



**2013 Annual Awards Entry Form**  
(Complete one for each entry.)

**Entry Name** Common Thread: Strengthening the Fabric of our Community

**HFA** Idaho Housing and Finance Association

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Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013**.

Use this header on the upper right corner of each page.

HFA: Idaho Housing and Finance Association

Entry Name: Common Thread: Strengthening the Fabric of our Community

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input checked="" type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

Helping our neighbors and their families improve their lives is at the heart of what Idaho Housing and Finance Association does. In good times and bad, the investments we make in Idaho communities weave their way through the lives of tens of thousands of people each year. With an intricate tapestry of products and services we help strengthen communities, build self-sufficiency, and foster economic development in a diverse and far-flung state. This year, our report illustrated how Idaho Housing is the common thread that ties together people and organizations with different needs and priorities.

### THE COMMUNITY TELLS ITS STORY

It’s easy to get caught up in the numbers. Every organization can showcase the money it has spent, the tax credits it has allocated, or the grants and donations it has administered. In the end, though, the most important bottom line for Idaho Housing is the people we serve. They are the “why” behind the “what” we do. IHFA’s communications team collaborated with other departments to find the most compelling stories from among the diverse people and interests we serve. Among the narratives in *Common Thread* readers meet:

- A North Idaho family that untangled the loan modification process and saved its home from foreclosure thanks to help from Idaho Housing counselors.
- A single mother who was able to achieve self-sufficiency and purchase a home through an Idaho Housing program.
- A family that lives in a tight-knit apartment community with an on-site learning center and other amenities that was funded by tax-credit exchange funds administered by Idaho Housing.
- One of the many organizations that benefitted from our annual Avenues for Hope fundraising campaign, which helps support shelters and nonprofits that work with the homeless.
- A family business that built a new facility and hired more employees by taking advantage of Idaho Housing’s small-business loan program.

### AN EFFECTIVE WAY TO REACH OUR STAKEHOLDERS IN PRINT AND ONLINE

The print edition of *Common Thread* was distributed to more than 1,300 stakeholders — from our Congressional delegation, state legislators, and local elected officials to our partners, media, and the community at large. The report is also posted on our website, where it has been downloaded more than 400 times. For the first time, we published the report using a tool that turns it into a virtual book, complete with animated page turns, that is optimized for tablet computers. Throughout the year, we capitalize on social media platforms such as Facebook and Twitter and our print publications to promote and repurpose individual parts of the report. By doing so, the annual report has become an effective way to tell our story year-round. For some, our community report is the first chance they have to get to know some of the people we help every day. For others — even those in the organization — it’s an opportunity to take a look at the depth and breadth of what Idaho Housing does for the state.

### SHORT STORIES GO A LONG WAY

The concept for *Common Thread* and all of the writing and research was done in-house. Layout and printing were our organization’s only hard costs. That relatively small investment far outweighs the cost and is easily replicable by any HFA. The community report is used throughout the year as a tool to help Idaho Housing communicate its mission to elected officials, business leaders and potential partners. Real-world anecdotes help us paint a better picture of what we do and the role we play in helping people and establishing vibrant communities around Idaho.

## **VISUALLY INNOVATIVE**

The design and layout of the report helped reinforce the compelling storytelling and created a cohesive theme. The paper was chosen based on its cloth-like look and texture. Graphics that mimic fabric samples stitched to the pages were used to emphasize the voices of the people we highlighted. In addition, we used easy-to-read infographics to engage readers and help them understand the diversity and depth of our investments in the state. We further personalized the report by photographing the main subjects of the stories where they live and work. The theme, compelling photos, and strong narratives prompted plenty of positive feedback from stakeholders as well as awards from the Idaho Press Club; Capital City Communicators, a regional professional organization; and the International Academy of the Visual Arts' Communicator Awards.

We're very proud of our work and invite you to take a look. Thank you for your consideration. *"Common Thread: Strengthening the Fabric of Our Community"* is available for download at [http://issuu.com/jasonihfa/docs/2012\\_ihfa\\_community\\_report?e=7072871/1153310](http://issuu.com/jasonihfa/docs/2012_ihfa_community_report?e=7072871/1153310)



2012 REPORT

# Common Thread

*Strengthening the Fabric of Our Community*



**Idaho Housing  
and Finance**  
Association

## OUR MISSION:

*Idaho Housing and Finance Association improves lives and strengthens communities by expanding housing opportunities, building self-sufficiency, and fostering economic development.*



*In memory of  
Richard L. "Dick" Bauer  
1934 – 2012*

As a 12-year member of Idaho Housing and Finance Association's board of commissioners, Mr. Bauer was instrumental in helping IHFA provide affordable home loans and administer funding that improved the lives of tens of thousands of Idahoans.

Pictured from right to left: Gerald M. Hunter, Idaho Housing and Finance Association President and Executive Director; Board of Commissioners: David F. Wilson, Chairman; Jack Beebe; Darlene M. Bramon; John Insinger; Steven R. Keen, Secretary/Treasurer; Ralph Cottle (not pictured).

