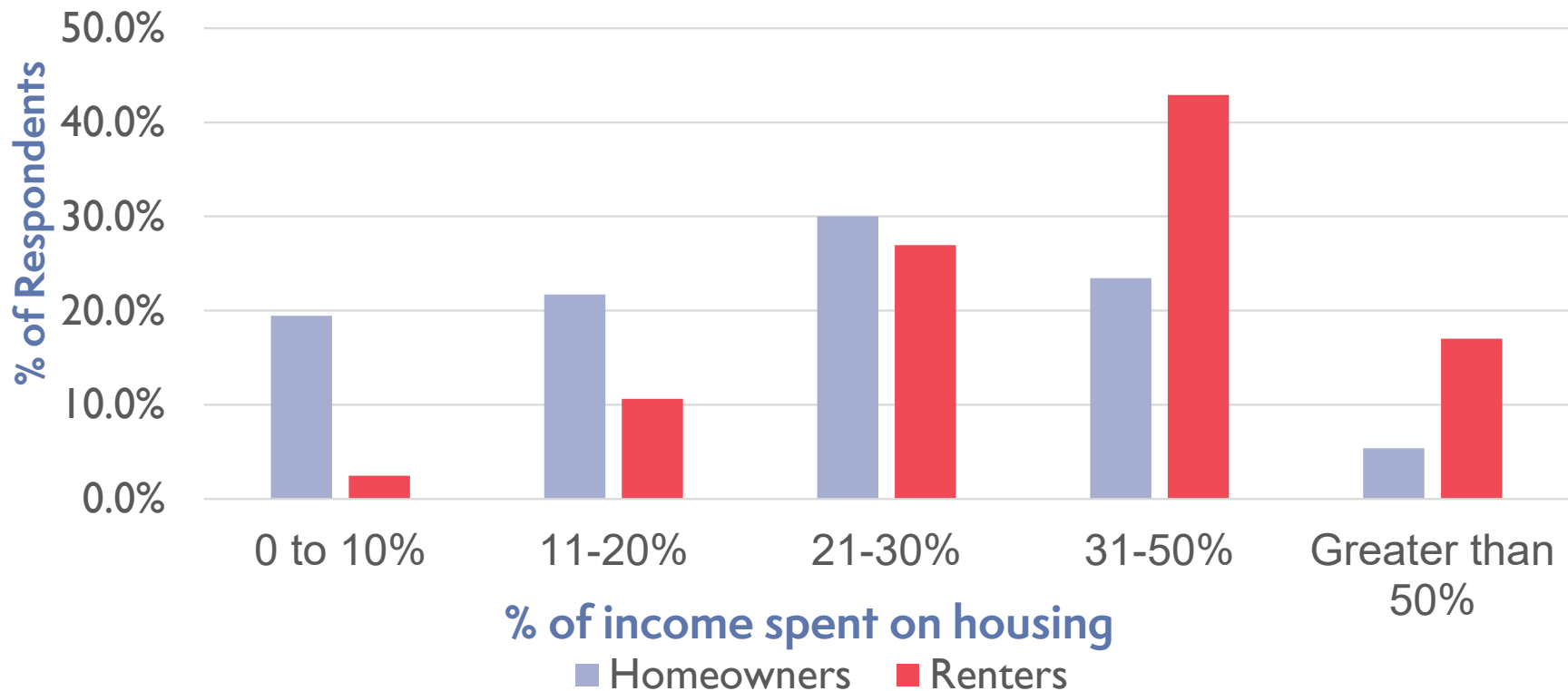
Source: U.S. Census: ACS 5-Year Estimates for 1970, 2010, 2019 data

6

Affordability for renting or owning has not improved.

Over 40% of survey respondents reported paying more than 30% of their income on housing costs, i.e. being “cost burdened.”

