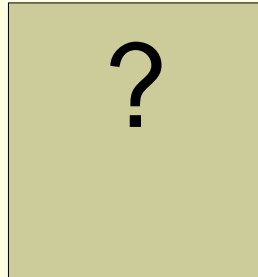


Northern Idaho Workforce Housing Summit May 24, 2007

*Presented by J. Craig Naylor
Senior Deputy Director, Fannie Mae Idaho
Community Business Center, Member
Workforce Housing Task Force*



AFFORDABLE



WORKFORCE



MARKET RATE



LUXURY

Acknowledgments

- *Idaho Housing and Finance Association*
- *Lake City Development Corporation*
- *City of Coeur D'Alene*
- *BBC Research & Consulting Corporation*
- *Multiple Listing Service, Coeur D'Alene Association of Realtors*
- *U.S. Department of Housing and Urban Development*
- *U.S. Census Bureau*
- *Capital City Development Corporation (CCDC)*
- *CCDC Workforce Housing Task Force*

Who is the workforce?

Individuals who earn between:

- *\$14 and \$24 an hour*
- *\$28,100 and \$49,180 annually*
- *80% - 140% of area median income*

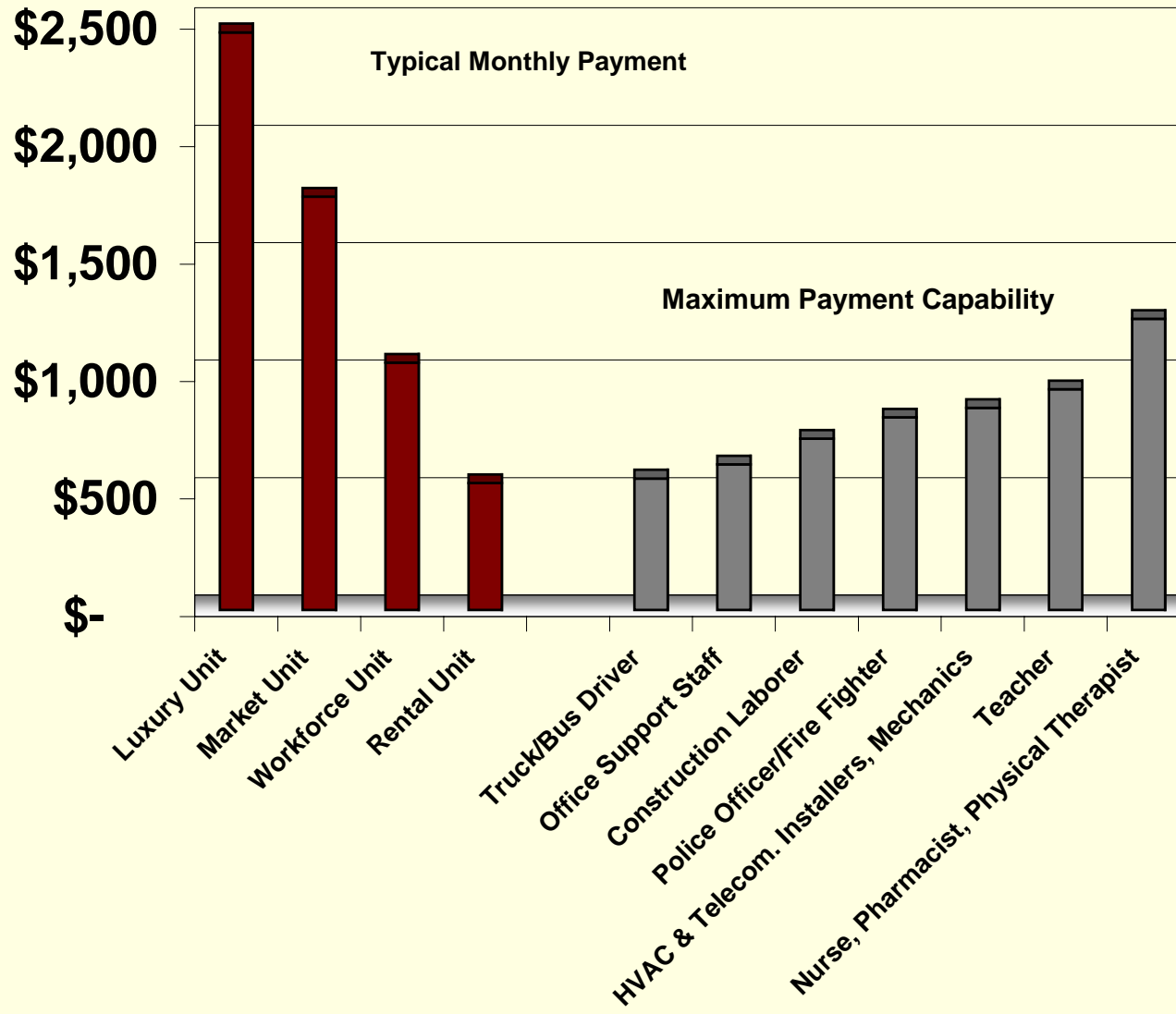
**2006 Area Median Income (AMI)
Coeur d'Alene MSA**