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## Welcome Reader,

Thank you for taking the time to review some of our contributions and success this past year. Your support of Idaho Housing and Finance Association (IHFA) is greatly appreciated and remains critical to our mission of helping improve the lives of Idaho's citizens.

The investments we make in our state each year weave their way through the lives of tens of thousands of Idahoans. Each dollar we spend is another stitch in a rich tapestry of products and services we use to strengthen communities, build self-sufficiency, and foster economic development.

We have a lot to be proud of this year. The narratives in these pages are just a glimpse into the good work we've done—from helping a family that was on the brink of foreclosure to providing the support a single mother needed to achieve the dream of homeownership.

Our partnerships have provided stable and safe housing options to seniors, the disadvantaged, and the homeless. As the housing market begins its slow climb out of the recession, we are proud to be the common thread that helps make this possible. We financed more than \$471 million in loans to Idaho homeowners in the past fiscal year, most of it to first-time homebuyers, resulting in our second-highest production total.

At the same time, we issued \$347 million in bonds that helped the state lower borrowing costs for unemployment insurance, improve and expand roads, fund multifamily housing, and provide a boost to economic development efforts around the state. Through the Collateral Support Program, we have helped small businesses in Idaho build new facilities, purchase more equipment, pay for startup costs, and add more employees.

IHFA has continued to make significant investments in Idaho during these challenging times because we remain financially strong and prudently manage our resources. The accomplishments highlighted in the 2012 community report would not have been possible without the strong leadership of our board of commissioners, the dedication of our employees, and the assistance of our many loyal partners around the state. Thank you all for helping to strengthen the fabric of Idaho communities.

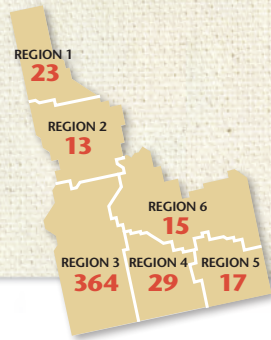
Sincerely,

David F. Wilson  
Board Chairman

Gerald M. Hunter  
President and Executive Director

2012 HIGHLIGHTS

The following numbers provide an overview of the important work IHFA completed this past fiscal year.



Idaho’s Housing Hotline Fielded 501 Calls\* and 91 E-mail Inquires

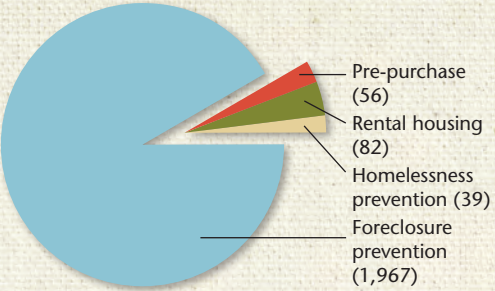
\*40 calls made from unknown locations



IHFA housed 30 families in low-rent public housing in Idaho Falls and another 61 in Kellogg.

Section 8 Project-Based Rental Assistance Program helped 4,061 families pay their rent. \$18.9 million in funds were expended. Employees reviewed 948 files and inspected 997 units.

IHFA Provided Counseling to 2,144 Clients



Housingidaho.com

A free bilingual rental housing locator service

Number of searches:	91,159
Number of visitors:	27,720
Listings added in FY2012:	336
Units added in FY2012:	747



Idaho Housing Mortgages

Idaho Housing financed 4,623 new loans to Idaho homebuyers, amounting to \$471.8 million—84% of these loans went to first-time homebuyers statewide. Good Credit Rewards 2nd loans resulted in 823 loans statewide worth \$3.2 million.

Continuum of Care Services

Grant dollars by program

Emergency Shelter Grants	\$513,307
Supportive Housing Program	\$2,015,422
HOPWA Program	\$433,634*
Shelter Plus Care	\$463,880

\*\$260,529 grants and \$173,105 Rental Assistance



IHFA participated in 35 industry events statewide.

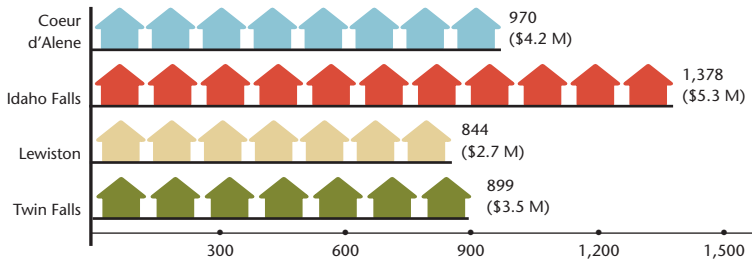
The Idaho Community Reinvestment Corporation committed a loan for \$695,000 in FY2012.



The Family Self-Sufficiency Program assisted 210 participants with their personal savings goals. 31 graduated and 7 of them became homeowners.