Percent of Monthly Income Spent on Housing

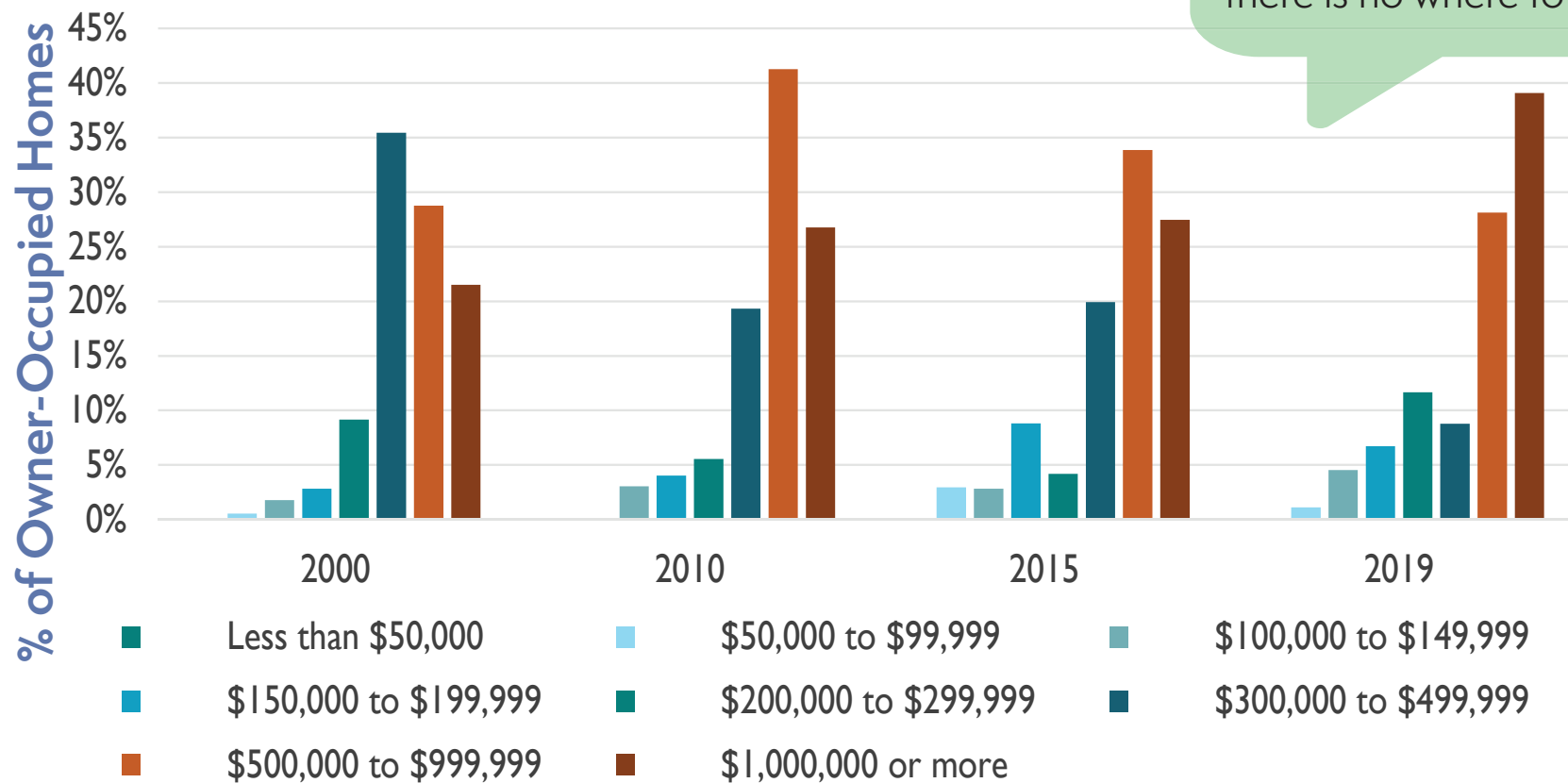


Source: Ketchum Matters Community Housing Survey, Nov. 15, 2021-Jan. 3, 2022

Owner-occupied housing values are skewing higher:

Indicates likelihood of decreased ability for lower income households to become homeowners.

Value of Owner-Occupied Housing, 2000-2019



Source: U.S. Census Bureau: American Community Survey 5-Year Estimates (2013-2019).

7

1% of local residents are experiencing homelessness.

