

Idaho Housing and Finance Association 2011 Community Report
“THE RIPPLE EFFECT: FAMILIES, COMMUNITY, AND THE ECONOMY”

AN INNOVATIVE APPROACH

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 our communities touch the lives of tens of thousands of people each year. And just like a rock dropped in a lake, each dollar we spend has a ripple effect, strengthening communities, building self-sufficiency, and fostering economic development. We chose to tell the story of the ripple effects our efforts had on Idahoans through their eyes. From a new family that received help to achieve the dream of homeownership to a grandfather who was pulled back from the brink of foreclosure, the narratives put faces to the many complex programs and services IHFA offers.

EVERY COMMUNITY HAS A 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. It's more difficult to get beyond the numbers and tell the “why” behind the “what” we do. IHFA's communications team collaborated with other departments to find the most compelling stories from among the people we serve. Privacy issues were a consideration, but we were able to reach out to some of those we serve and ask to them share their stories with our stakeholders and the community.

... AND PEOPLE WANT TO LISTEN

“The Ripple Effect” was distributed to 2,400 IHFA stakeholders — from legislators and other elected officials to our partners and the community at large. The report is also posted on our website, where it has been downloaded almost 400 times. For some, our community report was the first time they've gotten to know some of the people we help every day. For others — even those in the organization — it was an opportunity to take a look at the depth and breadth of what IHFA does for Idahoans. The conversational tone of the storytelling, the easy-to-digest graphics, the cohesive theme and the compelling photos prompted plenty of positive feedback and awards from the Idaho Press Club and Capital City Communicators, a regional professional organization. A recent job candidate even cited the report's compelling stories as one of the reasons he chose to apply at IHFA.

SHORT STORIES GO A LONG WAY

The concept for “The Ripple Effect” and all of the writing and research for the report was done in-house. The layout and printing were our organization's only hard costs. The investment, however, far outweighs the cost. The community report is regularly used as a tool to help IHFA communicate our 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.

We're very proud of our work, and invite you to take a look. Thank you for your consideration.

“The Ripple Effect: Families, Community and the Economy” <http://bit.ly/NPU4Fd>



2011

The Ripple Effect:

Families, Community, and the Economy



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A program, service, or personal interaction impacts family, community, and the economy, and sets in motion a series of new events that are far reaching. The ripple effect is a fitting analogy for the impact Idaho Housing and Finance Association has made in Idaho. When programs are created, families are assisted, communities are stabilized, and economic growth and development thrives. The positive benefits can be felt throughout the state.

Meeting Idaho's future housing and economic development needs is at the heart of what we do. In accomplishing our mission, the ripple effect we create changes lives and communities for decades to come.

Our Mission

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



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



WELCOME

Dear Reader,

Thank you for taking a look at our 2011 community report. Your interest in and support of Idaho Housing and Finance Association (IHFA) is appreciated. We hope this report will inform you of the many ways we contribute to Idaho's economy and help improve the lives of families and individuals throughout the state.

IHFA has experienced many rewarding years over its history in both good times and bad. However, this past year's economic problems have created some of the most significant hardships ever. Falling home prices, record foreclosures, and high unemployment have challenged our families, communities, and overall economic vitality.

IHFA's ability to remain financially strong and contribute during these difficult times has been both important to our economy and rewarding for our employees and stakeholders.

We are especially proud to present IHFA's contributions in this year's 2011 community report.

This past year, IHFA invested nearly \$490 million in a variety of housing and economic development projects, loans, and services, including:

- Funding \$33 million in rental assistance payments to support affordable rental housing;
- Preventing hundreds of families and individuals from facing foreclosure with both loan programs and housing counseling efforts;

- Acquiring, rehabilitating, and selling over 170 foreclosed homes, stabilizing countless neighborhoods throughout the state while providing affordable homeownership opportunities;
- Funding over \$3 million to support homeless and transitional housing opportunities; and
- Financing \$325.5 million in new home loans for over 3,000 Idaho households.

The impact of IHFA's product and service offerings are far reaching. Just like a rock that is dropped in a lake and creates ripples across the water, each dollar we invest expands throughout the community, broadening its effect throughout the state. Each individual assisted through our programs helps generate community vitality. And, our investment in businesses creates jobs and strengthens the economy.

Our success is due to the strong leadership of our board of commissioners, the amazing commitment of our employees, and the tireless work of our many loyal partners from across the state. We thank all our stakeholders for helping to produce the results highlighted in this 2011 community report.