Section 8 Housing Choice Voucher Program Helped 4,091 Families Totalling \$15.8 Million in Rental Assistance

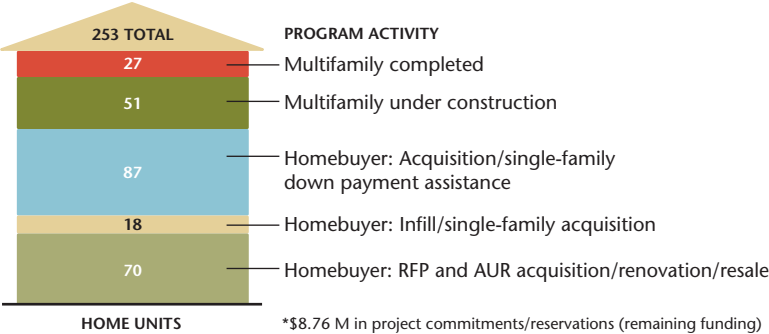
NUMBER OF FAMILIES AIDED (TOTAL PAYMENTS)



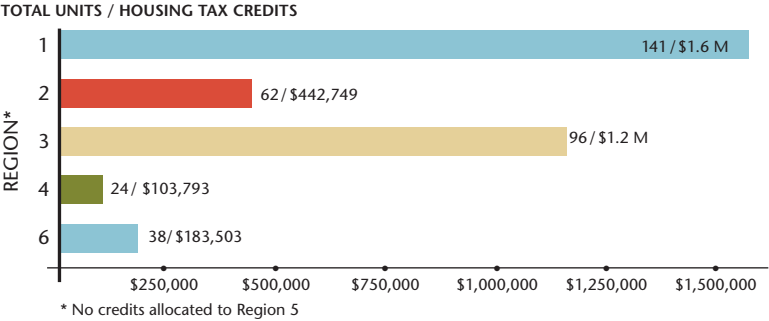
Multifamily Developments Placed in Service

DEVELOPMENT	LOCATION	TOTAL UNITS	AFFORDABLE UNITS
Tullamore Senior Apartments	Post Falls	50	44
Tullamore Commons	Post Falls	50	44
Edenmoor Apartments	Moscow	62	61
Mill Creek Apartments	Lewiston	41	40
Riverbend Court I & II	Fruitland	40	39
Riverbend Court III	Marsing	12	12
Riverbend Court IV	Grandview	8	8
Windwood Apartments	Jerome	30	30
Summerhill Apartments	Idaho Falls	80	71
TOTAL		373	349

\$6.6 Million in HOME Program Funds\* Expended, Affecting 253 Units



\$3.5 Million in Housing Tax Credits Allocated for 361 Housing Units



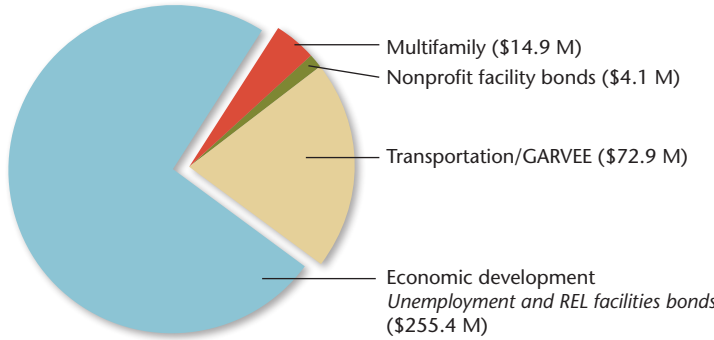
HomePartnershipFoundation

Brought to you by Idaho Housing and Finance Association

Donations, Grants, and Assets by Program

PROGRAM	DONATIONS	GRANTS	ASSETS
Emergency Shelter and Transitional Housing	\$874,113	\$818,081	\$366,363
Homelessness Prevention	\$81,740	\$108,298	\$78,888
Self-Sufficiency and Asset Building	\$2,380	\$8,095	\$59,715
Directed Gifts	\$38,359	\$38,359	\$0
Unrestricted Gifts	\$6,363	\$250	\$12,609
Land Banking	—	\$1,076	\$515,799
Home Equity Partnership Fund	\$11	—	\$605,049
Totals:	\$1,002,966	\$974,159	\$1,638,423

IHFA Issued \$347.3 Million in Bonds for Housing, Nonprofits, Transportation, and Economic Development Financing



Finally Home!® Homebuyer Education graduated 2,296 students—1,561 attended online and 735 in person.

## Untangling the Loan Process: One Homeowner's Success

Sally and Douglas of Rathdrum led a modest yet stable life until the economy turned. Like many, they found themselves in a situation they never expected to be in—on the verge of losing their home.

Sally and Douglas worked hard to run their granite fabrication business and raise their three children. When their business began struggling in the down economy, they soon were unable to make their mortgage payment. Sally reached out to their mortgage company, but found it very difficult to deal with its call center, which is located out of the country. “I was not only dealing with a language barrier, but I never got to speak to the same person,” Sally said. Although she was never told directly, Sally was left with the impression they could not receive assistance until they defaulted on their payments.

