



**AnaMarie Guiles**  
HCD Manager

**Housing & Community Development**  
1025 S. Capitol Boulevard  
Boise, Idaho 83706-3000

**Phone**  
208/384-4158

**Fax**  
208/384-4195

**TDD/TTY**  
800/377-3529

**Web**  
[www.cityofboise.org](http://www.cityofboise.org)

**Mayor**  
David H. Bieter

**City Council President**  
Maryanne Jordan

**Council Pro Tem**  
Elaine Clegg

Scott Ludwig  
Lauren McLean  
Ben Quintana  
TJ Thomson

# Housing & Community Development

## First Amendment to Program Year 2015 – Annual Action Plan Public Comments/Responses

**Comment Action Item #1:** No reason is given for the cancellation of the Housing Impact Fee Waiver Program. We know that developing affordable housing in Boise is more expensive and takes longer than in other jurisdictions based on information from developers. This program could help offset some of those costs and make the housing more affordable.

Please explain the reasons for the change. Will the City reinstate the program in upcoming years?

**Response:** This activity was cancelled due to timing. The City was not going to have an eligible project for the intended funds; rather than carry the activity forward into a new consolidated plan, it was appropriate to redirect the funds to an activity that would occur in this program/consolidated plan. HOME funds will be considered in Program Year (PY) 2016 for Impact Fees.

**Comment:** The Legal Notice uses the term "PY13". This is a term that will not be familiar to or understood by the public. It would be helpful if you simply described it as "Program Year 2013. **The hieroglyphics of HUD programs should not be inflicted on the public that you are trying to communicate with.**

**Response:** The City concurs with the comment.

**Comment Action Item #2:** If this funding is not needed to support a CHDO with development needs, I support the change since the funding will help develop 120 units of affordable rental housing.

However, the term CHDO will only be understood by a handful of people and certainly not the general public. In the future, the acronym should be better defined so the public has some general idea about what the change covers.

**Response:** The City has modified the term "CHDO" to include Community Housing Development Organization.

**Comment Action Item #3:** I support this change.

**Response:** The City of Boise notes the support.



**Comment Action Item #4:** A two-fold under-estimation of program income (\$300,000 versus \$600,000) is significant and this inaccurate forecast could affect the City's ability to capitalize on affordable housing opportunities. In other words, the City might forgo opportunities because an accurate forecast of program income is not known.

The term "HOME PI" used in the Legal Notice will not be understood by the general public or even many of the advocates. It should at least be described as "HOME program income which is..."

**Response:** Program Income is earned when loans are paid in full, monthly loan payments are made, or annual rental proceeds are realized (from properties acquired with HOME funds). When Program Income is received on HOME-funded projects, the income must be expended before entitlement funds can be used; and this must be done before the end of the program year (September 30). The City of Boise has experienced two years of high program income preceded by three years of low program income. While it has been challenging to navigate accurate economic trends and Program Income predictions, the City of Boise's priority has been targeted to retaining funds for the community. The majority of Program Income has been the result of homeowner's refinancing mortgage debt, including the City of Boise's loan. It should be noted that although many jurisdictions across the United States have had to return funding to the federal government due to the inability to commit to an eligible activity in a timely manner, the City has successfully retained these funds for its citizens.

**Comment Action Item #5:** Without knowing more information or the logic behind why the City would reprogram the \$600,000 in HOME program income entirely for affordable homeownership development, I do object to this.

Historically, homeownership development serves those with higher incomes closer to the 80% (max.) of Area Median Income households rather than those at 50%, 30% or even 15%. Presumably, that would be the case here. The City's own housing needs analysis and many other studies show that those that are most under served by available affordable housing are those people in these lower income categories and they would generally be best-served by affordable RENTAL housing. It seems to me that the City has lost its way.

**Response:** Starting in Program Year 2011 (in response to the Analysis of Impediments to Fair Housing Choice and community need), the City invested excess program income to acquire and rehabilitate vacant/foreclosed properties. These properties augmented the City's affordable rental housing portfolio. To date, the City has invested over \$3.5 million of HOME funds (program income and entitlement) to expand available rental units.

In addition to owning and operating its own affordable rental housing portfolio, the City is investing in affordable rental housing through creative non-federal investments. Some examples include a \$1 million City General fund allocation to leverage a Low Income

Housing Tax Credit allocation valued at over \$5 million and the use of City property for affordable housing development.

By investing in both rental housing and homeownership, the City is able to create and preserve affordable housing options. Homeownership loans will provide a renewable resource generating program income that can be reinvested into future affordable housing options. January housing data shows the average purchase price of existing homes in Boise is \$185,385-\$394,659 (depending on area). For households earning close to 80% or less of median income, there are some options for affordable housing in Boise. Households earning around 50% are more likely to be priced out of buying a home in Boise.

**Comment Action Item 6:** I've been around affordable housing for the majority of my professional career and I can't understand this change or the reason for it. It should be better explained.

I do suggest that any change be made in favor of affordable rental housing and to forget homeownership until the City is more on top of that need.

This is exactly the kind of thing that the City could better explain in a workshop on these recent documents.

**Response:** See Response to Comment #5.

**Comment Action Item #6:** No source of funding for the Home Improvement Grants is noted. While this sounds like an appropriate change, I note that it is yet another diversion of these scarce federal funding sources that could be used for the development of additional affordable rental housing, which is Boise's greatest need.

**Response:** The source of funding for the Home Improvement Grants is Community Development Block Grant funds. The City of Boise invests in competing community needs including preservation and new construction of housing. As noted in the Amendment, this will allow the City of Boise to make funds available for modifications to homeowner units to improve sustainability and enhance independent living.