Sincerely,

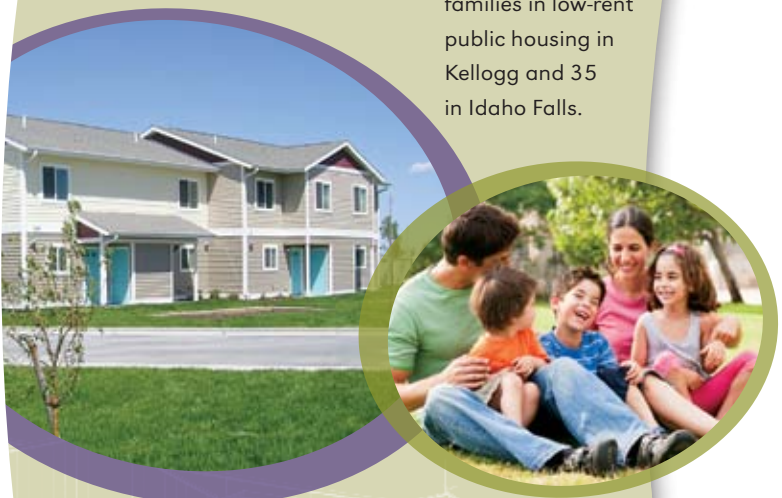
David F. Wilson
Board Chairman

Gerald M. Hunter
President and
Executive Director

2011 Highlights

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

IHFA housed 61 families in low-rent public housing in Kellogg and 35 in Idaho Falls.



Section 8 Project-Based Rental Assistance Program

helped 3,219 families pay their rent. \$18.5 million in funds were expended. Employees reviewed 572 files and inspected 92 units.

The Idaho Community Reinvestment Corporation committed \$480,000 in loans for River Street Senior Apartments, Hailey.



IdaMortgage.com

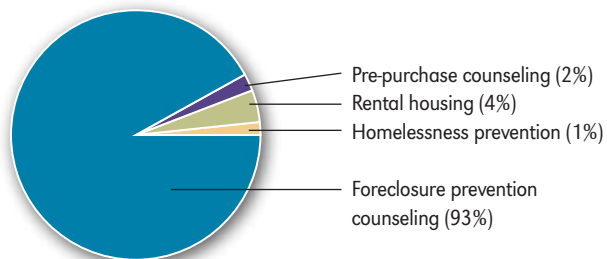
Brought to you by Idaho Housing and Finance Association

IdaMortgage.com financed 3,187 new loans to Idaho homebuyers, amounting to \$325.5 million—85% of these loans went to first-time homebuyers statewide. Good Credit Rewards 2nd loans resulted in 419 loans statewide amounting to \$1.7 million.

Multifamily Developments Placed in Service FY11

DEVELOPMENT	LOCATION	TOTAL UNITS	AFFORDABLE UNITS
Ponderosa Apts.	Sandpoint	60	53
Canyonside Apts.	Wallace	24	23
Sundown Heights II	Lapwai	15	15
Riverview Apts.	Boise	40	40
Galway Apts.	Nampa	56	55
Meadowbrook Apts.	Buhl	20	19
Aspenwood Apts.	Montpelier	36	35
Total		251	240

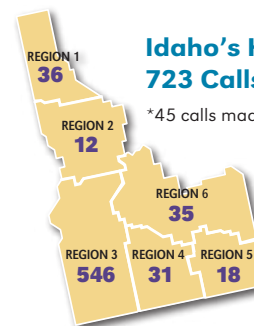
IHFA Provided Housing Counseling to 2,147 Clients



Housingidaho.com

A free bilingual rental housing locator service

Number of Searches	102,350
Number of Visitors	28,488
Listings Added	573
Units Added	2,571



Idaho's Housing Hotline Fielded 723 Calls* and 91 E-mail Inquires

*45 calls made from unknown locations

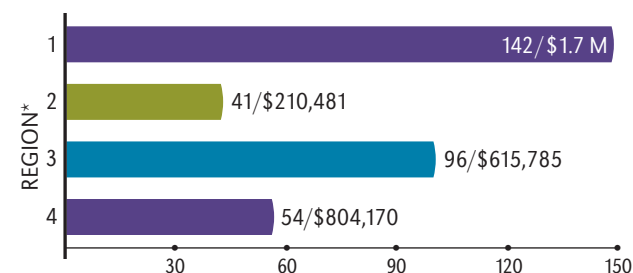
Finally Home!® Homebuyer Education

graduated 1,742 students—984 attended online and 758 in person.