% of AMI	1-person	2-person	3-person	4-person
80%	\$28,100	\$32,150	\$36,150	\$40,150
100%	\$35,130	\$40,190	\$45,190	\$50,190
120%	\$42,160	\$48,280	\$54,230	\$60,230
140%	\$49,180	\$56,270	\$63,270	\$70,270

Department of Housing and Urban Development (HUD)

Who is the workforce?

Example workforce occupations



What is Workforce Housing?

- *Monthly mortgage or rent payments between \$703 to \$1,230*
- *Home prices between \$92,000 and \$161,000*

Range	AMI %	Annual Income	Max Rent Payment	Max Mortgage
Affordable	60%	\$ 21,080	\$ 527	\$ 69,000
Workforce	80%	\$ 28,100	\$ 703	\$ 92,000
	100%	\$ 35,130	\$ 878	\$ 114,900
	120%	\$ 42,156	\$ 1,054	\$ 138,000
	140%	\$ 49,180	\$ 1,230	\$ 161,000
Market	160%	\$ 56,210	\$ 1,405	\$ 183,900
	180%	\$ 63,230	\$ 1,581	\$ 207,000
	200%	\$ 70,260	\$ 1,757	\$ 229,900
	220%	\$ 77,290	\$ 1,932	\$ 252,900
	240%	\$ 84,310	\$ 2,108	\$ 275,900
Luxury	260%	\$ 91,340	\$ 2,284	\$ 298,900
	280%	\$ 98,360	\$ 2,459	\$ 322,000
	300%	\$ 105,390	\$ 2,635	\$ 344,900

Using Following Mortgage Terms: 30 Year Fixed Rate, 6.250% 100%LTV, PITI Plus MI

Note: Maximum Affordable Home Price Determined By HUD'S 2007 Median Family Income for Coeur d'Alene MSA

Current for-sale units in the city of Coeur d'Alene as of May 8, 2007

HUD Income Category	Maximum Affordable Home Price	Number Affordable	Percent Affordable
Affordable	\$69,000 & Less	19	2.3%
Workforce	\$92,000 to \$161,000	80	9.7%
Market	\$183,900 to \$275,900	255	31.1%
Luxury	\$289,900 and above	467	56.9%

Note: Maximum Affordable Home Price Determined by Using HUD's 2007 Median Family Income for the Coeur d'Alene

Source: Multiple Listing Service, Coeur d'Alene Association of Realtors, May 8, 2007, City of Coeur d'Alene

Are wages keeping pace with housing costs?

Median Family Income	2000	2005	% Change
Coeur d'Alene	\$ 39,491	\$ 45,360	15.0%
Kootenai County	\$ 42,905	\$ 49,303	15.0%
Hayden	\$ 40,875	\$ 48,490	19.0%
Post Falls	\$ 42,758	\$ 48,561	14.0%
Rathdrum	\$ 42,652	\$ 47,022	10.2%

Median Family Income	2000	2006	% Change
Coeur d'Alene MSA	\$ 44,700	\$ 50,150	12.2%

	% Change 2001-2002	% Change 2002-2003	% Change 2003-2004	% Change 2004-2005	% Change 2005-2006	Overall % Change 2001-2006
Coeur d'Alene	2%	13%	17%	28%	9%	88%
Hayden	0%	14%	15%	29%	11%	85%
Post Falls	3%	6%	14%	33%	11%	85%
Rathdrum	3%	10%	21%	36%	15%	120%
North Kootenai County	-7%	9%	7%	29%	13%	64%
South Kootenai County	14%	-2%	33%	46%	43%	212%

What is the problem?