Feeling like there was no help to be found, Sally became distraught. “When we found ourselves with virtually no income and now defaulting on our loan, I was sure we’d lose our home,” Sally said. Even though they had no place to go, she began packing up their belongings.

Down but not out, Sally sought help elsewhere. She found two companies that offered to assist her through the loan modification process for a \$2,500 fee. She knew it would be impossible to pay that kind of money when they were already struggling to make ends meet. Sally continued to search for options and was eventually led to Idaho Housing’s free housing counseling service.

“As soon as I spoke with Idaho Housing’s housing counselor about my loan I felt like there was light at the end of the tunnel,” Sally said. The counselor first reviewed Sally’s financial situation to determine if a payment plan might work. After some investigation, the counselor determined a loan modification would be the best course of action. The counselor then gave Sally step-by-step instructions of what to do, made herself available at every turn, and even contacted Sally’s mortgage company. “The process



Sally, pictured with one of her children.



Sally and Douglas' home was saved from foreclosure.

was still overwhelming, but with the counselor’s assistance we made it through it,” Sally said. With their loan modification complete, Sally is now paying less than half of what her old mortgage payment was. And, if they continue to pay on time for three years, their mortgage debt will be reduced by an additional \$20,000 as part of the modification agreement.

Their business is still struggling a bit, but Sally has found outside work. With their new mortgage payment, they are working back up to steady ground again.

According to the counselor, Sally’s success is a result of many factors, particularly being proactive and communicative. “Contacting their lender as soon as they began to be in trouble and reaching out to a HUD-approved counselor when they needed assistance was key to their success,” the counselor said.

Among many services, Idaho Housing’s HUD-approved counselors offer free advice to those seeking foreclosure prevention counseling, whether their mortgage is with Idaho Housing or not. The counselors first work with homeowners to determine if they can afford a payment plan or qualify for a loan modification. If not, the counselors may assist them with a short sale and/or deed in lieu of foreclosure. Both of which are better on their credit history than a foreclosure. The counselors also may refer them to several other services that might help, such as *housingidaho.com*, a free rental search tool; legal aid; or Health and Welfare.

In Sally’s case, where a modification was possible, they worked through the loan modification process until the new loan was closed. “Since I have worked with the lender and also understand the modification process and language, it was

easy for me to convey the information to Sally in a manner that made sense to her,” the counselor said. The counselor then followed up with Sally in each of the critical first three months of making their new payment to make sure the payments were on time so the loan closed successfully.

*“As soon as I spoke with IHFA’s housing counselor about my loan I felt like there was light at the end of the tunnel.”*  
– Sally, homeowner

In addition to foreclosure prevention counseling, Idaho Housing’s HUD-approved counselors offer free counseling for all housing needs.

# Single Mom Achieves Self-Sufficiency

Hard work, positive attitude, and a little help can take you a long way. Heather, a single mother of two in Jerome, can attest to this. Heather is a recent graduate of the Homeownership Promotes Economic Stability (HOPES) program – offered by the Home Partnership Foundation, brought to you by Idaho Housing and Finance Association (IHFA). As a participant in the program, she received \$4,000 toward a down payment for her brand new home.

Through the HOPES program, the Foundation offers funds to help families build assets and enter the financial mainstream. The Home Partnership Foundation offers a 200 percent match on a qualified individual’s savings of up to \$2,000 toward the down payment on a home. When individuals add their \$2,000 to the \$4,000 match, they end up with \$6,000 toward a down payment. “I always knew I wanted to own a home but never believed I could do it,” Heather said.

Heather’s journey to homeownership goes a long way back. “My mother was also a single parent and spent a great deal of time on welfare,” Heather said. “My home life was not the best and I ended up moving out at 16 and got pregnant at a young age.” Heather worked hard and kept a roof over her family’s head. Her first home, which was a subsidized apartment, had some damage and was not in a very nice neighborhood, making it less than ideal for raising children. She signed up for rental assistance through the federal Section 8 Housing Choice Voucher (HCV) program administered through IHFA’s branch office in Twin Falls.

After some time, Heather was moved from the HCV waiting list and received a voucher that allowed her to move to a nicer neighborhood and into a house with a fenced yard. “We loved this house, but I still wanted my dream of owning my own home,” Heather said. Heather soon signed up for the Family Self-Sufficiency (FSS) program through IHFA, which she qualified for because of her involvement with the HCV program.



Heather and her children are looking forward to life in their new home.



The FSS program is a voluntary program that helps families become economically independent. Through this program, households learn to set goals that include employment and often homeownership. Once employment and savings are secured, buying a place to call home is the next logical step for many participants.

Meeting with her FSS caseworker on a regular basis, Heather was able to take the steps she needed to reach her goals and get the encouragement she needed to complete them. “I never had anyone so upbeat who believed in me,” Heather said. “Anytime I was discouraged or something unexpected would come up, my FSS caseworker provided the encouragement I needed to get through it.”