\$3.3 Million in Housing Tax Credits Allocated for 333 Housing Units

TOTAL UNITS / HOUSING TAX CREDITS

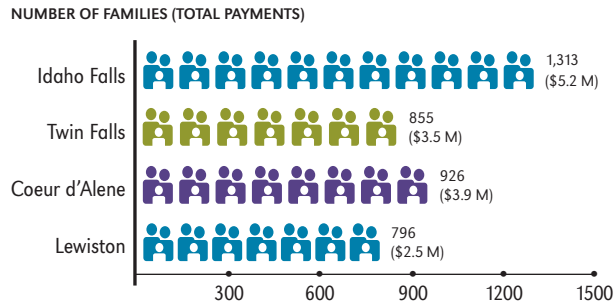


* No credits allocated to Regions 5 and 6

Continuum of Care Services Grants by Program

Emergency Shelter Grants	\$629,332
HOPWA Program	\$346,764
Shelter Plus Care	\$501,856
Supportive Housing Program	\$1,720,010
Total:	\$3,197,962

Section 8 Housing Choice Voucher Program Helped 3,890 Families Totalling \$15 Million in Rental Assistance



The Family Self-Sufficiency Program

assisted 224 participants with their personal savings goals. 53 graduated and seven of them became homeowners.



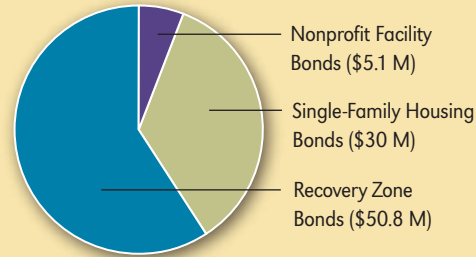
HomePartnershipFoundation

Brought to you by Idaho Housing and Finance Association

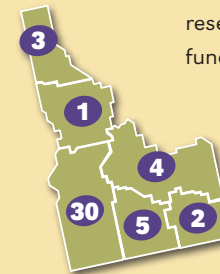
Donations, Grants/Loans, and Assets by Program

PROGRAM	DONATIONS	GRANTS/LOANS	ASSETS
Emergency Shelter and Transitional Housing	\$758,812	\$687,071	\$310,330
Homelessness Prevention	\$95,615	\$98,833	\$105,447
Self Sufficiency and Asset Building	\$1,280	\$8,000	\$65,430
Directed Gifts	\$30,991	\$113,552	0
Unrestricted Gifts	\$5,700	\$691	\$6,496
Land Banking	\$19,000	\$2,125	\$516,875
Home Equity Partnership Fund	\$1,240	0	\$605,038
Penny Fletcher Memorial Loan Fund	\$9,738	\$9,516	\$224
Totals:	\$922,376	\$919,788	\$1,609,840

IHFA Issued \$85.9 Million In Tax-Exempt Bonds



HOME Program funds were used to construct 92 housing units—totaling \$3.9 million. Project commitments/reservations with remaining funding amount to \$8.3 million.



IHFA participated in 43 industry events statewide.

Government Stimulus Funding Administered by IHFA

IHFA administers Idaho's allocations for several federal stimulus programs that benefit people statewide.

PROGRAM	REGION 1	REGION 2	REGION 3	REGION 4	REGION 5	REGION 6	STATEWIDE
Tax Credit 2 nd Loans Completed	6	1	37	10	5	3	62
Homelessness Prevention and Rapid Re-housing Funds Expended	\$321,896	\$193,932	\$747,894*	\$167,518	\$107,835	\$240,350	\$1,779,424
Neighborhood Stabilization Program							
Number of Homes Purchased	24	—	170	7	9	5	215
Dollars Expended	\$4,155,258	—	\$16,710,578	\$899,653	\$1,208,368	\$916,385	\$23,890,243
Tax Credit Assistance Program							
Dollars Expended	\$3,621,602	—	\$2,002,020	\$230,000	—	\$2,900,000	\$8,753,622
Tax Credit Exchange Dollars Expended	\$644,769	—	\$12,249,003	\$8,955,365	\$2,331,201	—	\$24,180,338

* Region 3 includes Ada County

A photograph of a family of three sitting on a porch. On the left is a young man in a green shirt and tie. In the center is an older woman with grey hair, wearing a colorful patterned top and white pants. On the right is a young woman in a green dress. They are all smiling. The background shows a white porch railing and lush greenery with pink and purple flowers.

FAMILY

A Family's New Beginning

Hard work, determination, and a little help have made all the difference for Rebecca and her children. Over ten years ago Rebecca's family "broke apart" from events too painful to relive. Rebecca was a stay-at-home mother of nine, had never worked outside the home as an adult, and was in her fifties at the time. With no income of her own and nine children to care for, Rebecca quickly began looking for ways to make a fresh start.