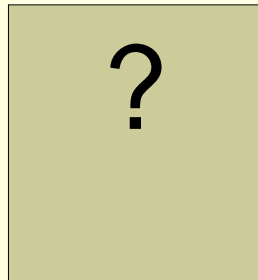
- *Not enough workforce housing units being built*
- *Few economic incentives for developer*
- *Workforce unable to live close to their jobs*
- *Wages are not keeping pace with housing costs*

“Ahead or Behind the Curve?”

Workforce Housing Task Force Report for Downtown Boise



AFFORDABLE



WORKFORCE



MARKET RATE



LUXURY

Who was the Task Force?

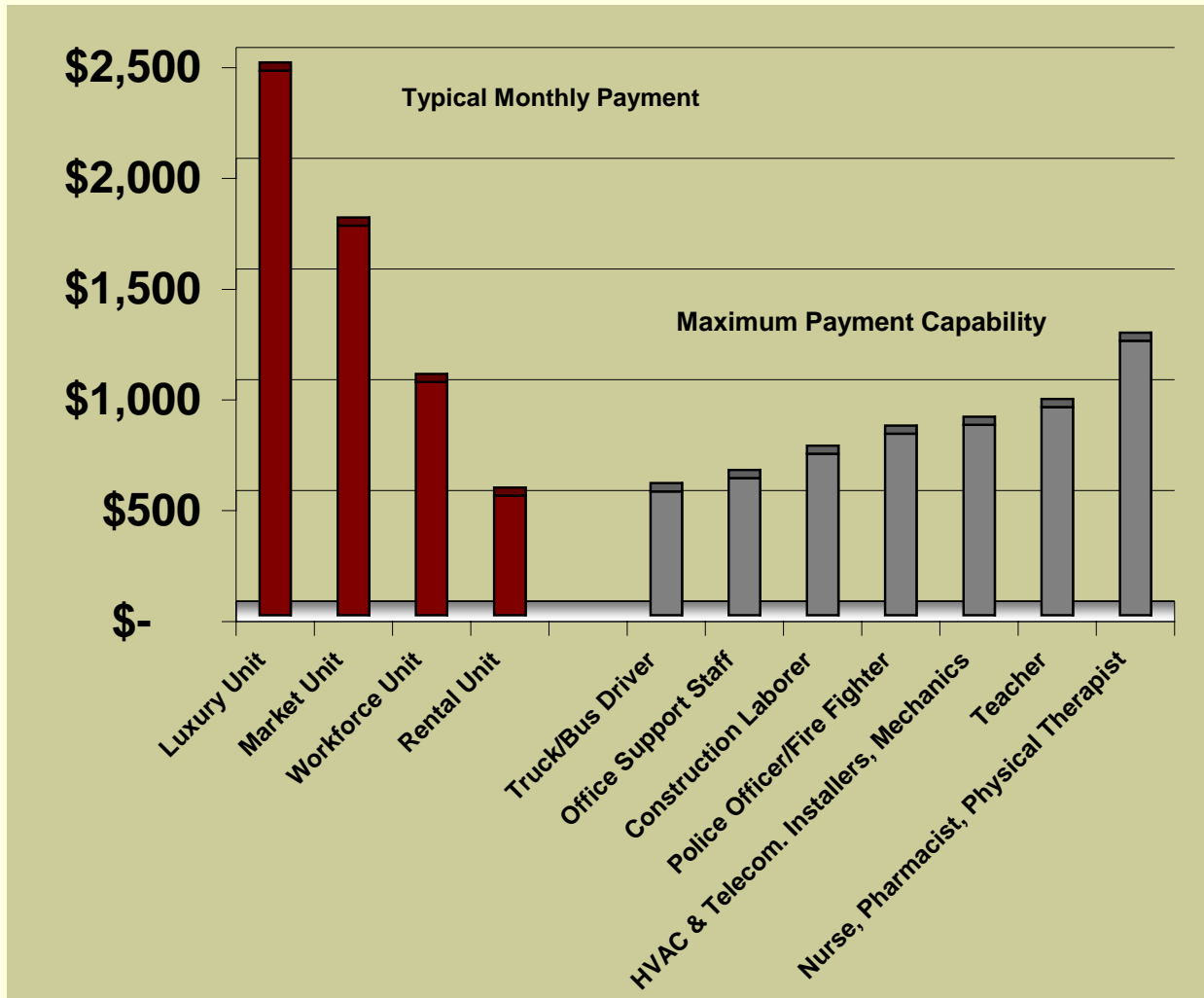
- **Boise City** – Bruce Chatterton, Jim Birdsall
- **Boise City/Ada County Housing Authority** – Deanna Watson
- **Boise School District** – Dr. Stan Olson
- **CCDC**- Phil Reberger, Dave Eberle, Phil Kushlan, Katina Dutton, John Cecil
- **Downtown Boise Association** – Kâren Sander, Tom Ryder
- **Fannie Mae** – Craige Naylor
- **Idaho Housing & Finance Association** – Gerald Hunter, Julie Williams, Susan Semba
- **Idaho Power** – Roy Hillman
- **Countrywide Home Loans** – Brett Adler
- **Neighborhood Housing Services** – Tom Lay
- **St. Alphonsus Regional Medical Center** – Mary Beth Cooper
- **St. Luke's Regional Medical Center** – Maureen O'Keefe
- **Thomas Development Company** – Thomas Mannschreck
- **Tomlinson & Associates** – Jim Tomlinson
- **WRG Design** – Jerome Mapp