Source: Ketchum Matters Community Housing Survey, Nov. 15, 2021-Jan. 3, 2022

Pandemic Acceleration

The past 2 years have seen a severe acceleration of these trends, along with a substantial increase in year-round population (exception: short-term rentals have seen some near-term declines year over year in the past two years).

**Historic
Annual
Growth Rate**

~1%

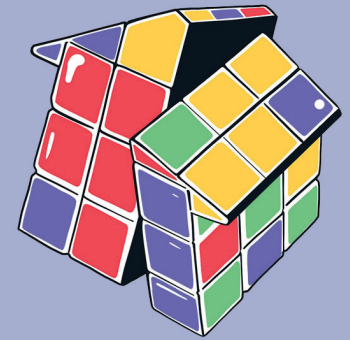
**Pandemic
Growth Rates
(2019-2020)**

~25%

Source: U.S. Census Bureau: American Community Survey 5-Year Estimates (2013-2019); Decennial Census Redistricting Data (2020)

3. WHAT IS OUR COMMUNITY SAYING?

Survey & Interview Results



COMMUNITY SURVEY

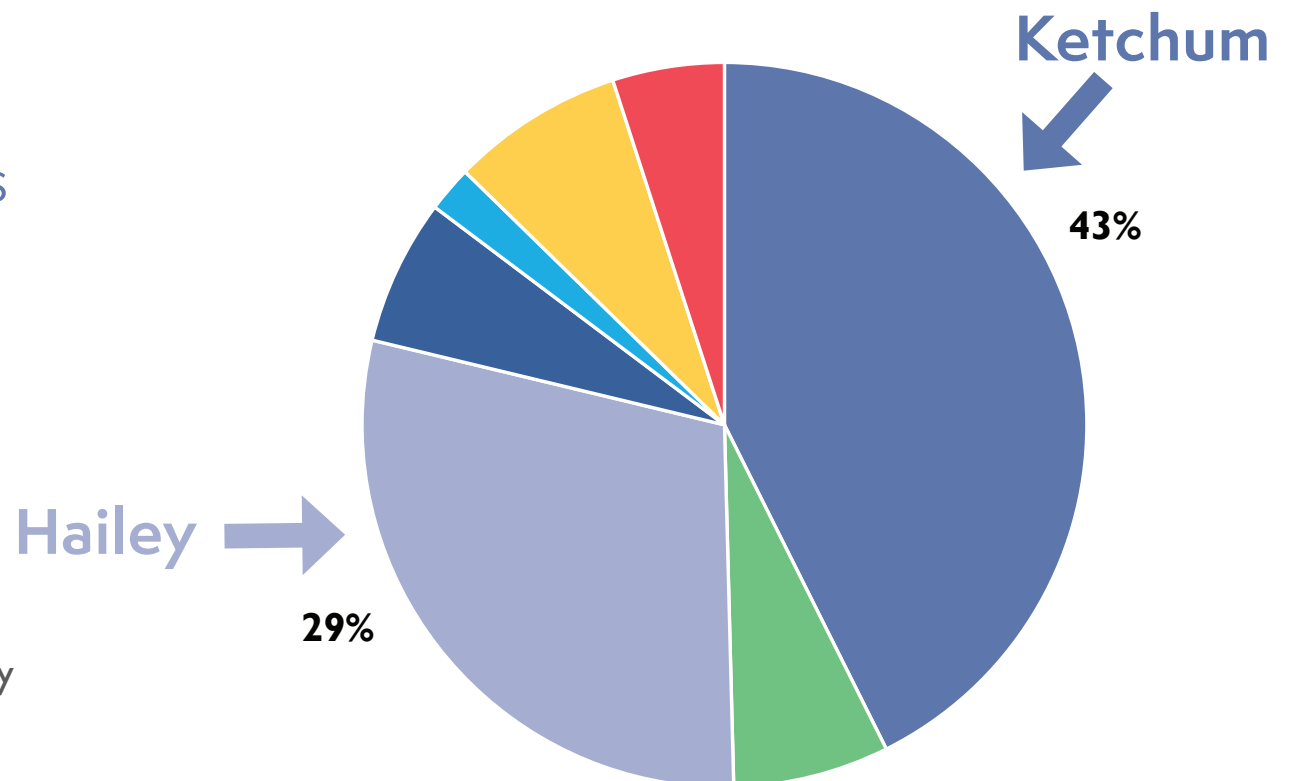
November-January

1,117
responses

- 1% experiencing homelessness
- 8.5% self-identified as Hispanic or Latinx

Where Respondents Reside

- Ketchum
- Sun Valley
- Hailey
- Bellevue
- Carey
- Unincorporated Blaine County
- Other