She took a job as a caregiver, moved her family, and sought help from the Post Falls Police Department. Members of the police department as well as other community members suggested Rebecca look into programs that could help her with daily expenses, such as food stamps and utility assistance programs through Community Action Partnership. It was during her visit with Community Action Partnership that Rebecca learned about the Section 8 Housing Choice Voucher (HCV) program administered by IHFA. The program helps low-income families and elderly or disabled individuals obtain decent, affordable rental housing.

"I don't know where I'd be if it weren't for IHFA's staff and being accepted into the Section 8 Housing Choice Voucher program,"

said Rebecca. She was able to rent a home from her church pastor, and began rebuilding her life and making a home for her children. The HCV program not only provided Rebecca the rental assistance she needed

to provide her family a home, it also made her eligible for several other assistance programs offered by IHFA.

Rebecca enrolled in the Family Self-Sufficiency (FSS) program, a voluntary program open to rental assistance program participants who want to achieve financial independence, and began working on her goals to become self sufficient. Then she enrolled in the Homeownership Voucher program, which allowed her to continue to work on other goals even after purchasing a home. With the guidance of her FSS caseworker from IHFA's Coeur d'Alene branch office, Rebecca worked hard to maximize the outcome of each program.

"My caseworker was like my coach," said Rebecca. "She would draw up a plan and suggest a class to assist me; which I always took even if I wasn't clear what the outcome would be." When the caseworker suggested Rebecca take *Finally Home!*[®] Homebuyer Education, Rebecca still didn't think she could actually buy a home, but began to feel excited about the possibilities. Rebecca met with her caseworker monthly, worked on her goals, and built up enough savings in her escrow account to purchase a home. She went on to explain,

"When I found out I could buy a home, I knew I wanted to buy the home we had been living in. The house we had made a home; the home that had brought us peace again."

With her homeownership dream accomplished, Rebecca began working on other self-sufficiency goals such as saving money for her children's education and her retirement. Taking care of her children and helping them grow up to become self sufficient themselves, as well as strong, caring community members was important to Rebecca. She took a job with the school district, which

allowed her to increase her income and also work the same hours her children were in school. This way she could be home when her children needed her.

Rebecca's children learned from the example she set and they all have jobs that allow them to follow their dreams or are going to college. Whether her children are volunteering for programs such as Toys for Tots or assisting a neighbor in need, they are all active members in their community.

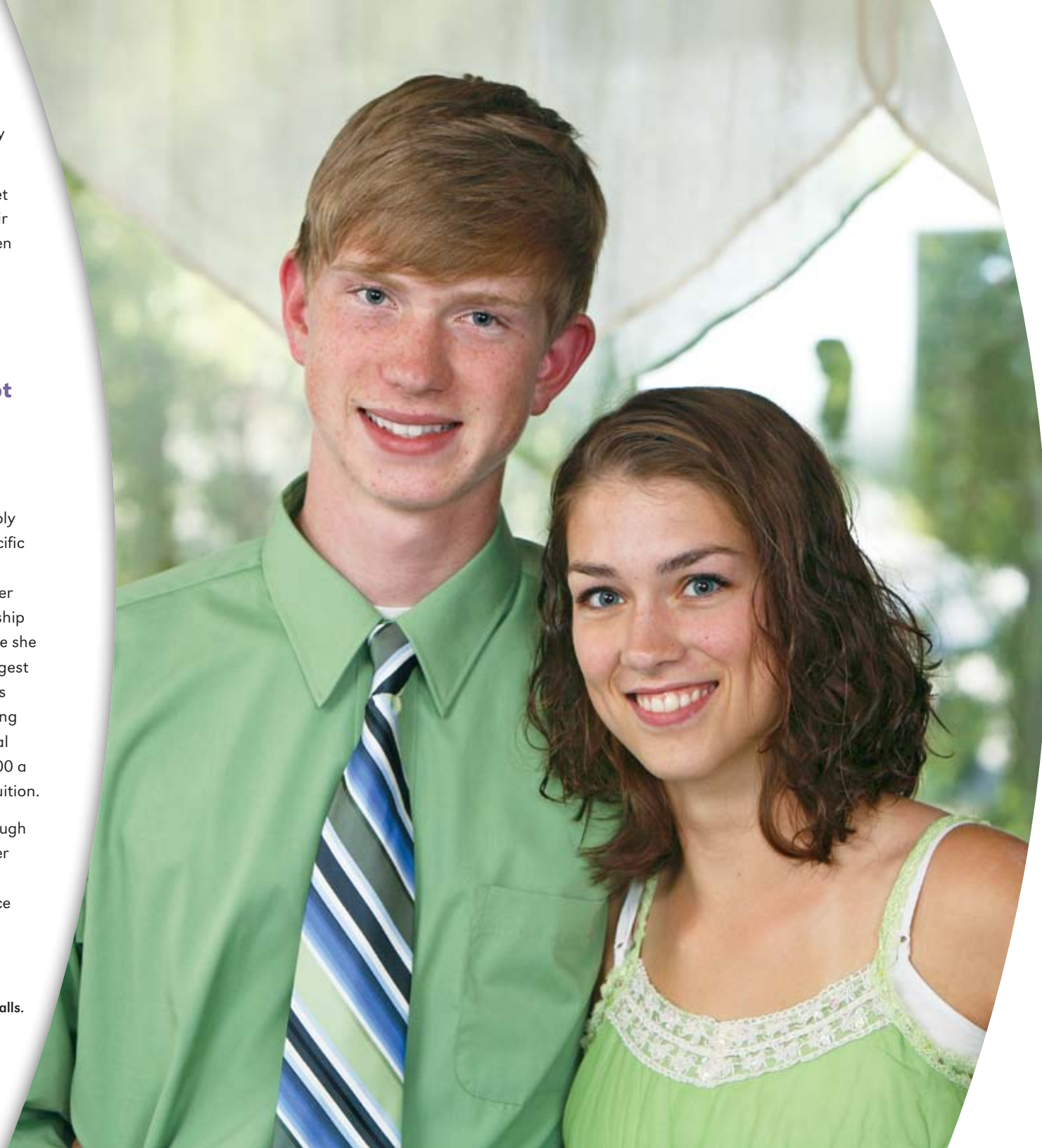
“I always thought that IHFA's staff was so supportive because they not only saw potential in me, but in my children too,”