Why was the Task Force Created?

- *A significant portion of the city's working population is excluded from living downtown*
- *Few current or planned units are affordable to the workforce*

Who is the workforce?

Example workforce occupations



What is Workforce Housing?

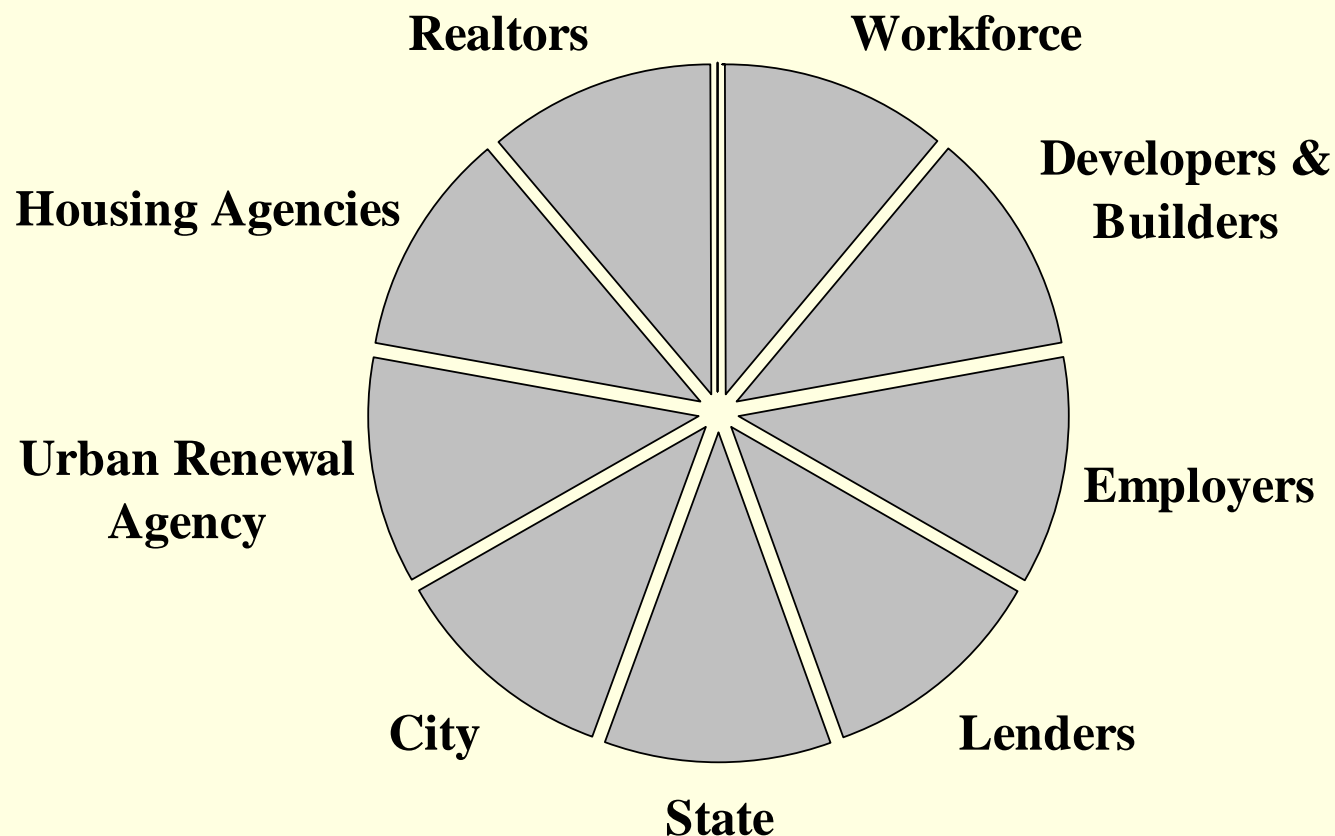
- *Monthly mortgage or rent payments between \$806 to \$1,411*
- *Home prices between \$110,000 and \$190,000*