With the additional motivation, Heather was a prime candidate for the HOPES program. One of the Home Partnership

Foundation’s goals when creating HOPES was to reduce the amount of time it takes motivated FSS participants to achieve homeownership. “HOPES really helped me meet my homeownership goal quicker than I ever thought I could,” Heather said. “FSS encourages you to save and educates you on financial responsibility, but HOPES requires a minimum amount of savings commitment.” Heather was so determined to meet the maximum match goal to assist with her down payment on a new home that she ended up exceeding her goal and has a nice savings because of it.

“These programs provided me with some life-changing skills that are still with me today,” Heather said. She not only achieved her dream of homeownership, but now has a better job with benefits and an emergency savings fund. Heather was even able to get involved with the building process during the purchase of her new

home. “It was great being able to move walls, adjust the floor plan, and include items that fit my needs,” Heather said. “My children even got to decorate their rooms and were so excited.” The home is in a nice new subdivision with a biking and walking trail nearby.

*“I always knew I wanted to own a home, but never believed I could do it.”*  
– Heather,  
HOPES Program Participant

“Being able to show my kids that you can do anything you set your mind to if you set goals and work hard is a perfect ending to my long homeownership journey,” Heather said.

FAMILY TIES

# HOPE Plaza: More Than Just a Place to Live

For Andrea, a single mother of five, HOPE Plaza is more than just a place to live. It's a place where her family can be a part of a vibrant community.

When Andrea first moved to the Caldwell area she said didn't feel like she lived in the safest place and had trouble making friends. But that changed when she moved into HOPE Plaza.

"As soon as my kids were able to go outside they met other kids. I felt really great that the parents would come up to me. ... They would ask right away, 'You know, we should get together.' We take walks. We sit and the kids do little skits. We talk about things. ... I feel like people watch out for everybody."

HOPE Plaza opened in August 2011. The 48-unit complex in Caldwell received \$4.97 million in Tax Credit Exchange funds administered by Idaho Housing and Finance Association (IHFA). The facility was developed by New Beginnings Housing and Advocates Against Family Violence, which helps support some residents who have transitioned to HOPE Plaza from a nearby domestic violence shelter. The apartments are open to anyone based on income eligibility.

Andrea has lived there since November with her children, who range in age from 3 to 11.

"It just seems like a family atmosphere," she said. "There's a park. There's a place where we can barbecue. ... The scenery is great and I don't feel like I'm missing anything. We plant flowers. We're able to take walks. That's what I really like: It's all about family to me."



An on-site daycare center provides a much-needed service for working parents.

Amenities like the park, a playground, a community center, and an exercise room fit Andrea's busy lifestyle. The on-site gym, for example, gives her a chance to fit in morning runs before her children start their days.

But it's the on-site learning center and daycare, which her two youngest children attend, that has really enhanced her family's life. It's made it easier for her to juggle parenting, work, and her own education.

Andrea, who is a certified nursing assistant at a Boise hospital and is pursuing her education as a registered nurse, likes that she's able to work

The HOPE Plaza Apartments in Caldwell are home to 48 families like Andrea's.



and take classes while her children further their own educations in a clean, safe environment.

The learning center, which has been open a little more than a year, has extended hours to help working parents like Andrea. It also has a student-to-staff ratio of about 4-to-1, said Tricia Combs, the program director for Advocates Against Family Violence. Staff members also get specialized training to deal with unique family situations and are able to help connect parents with other resources.

"Not only are the staff doing child care, they're also advocates," said Combs. "They do the same advocate training and they do the same domestic violence training as the people who work at the shelter so that they know what is going on with those kiddos."

Being a part of a safe, family-oriented community has been invaluable to Andrea and her family.

*"The on-site daycare is a safe environment for my children. I feel really OK to be able to take them there and go to work and be updated on how they're doing."*  
– Andrea, HOPE Plaza resident

"I just feel so fortunate to be able to live there. ... Compared to other places, it doesn't even compare. It's beyond better."

## Partnering to Help Bring Families off the Street

Because of the economic downturn, the number of Idahoans on the brink of homelessness continues to rise. As a result, housing service organizations statewide are feeling the impact and continue to face operational and financial challenges. Recognizing the unprecedented need to enhance resources to support shelters and housing nonprofits working with the homeless, The Home Partnership Foundation, brought to you by Idaho Housing and Finance Association, launched its inaugural Avenues for Hope campaign. This was the first fundraising effort of its kind launched by the Foundation, which was created in 2005 to help people build strong foundations for their lives through stable, safe, and affordable housing.

In the harsh winter months of 2011, more than 32 nonprofit organizations joined forces with the Foundation to participate in an online fundraising campaign to help combat homelessness. At stake were \$27,000 in challenge grants available from the Foundation to nonprofit organizations that brought in the most donors and also met various donation milestones set throughout the campaign. "This campaign was tremendously helpful at a pivotal time for our organization and helped us jump-start our fundraising efforts. Our donors were really there for us and helped us build the momentum we needed to reach our fundraising goals," said Greg Morris, the founder of CATCH, Inc.