said Rebecca. Because of Rebecca's involvement in the HCV program, her children were able to apply for continuing education scholarships from the Pacific Northwest Chapter of the National Association of Housing and Redevelopment Officials (NAHRO). Her daughter, Ilene was awarded a Challenge Scholarship and has been attending North Idaho College, where she is now applying to attend nursing school. Her youngest child, John, was awarded the same scholarship this past year as a senior in high school, and is attending the University of Idaho this fall seeking an electrical engineering degree. The scholarships provide \$1,000 a year, for up to four years, to be used toward their tuition.

Leveraging the programs available to Rebecca through IHFA, she is now a self-sufficient homeowner and her children are doing well. The positive outcome of all her hard work, numerous classes, and the assistance programs is abundantly clear to not only Rebecca, but to those whose lives she touches! ■

Left: Rebecca and her children, John and Ilene.

Right: John and Ilene enjoy time together at home in Post Falls.





Couple Starts Smart to Achieve Homeownership

Low interest rates and low home prices created an affordable environment for John and Donna of Boise to buy a new home. Combining affordability with the loan program through IdaMortgage, brought to you by Idaho Housing and Finance Association, provided the perfect time for their home purchase. To make their homeownership dreams come true, they followed IdaMortgage's start smart steps to buying a home. John and Donna took *Finally Home!*® Homebuyer Education, made it affordable, took advantage of down payment assistance and homebuyer tax credits, worked with qualified professionals, and started with a long-term partner who will service their loan right here in Idaho. This past year, nearly 3,200 Idahoans joined John and Donna in achieving their homeownership dreams by following these smart steps to becoming homeowners.

John and Donna had been renting a house since 2002 and really missed owning a home. Donna explains why,

“Homeownership provides the freedom to do what you want with your yard, remodeling or decorating as you’d like, and it is a good long-term investment.”

They originally learned about the IdaMortgage loan program from their son, who is in the housing industry, and their REALTOR®, Alison Hawes with Prudential Idaho Realty. They used the Advantage loan, which provides a low, fixed interest rate for higher income borrowers, combined with down payment assistance through the Good Credit Rewards loan to get into their new home.

The Good Credit Rewards loan is a great way to provide families, such as John and Donna, who have a good credit rating, with additional down payment assistance for their home purchase. Additionally, it allows them to hold on to some savings and better prepare for their future. “We were grateful to learn we had qualified for the down payment assistance,” said John.

“Down payment assistance provided the additional financing we needed to get in the home and allowed us to hang on to some funds, which was particularly important since we purchased an older home in need of work.”

They were also able to qualify for homebuyer tax credits, which their mortgage banker, Suzi Boyle with Evergreen Home Loans, first told them about. “This is a huge incentive for John and Donna,” said Boyle. “They will be able to reduce their taxes due by up to \$2,000 per year for the life of their loan.”