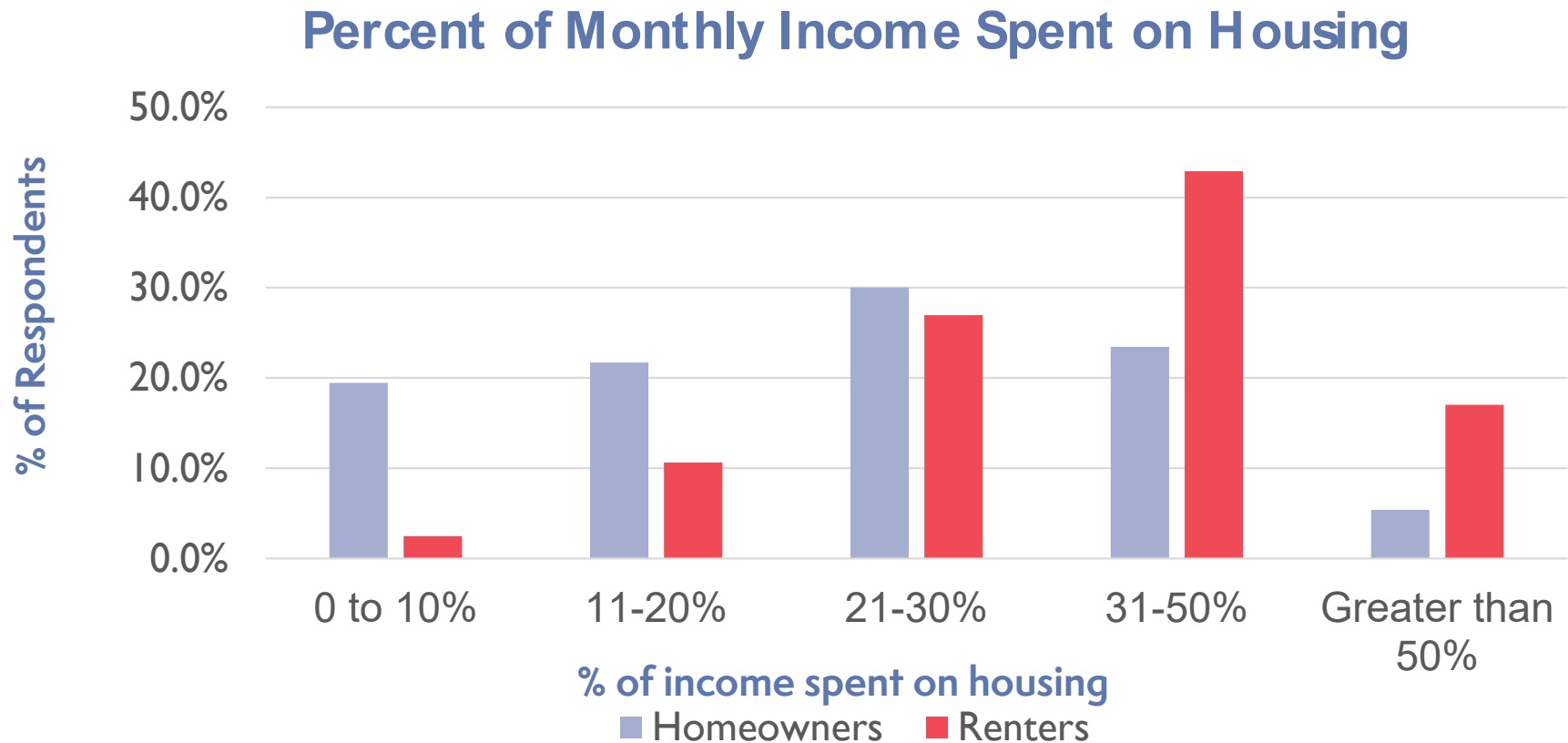


"If we get the boot (from our rental) I don't know where we'll go. We own a successful business and would have to move in with our parents. I want to start a family and I want to contribute, but I don't know if we can do that."