Range	AMI %	Annual Income	Max Rent Payment	Max Mortgage
Affordable	60%	\$ 24,180	\$ 605	\$ 90,000
Workforce	80%	\$ 32,240	\$ 806	\$ 110,000
	100%	\$ 40,300	\$ 1,008	\$ 140,000
	120%	\$ 48,360	\$ 1,209	\$ 160,000
	140%	\$ 56,420	\$ 1,411	\$ 190,000
Market	160%	\$ 64,480	\$ 1,612	\$ 220,000
	180%	\$ 72,540	\$ 1,814	\$ 250,000
	200%	\$ 80,600	\$ 2,015	\$ 280,000
	220%	\$ 88,660	\$ 2,217	\$ 310,000
	240%	\$ 96,720	\$ 2,418	\$ 340,000
Luxury	260%	\$ 104,780	\$ 2,620	\$ 360,000
	280%	\$ 112,840	\$ 2,821	\$ 400,000
	300%	\$ 120,900	\$ 3,023	\$ 420,000

What is the problem?

- *No workforce housing units being built*
- *Few economic incentives for developer*
- *Workforce unable to live downtown*

Bridging the affordability gap is a shared responsibility



Taskforce recommendations

- *Reduce the cost of developing workforce housing*
- *Increase the supply of workforce housing options*
- *Increase the financial strength of the workforce*
- *Ensure long-term supply of the workforce house*

Reduce the cost of developing workforce housing

- *Reduce the cost of land*
 - Seek creative acquisition of land and air space
 - Promote using available public land and air space for workforce housing
 - Identify public and private land and air space available for workforce housing
- *Reduce the cost of development*
 - Provide subsidies for public infrastructure improvements
 - Facilitate reuse projects
- *Reduce the cost of capital*
 - Provide lower cost construction capital and long term financing
 - Research a funding mechanism for a housing trust fund

Increase the supply of workforce housing options

- *Encourage the development of WFH units*
 - Provide incentives to developers
 - Ensure a diversity of workforce housing options
- *Facilitate the development of WFH units*
 - Improve processes at Boise City Planning & Development Services
 - Consider zoning changes to encourage multi-family developments
- *Mandate the development of WFH units*
 - Require workforce housing components in housing projects
 - Investigate the use of inclusionary zoning

Increase the financial strength of the workforce

- *Facilitate home purchases*
 - Provide assistance with down payment and closing costs
 - Promote existing loan programs
- *Decrease monthly housing*
 - Reduce monthly rent or mortgage payments
 - Reduce housing expenses
- *Improve buyer's ability to buy a home*
 - Provide credit counseling and homebuyer education
 - Encourage employer assistance programs

Ensure long-term supply of the workforce house

- *Attain community support for WFH*
- *Entrust responsibility to an ongoing organization*

How can you help?

- *Is workforce housing an issue?*
- *What do you think should be done?*
- *Do you want to be a part of the coalition?*