John and Donna started their home-buying process in a very smart way and took *Finally Home!*® Homebuyer Education. “Even though we have owned a home before, we found this program beneficial and learned some great tips like how to pay-down our loan quickly and save a ton of money by shortening the life of our loan,” said John. “This program would be especially useful for a true first-time homebuyer,” continued John.

It was important to John and Donna to stay in the area, as all but one of their seven children from their blended family live in Idaho. They chose this particular Boise home because of its large side-yard.

“It is perfect for our ‘blueberry project’ we have been thinking about for years, but unable to do in a rental,”

said Donna. They have 200 blueberry plants on order and are preparing their yard to be the ideal growing location.

“We hope to have plenty of blueberries to provide our friends and family, and if all goes really well, maybe even sell some at a co-op,” said John. The ‘blueberry project’ is just one of many homeownership dreams the IdaMortgage program has helped come true. ■

New Voucher Program Makes a Big Impact

Suzanne is a hard working, positive, and independent woman. These characteristics are imbedded in her core, and even life-changing events have not changed that. Suzanne was working in sales and doing well financially. She liked her home, had lots of friends, and generally enjoyed life when an accident threatened to take all of that away.

In April 2007, Suzanne was a passenger on a motorcycle; only six minutes into their ride, and only two blocks from her place of work, the bike was struck by a full size pick-up truck. She spent three months in the hospital in Seattle, Washington, where her left leg was amputated just below the knee. After the surgeries and many hours of physical therapy, she returned home to North Idaho. “I was never angry and never held any animosity toward the driver involved in the accident,” she said. “I am a very blessed woman.”

“Life is a gift and when a gift is offered to you, you should accept it, be thankful, make the most of it, and pass it on.”

Left: John and Donna take a break from their blueberry patch to chat with a Boise neighbor. Top right: Back at work.

Right: Suzanne works on a motorcycle and helmet safety school presentation at home.





Times have been tough for Suzanne since the accident. Unable to return to work, she reached out to local programs in North Idaho designed to assist those in need. Even with the help she was able to receive, with physical therapy and continual setbacks, things were getting really rough. Then she received a letter that she was being accepted into the Section 8 Housing Choice Voucher (HCV) program through IHFA.

“This is my home; I have a home because of this program, it truly is a blessing.”

IHFA administers the HCV program for the U.S. Department of Housing and Urban Development (HUD) in 34 of the 44 counties in Idaho through four branch offices located in Twin Falls, Idaho Falls, Lewiston, and Coeur d’Alene. The program helps low-income families and elderly or disabled individuals obtain decent, affordable rental housing, but the need far exceeds the funding available. In October 2010, HUD allocated additional targeted funding for the program. IHFA received 200 housing vouchers specifically targeted for non-elderly disabled persons statewide. IHFA was one of only 46 Housing Authorities nationwide to receive this funding under Category 1 of the Rental Assistance for Non-Elderly Persons with Disabilities Program. This is the largest single new increment of vouchers IHFA has received in many years.

Recipients of the new vouchers were applicants who were already on the wait list for the HCV program. Suzanne had been on the wait list for nearly four years. Wait lists for the program have grown significantly over the last few years; the average wait in North Idaho is now three years.

Left: Suzanne tells her story to an IHFA staff member outside her apartment in North Idaho.

Even though she continues to have setbacks that sometimes prevent her from even being able to walk for days at a time, Suzanne continues to work hard to move forward. “My friends watch me crash and burn and I know it’s hard on them,” she said. “People look at the leg and think that is what the challenge is; it’s not, the biggest challenge is mental.” The last five months Suzanne has been in intensive physical therapy. “My therapist tells me that after only three and a half years with this prosthetic, I’m in the place where a lot of people are after six to seven years. I intend to be able to go hiking, rock climbing, and rollerblading,” she said.

“But first, I want to be able to walk to my mailbox. My hope is to be completely off all assistance in two to three years.”

Suzanne also has a great desire to give back to her community, so this fall she will begin speaking at local schools. Accompanied by a police officer, she will be discussing helmet laws and motorcycle safety with students. She also recently completed a photo shoot at a local bike shop and is writing an article, to accompany the photos, on women who lost limbs due to motorcycle accidents. Her intent is to have them published in motorcycle magazines.

“Home is the place where giving starts. This program allows me to have a home; anything I can give is my gift.” ■

COMMUNITY

On the Brink of Foreclosure

Richard didn't picture spending his senior years as a homeless individual, but that is where he was headed until he received help from the Emergency Homeowners' Loan Program (EHL) through IHFA. The EHL provided by the U.S. Department of Housing and Urban Development (HUD), allocated \$13 million to the state to help hundreds of Idaho homeowners who are in jeopardy of losing their homes. This assistance will help stabilize homeowners as a vital part of their community.