- 80% agreed that providing community housing is important for Ketchum's future.
- Felt that a mix of public and private actors should work to address community housing.
- Most regulatory approaches supported.
- General support for additional resources to acquire land for community housing projects.

Housing is not affordable

Both renters and homeowners are paying on housing more than is affordable. Renters report being cost burdened at significantly higher rates than homeowners (60% v. 29%).



Source: Ketchum Matters Community Housing Survey, Nov. 15, 2021-Jan. 3, 2022

KEY RESPONSE THEMES

Interviews: 30+ community members

- **Restaurateurs, retailers**
- **Non-profits, foundations**
- **Health and education**
- **Hoteliers**
- **Developers, contractors**
- **Real estate agents**

“How does the need stratify by income levels? What are reasonable expectations for growth and how does that match up with actual inventory?”
- Tim Wolfe

1 Housing Needs & Transparency

- Strong understanding that housing is a major challenge
- Support for developing housing strategies based on concrete analysis and data
- No consistent understanding of what kind of housing (size and rental/ownership) is needed and at what price points.

2

Intentional Housing Framework

There is general support for a strategic, actionable plan that encompasses a variety of housing strategies and tactics.

"I would love to see Ketchum think outside of the box with their solutions and then 'hold firm' and not give in (to difficult opposition)."
– Brooke Pace McKenna,
the Hunger Coalition

3

Community "Fortitude"

A majority of stakeholders noted that during the last 20 years a number of promising community housing projects were not successful – largely because of community opposition and potentially because other priorities emerged post- Great Recession.

"People say they are for affordable housing, 'But it needs to be someplace else.' Attitudes need to change about who actually lives in affordable housing."
– Community Homeowner

HOUSING CRISIS IMPACTS

"The community is at a tipping point of being something vastly different than it used to be because people are no longer able to live and work here. It's affecting the essence of our mountain town culture and what many value in our community."
– Scott Fortner, Visit Sun Valley

1 Community Character

Sentiment from a variety of interviewees is the sense that Ketchum is losing its identity as the housing market becomes challenging and people move away. Many respondents felt that the pursuit of accessible community housing represents more than a roof over community members' heads – it's a quest to maintain the "soul" of the community.

2 Local Businesses

Business viability and access to a stable workforce was a common idea shared when interviewees were asked to identify a "key indicator" for the housing environment.

"We have had to cut hours/reduce days or completely close....The employees that we do have are exhausted."
– Local business owner

"The cost of housing assistance is dramatically less than having to close because you can't find staff, or having to hire and train new staff. Creating an environment that allows people to live and work here needs to include a private business partnership as well."
– local employer

3 Vulnerable Populations

Housing instability is creating financial, social and emotional challenges for residents across the valley. Displacement and housing instability have mental and physical health impacts: It increases the likelihood of depression and suicide; also has physical impacts: It also disrupts childhood development and immune system responses, and increases likelihood of hospitalization.

Stress resulting from housing instability is compounded by nonprofit and social service networks that can be difficult to navigate, especially for those in crisis. Respondents indicated that they, or their clients, were often shuffled from one agency to the next in an attempt to access resources. Often these clients would complete a process only to find out that they did not meet the eligibility criteria – and indeed, eligibility criteria may even specifically screen out some of the most vulnerable community members.

“This is what we are hearing from our clients: Fear of the unknown, stress of abandoning other people who they might be leaving behind if they move and confusion about what the relocation may look like. It’s really hard for them to navigate the system as well.”

- Brittany Shipley of NAMI Wood River Valley

4. WHO NEEDS HOUSING IN KETCHUM?



1

Build new, convert, or preserve about 660 to 982 homes in the next 10 years.

Does not include the 335 “lost” renter households from 2010 to 2019.