The campaign was uniquely designed to encourage community members to make online contributions to their favorite participating nonprofits. "Building a donor base is hard to do because you are doing the work to help people, so it is hard to find time to fundraise. Well, it's actually a balancing act and it takes 100 percent of our staff's participation to be successful in reaching out to the community," Greg said. In fact, CATCH was so successful in its fundraising efforts that it received grant funding from the Avenues for Hope campaign totaling \$10,549. This funding helped CATCH serve seven families with more than



The crew at CATCH, Inc., left, helps support Treasure Valley families with rental assistance and case management from its offices in Downtown Boise, right, and Caldwell.



150 hours of case management, purchase new beds for families, and pay rent on office space and utilities for two months, which helped keep their services open to families that needed it most. "Case management is the key ingredient to what we do. We help people access services in the community that they need and we provide them the encouragement needed to help them be successful in creating stability in their lives."

CATCH, along with 21 other organizations, were also successful in their fundraising efforts and 15 were awarded challenge grants. All funds awarded went to support shelters and stable housing for Idaho's homeless and most disadvantaged.

More than 390 people in communities across the state contributed to the campaign, resulting in \$19,878

in individual donations made to the nonprofits of their choice. The challenge generated nearly \$47,000 to expand homeless prevention services and helped almost 350 Idahoans remain in stable housing. "This was a friendly competition since we are all on the same team of helping those in our community through the services we provide," Greg said. "The campaign also helped nonprofits recognize their place in the overall continuum. We are all part of a greater whole and we can't exist if we don't have all the service providers working together." This campaign was truly an example of coming together for an incredible cause. The Foundation was pleased to see so many nonprofits come together to participate in this important fundraising effort. The Home Partnership Foundation Director Deanna Ward said, "Our intent in providing the Avenues for Hope campaign and the

challenge grant funding was to help attract new donors to support the critical work of housing nonprofits across the state. We are thrilled with the generosity of donors and

*"We are all part of a greater whole and we can't exist if we don't have all the service providers working together."*

— Greg Morris,  
founder, CATCH, Inc.

look forward to hosting the campaign again this winter to strengthen the ability of participating nonprofits to respond to their community's needs for safe and stable housing."

# A Place to Call Home

Lane and his wife Lisa of Caldwell made their dream of homeownership a reality for their family thanks to a new program that helps low- to moderate-income families find homes in Idaho. The HOME Investment Partnership program was established using HOME funds from the U.S. Department of Housing and Urban Development (HUD). In 2011, Idaho Housing and Finance Association (IHFA) administered a \$3.5 million pilot program in Canyon County, one of the areas hardest hit by foreclosures in the state. The program was designed to partner with sponsor organizations to buy foreclosed properties, renovate them, and resell them to families with household incomes of 120 percent and below the area median income. “Without the extra support provided by this program I would not have been able to afford a move-in-ready home that fit my family’s needs and budget,” Lane said. Their home was purchased at an affordable price and they are now enjoying the \$100 a month mortgage savings versus what they used to pay in rent on a smaller apartment. Renovations on their home included new siding, carpeting, cabinets, and appliances. The HOME Investment Partnership program has helped more than 25 families purchase homes at an affordable price and has restored blighted neighborhoods throughout Canyon County.

A program like this creates partnerships on every level. Developers such as The Housing Company (THC), brought to you by Idaho Housing and Finance Association, are among several sponsor organizations for the



Now that they are homeowners, Lane, Lisa, and their daughter are all smiles.



Lane and Lisa's home in Caldwell was move-in ready.

program that purchase homes for no more than their market value. Then they submit a budget to IHFA detailing the repair costs that would make the home suitable for a family to live in. Next, the developer solicits local businesses that are contracted to complete the home repairs. IHFA's program encourages local women- and minority-owned businesses to bid on these home repairs. After the repairs are complete, the home is listed for sale by a REALTOR® and the final purchase price is based on the market-appraised value at the time the renovation is complete. In Lane's case, his limited income from his single take-home-pay made properties in the Boise and Eagle areas close to where he works out of reach. So the family looked in Canyon County with help of a REALTOR®. They looked at several properties they could afford, but Lane said many were run down and in need of

repairs. “With time pressing, I thought I’d have to buy a property and fix it myself,” Lane said. “I was even looking into a renovation mortgage program when my mortgage broker told me I qualified for the HOME Investment Partnership program through IHFA.” Fortunately, Lane had already visited the property in Caldwell that was for sale through the program and liked it. The house had been purchased and rehabilitated by THC and was move-in ready. “We were lucky that we were able to purchase a turn-key home since we had just looked at another property in Meridian and it looked like a bear had lived there: holes in the walls, insulation everywhere, and punched doors. Plus, it was more expensive.”