Richard, a 69-year old Idaho native from Kuna, has been a self-employed hard worker his entire life; most recently as an internet marketer. With the economic downturn, Richard's income began to wane and he was not at an age where he could easily find a new job or start a new career. He soon found himself in debt and behind on his mortgage payments so he applied for a loan modification from his lender. After several months and "loads of paperwork," unfortunately, he was denied the modification.

Richard ended up in the foreclosure process and had just been approved to short sale his home, when he saw a Public Service Announcement (PSA) on the EHL. After his experience with the loan modification process, he was timid about the EHL at first. His daughter, who had also seen the PSA, encouraged him to check into it. With the path Richard was on, he decided she was right.

When he contacted IHFA, he found the process of applying for the EHL relatively easy and the IHFA staff

very supportive. The IHFA counselor worked closely with Richard to go over his financials, making sure this was the best step for him. They explained the program to Richard in great detail, and once the counselor determined the immediacy of his housing situation, the EHL loan application was processed.

"The EHL assistance came just in the nick of time—I felt like I was getting a new life again. It is the same feeling I had when I received my kidney transplant a few years ago,"

said Richard. "It was that amazing!"

Emotionally, Richard really needed to stay in Kuna. Many of his seven children and 14 grandchildren and great-grandchildren are in the area. His family is very close, and provides Richard with a lot of support. He provides them with support as well. "I am the family taxi," said Richard; an important job with so many children and grandchildren. Without the assistance of EHL, Richard felt out of options as the economy had changed so much he couldn't afford a rental, and his loan modification had been declined.

EHL is designed to assist qualified unemployed or underemployed families make their mortgage payments for up to 24 months by providing zero-interest, forgivable loans. The family's gross income must be less than 120 percent of area median income, they must be in imminent danger of facing foreclosure, must have a 15 percent loss of income, and they must reasonably expect to resume mortgage payments upon successful re-employment. In the first three months IHFA administered this program for HUD, over 75 families were assisted throughout the state.

Right: Richard at his home in Kuna, ready to shuttle his grandchildren to their next activity.





IHFA expects to help over 300 Idaho families before the six month long program ends.

Once approved for the program, Richard was brought current on his mortgage and his payments have been reduced to half their amount for the next two years. "This is just the assistance I needed to stay in my home and be able to catch up financially," said Richard. He is very grateful for the assistance and has begun marketing for a new company and is doing much better with his career. When he is fully back on his feet, financially, he plans to make time to assist those at the VA Hospital. Having served in the Navy for four years and being a veteran himself, this has been something he has wanted to do ever since entering his senior years. "I look forward to being in a situation where I can assist others who may be going through trying times like I experienced with my kidney transplant," said Richard. ■

Foundation Provides Needed Boost

"In over ten years, I'd never even been late on my rent," stated Courtney. Changes in employment and other circumstances left Courtney and her family several months behind on their rent and facing eviction. "I was embarrassed and didn't want to ask for help; I didn't even want my family to know," she said. That is when Courtney's landlord suggested she contact IHFA. Courtney said she was a little skeptical because she had previously tried to reach out for help and was not able to get the assistance she had hoped for; she said she went to IHFA not expecting anything at all.

Left: Courtney and IHFA case manager in Idaho Falls.

Left and right: Courtney and her children enjoy the open space and playground outside their apartment.

As Courtney started working with her case manager at IHFA, she started feeling more positive about her financial situation.

"I felt like this was someone who cared, someone who was willing to help,"

she said. The case manager asked Courtney to bring in her bills and expenses and started working with her on a budget. "We were living way beyond both our needs and our means; she showed me how to cut non-essentials."

She received one-time financial assistance to help bring the rent up-to-date, and in a short time, the bills were caught up and there was even a little money for other things. "It was kind of like winning the Publisher's Clearing House," she added. Courtney's case manager said she put together a great budget, she had everything she needed, and really stepped up and accepted responsibility.

Budget counseling is just one of the services provided through the Homelessness Prevention program funded by the Home Partnership Foundation, brought to you by Idaho Housing and Finance Association. The Foundation is a nonprofit organization created to help communities meet their most pressing housing needs, and exists to provide resources to organizations to help them serve their clients. The Foundation's Homelessness Prevention program matches private donations, up to a maximum annual amount, to provide financial assistance, financial counseling, and budgeting skills specifically designed to prevent and avoid eviction actions.