Total Projected Demand

New Households

New households based on projected population growth by 2030

HISTORIC GROWTH
(1% per year)

+224

HIGH GROWTH
(3% average)

+546

Current Households

Households in need of stabilization, at risk of displacement, such as:

- cost burdened
- people experiencing homelessness
- substandard housing
- overcrowding

436

436

TOTAL UNITS

Total projected units needed by 2030:

- Stabilizing households in their current unit

660

982

Units per Year

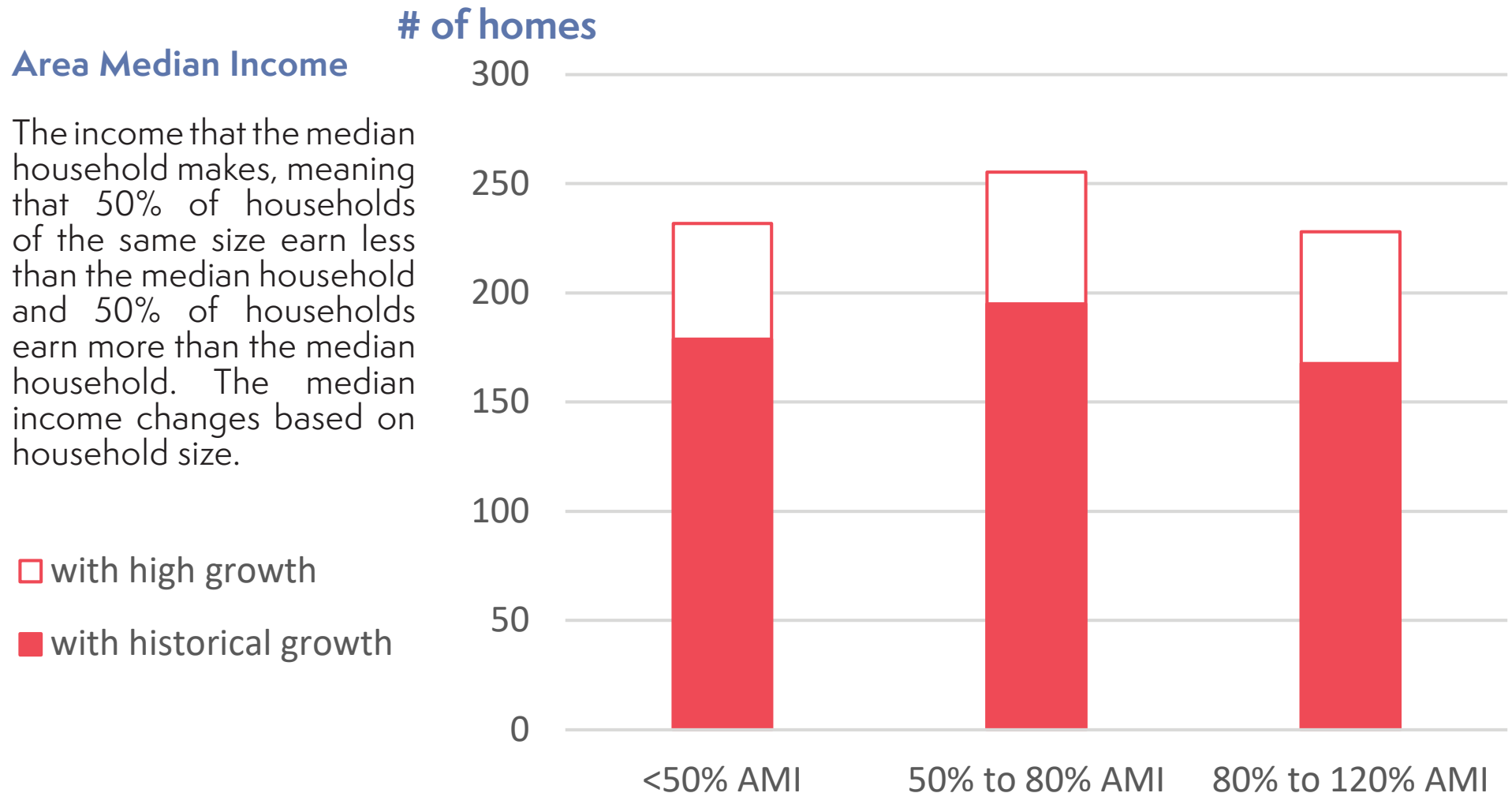
- Transitioning vacant/seasonal/STR to owner- or LTR-occupied
- New construction