As houses are bought and the developers’ acquisition loans are repaid, the funds are recycled back into the program, helping increase the number of families

that will benefit from affordable housing opportunities in the future. “This was a great opportunity for me and my family to finally buy a home,” Lane said.

*“Without the extra support provided by this program, I would not have been able to afford a move-in-ready home that fit my family’s needs and budget.”*

– Lane, homeowner

Homebuyers aren’t the only beneficiaries of this program. Now, once-abandoned homes will have green yards and kept-up exteriors, with a subsequent crime-prevention effect.

# Collateral Support Program: A Cool Idea That Works

Cordy Rost had a problem that most business owners would love to have. His company, IdaCold Packaging, which repacks, labels and stores frozen food, was growing from 15 to 25 percent a year. But that growth was in jeopardy of, well, cooling off.

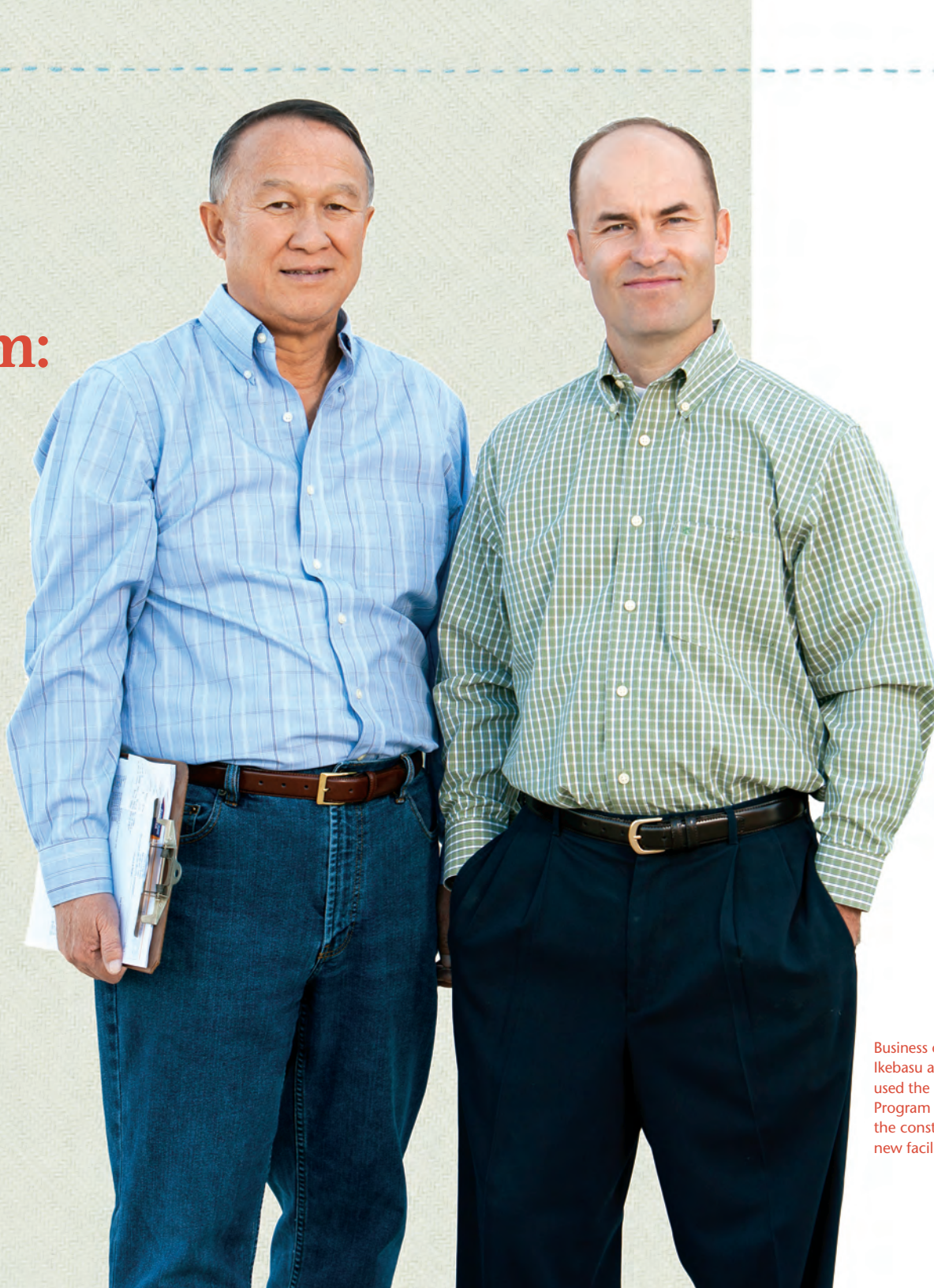
IdaCold had outgrown the current site it was leasing in Nampa and needed to expand to keep up with the demand for cold storage and production space. So Rost and his partner, Marc Ikebasu, approached Home Federal Bank for help.

“We had enough history behind us and we were able to put together a plan to build a facility.”