66 annually

98 annually

2 We need housing at every income level.

Projected new, converted, or stabilized homes needed in 10 years, by income level

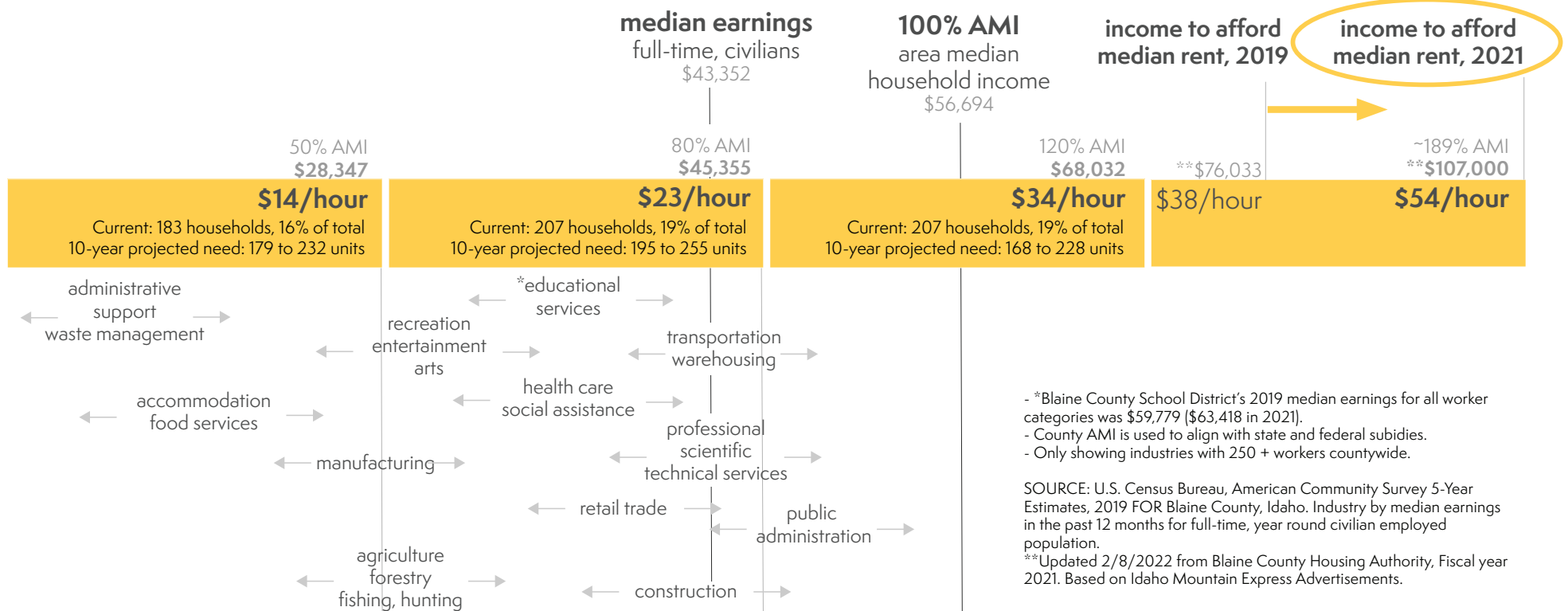


3

Our economy is based on workers who earn under 80% of the Area Median Income

Ketchum Households by Industry Median Earnings (2019)

- 50% of industry workers earn below & 50% earn above the median.
- Earnings are per full-time, civilian worker, not by household. Household Income includes interest and passive income.
- People are taking on more roommates to afford living here: Renters' average household size increased from 1.74 to 2.92, 2010-2019.



- *Blaine County School District's 2019 median earnings for all worker categories was \$59,779 (\$63,418 in 2021).
 - County AMI is used to align with state and federal subsidies.
 - Only showing industries with 250 + workers countywide.

SOURCE: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2019 FOR Blaine County, Idaho. Industry by median earnings in the past 12 months for full-time, year round civilian employed population.

**Updated 2/8/2022 from Blaine County Housing Authority, Fiscal year 2021. Based on Idaho Mountain Express Advertisements.