That’s where the Collateral Support Program (CSP) and Idaho Housing and Finance Association (IHFA) came in.

“The most risky portion of the whole project is during the construction phase. In order to get the size of the project that we wanted and to be able to work through the appetite for risk for Home Federal, they were able to utilize the Collateral Support Program,” said Rost, who used CSP funds in conjunction with other types of financing during the construction of the new facility.

CSP is a partnership between IHFA, the U.S. Department of the Treasury, the Idaho Department of Commerce, and the Idaho Bankers Association. In short, the program uses cash deposits to help small businesses enhance their collateral and qualify for financing. The money is available to cover a loan’s losses, but most often it is recycled back into the program to help another qualified borrower.



Business owners, Mark Ikebasu and Cordy Rost, used the Collateral Support Program to help finance the construction of a new facility.



The new Zoroco packaging facility has about three times the amount of processing space as the company’s previous location. The extra space means the company plans to increase production and hire more workers.

Since the program’s inception in November 2011, CSP funds have helped small businesses in Idaho build new facilities, purchase more equipment, pay for startup costs, and add more employees. Through July, the program had funded or set aside money for 58 accounts worth almost \$3.5 million, which spurred a little more than \$22 million in private lending.

Rost said his new facility has about three times the amount of processing space. That means he’ll be able to add more production lines. It also means he’ll be able to expand the variety of products he handles. More importantly, it means he plans to add more employees. The company currently employs about 50 people. Rost said from 12 to 18 more jobs will be added in the next two or three years.

IdaCold takes in bulk shipments of frozen product—mostly potatoes right now—

from other companies and packs them for retail sale or food-service companies. Rost calls it a one-stop shop.

“One of our value-adds has historically been that when a customer provides us that frozen raw material, we can repack it and then we can continue to store it in our freezer until they need to ship it to their customer,” Rost said. “Hence, there’s one less logistical move because it doesn’t have to get immediately shipped back to them or to an alternate warehouse.”

The address isn’t the only thing that will change when Rost moves his company into its new Caldwell facility in October.

When Rost and his partner bought the business, the previous owner allowed them to use the “IdaCold” moniker to help maintain a consistent brand identity. But there was a hitch. If they ever left, they would have to give up the name.

Thus, “Zoroco Packaging” was born. The name is a nod to Cordy’s children—Zoey, 2; Ronin, 9; and Cole, 12.

*“We probably wouldn’t have done the project without the Collateral Support Program.”*  
– Cordy Rost, small-business owner

Without CSP support, Rost said the project wouldn’t have happened.

“It was definitely super-valuable and super-critical,” Rost said. “It didn’t put our personal or company balance sheets in any type of jeopardy” as the company grows.

# Bonds Help Businesses and Workers

When Idaho’s unemployment insurance trust fund dried up under a flood of claims, Idaho Housing and Finance Association (IHFA) stepped up to help. Like most states, Idaho borrowed from the U.S. Treasury starting in 2009 to help it continue to cut checks to workers who lost their jobs during the economic downturn. For two years the loans were interest-free thanks to a federal stimulus measure. But in 2011 it was time to pay the tab—or at least the interest on it. “We dug a \$202 million hole,” said Department of Labor Deputy Director Jay Engstrom.

The state had to pay its \$202.4 million bill or employers would have been saddled with an additional assessment every year until the entire loan, plus interest, was paid. That’s where IHFA’s bond expertise came into play. The Idaho Legislature gave approval for IHFA to issue the bonds, based in part because of its success with

similar projects, such as the GARVEE bonds that financed road improvements throughout the state. Working with the Department of Labor, IHFA helped put together the financial team and finalize the transaction in about three months. IHFA issued \$187,575,000 in tax-exempt bonds that closed on Aug. 31, 2011. The state paid off its federal loan Sept. 1, 2011. “We were able to refinance the loan that Idaho had to the federal government that was going to cost it 4.08 percent at 1.07 percent,” said John Sager, IHFA’s executive vice president and chief financial officer. “That 3 percent savings on \$202.4 million saves the employers in the state of Idaho about \$6 million a year” over the four-year life of the bonds, which will be retired in August 2015. The interest savings put Idaho on better financial footing going forward, took some pressure off employers, and headed

off another potentially damaging blow to the state’s economy. “Our trust fund is building back up very nicely right now,” Engstrom said. “We should be able to be in a position to weather another storm if it hits.” In fact, Engstrom said, the fund is building fast enough that his department anticipates a slight decrease in the average rates employers will have to pay to the unemployment fund next year. “We’re pleased with the support we got from the Legislature, the governor, and IHFA. ...We have a good operation around here. We work together. People try to help each other,” Engstrom said. “There have been other states that I’ve talked to that have been in a lot worse shape than we are that said they wouldn’t bond because it was just too expensive, too complicated, and wasn’t worth the effort. I think it’s been a win-win for Idaho.”



In 2009, the U.S. Treasury loaned money to the states, including Idaho, to help them pay unemployment claims.



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