The Foundation partners with 11 organizations throughout Idaho to provide homelessness prevention services to all areas of the state. During the last year, the Foundation distributed nearly \$84,000, helping serve 660 clients with rent and utility assistance. IHFA's branch office in Idaho Falls serves as the designated

partner in the Idaho Falls area to disburse funds and provide case management. A homelessness prevention case manager in that office said they would not be able to do this important work to help families if not for the Foundation's funds. The financial assistance a client receives is usually a one-time disbursement, but case managers also provide counseling to every client who applies for assistance.

While no one who qualifies for the program will be turned away if they are unable to contribute; anyone who goes to the Idaho Falls office and requests assistance is asked to contribute anything they can toward their past due rent or utilities. Courtney completely surprised her case manager when she came up with over \$1,000! "It was close to the holidays so we used the money we had for gifts, the money we had been given as gifts, and saved every penny we could, and put it toward the rent," Courtney said.

"Paying the rent and catching up on bills was more important than buying gifts; I wanted to be responsible and provide a home for my children."

The financial assistance Courtney received was just the boost she needed to get over the hump and back on the road to self sufficiency. Now that the bills are caught up, and the family is living on a budget, Courtney's situation has improved. She was hired by the apartment complex where she lives to work in a part-time position cleaning apartments when someone moves out, and helping out around the property. She also provides house and office cleaning services for others, and provides child care to help out other moms. This schedule allows her to be home as much as possible to care for and be with her own children. She said,

"I received help when I needed it, and I feel I need to pay it forward." ■





Stabilizing Neighborhoods and Communities

It was starting to feel like homeownership was just out of reach when Jessie's REALTOR® told her about a program that might be able to help her purchase a home. She had been looking at houses with her parents, but everything they found in her price range required a lot of repairs; repairs that Jessie just couldn't afford. The program her REALTOR® was referring to is the Neighborhood Stabilization Program (NSP).

As part of the Housing and Economic Recovery Act, NSP funds were designated for the acquisition and rehabilitation of foreclosed properties. The funding allows grant recipients to purchase and redevelop homes and then resell them to eligible homebuyers. IHFA administers the NSP grant for the state of Idaho, and allocates funds to areas of greatest need across the state. Grant recipients are nonprofits and city municipalities who were selected through an application process. The North Idaho Housing Coalition (NIHC) in Coeur d'Alene manages the program for Kootenai County where Jessie lives.

When Jessie heard about the program, she immediately called NIHC and met with Executive Director Lori Isenberg. Jessie said, "Lori explained the program to me and went with me through every step of the process." NIHC has created a program around NSP that is really making a difference in the community. "We have created a team that works together to make the program succeed," said Isenberg. The team includes REALTORS®, lenders, title companies, contractors, elected officials, NIHC, and the homebuyers. Isenberg

added, "The NSP program benefits our communities on a number of levels. The neighbors love it because it transforms foreclosed properties into beautiful homes; it also allows qualified buyers to leave rentals and become homeowners, freeing up much needed rental properties for others; and benefits local businesses and workers by creating jobs and revenue."

Prequalified buyers work with NIHC to find a house in their price range, in an area they want to live in, or near the schools they prefer. NIHC purchases the home and contracts to have the rehabilitation work done. While every home is rehabbed to a consistent high standard, buyers are involved where appropriate. When the house is completed, NIHC, the contractor, and the buyers do a walk through. The contractor talks with them about home maintenance, such as changing furnace filters, and shows them what needs to be done and how to do it. "They really get an education," Isenberg said.

NIHC's program includes features to involve the buyers with the process and the community. They require \$1,000 from every buyer so that they have a vested interest in the purchase, and they have a "Deeds of Distinction" program, which requires all buyers to donate eight hours of community service to any organization of their choice. Many buyers have continued to do volunteer work after completing the required hours because they find they really enjoy giving back to the community.

Jessie said she was able to purchase a home that is perfect for her because of the NSP program. She explains,

"The funds covered my financing gap and closing costs, and brought my payment down to a monthly amount that fits in my budget."

Jessie was able to select the carpet and paint colors for her home, as well as work with the contractor on other aspects of the rehabilitation; she said that made it feel like buying a brand new home.

A few months after purchasing her home, Jessie was asked to join the NIHC Board of Directors. She was very excited at the opportunity and loves being on the board. She said she has learned a lot, and it has given her the opportunity to spread the word about the program.

“The board is made up of members with the same common goal of helping people; everyone cares so much about the community and people in it,”

she said. Jessie fits that description as well. She volunteers for Special Olympics year round, coaching several sports; and also volunteers at ‘Foster Kid’ camp through her church. “I really love working with children and want to help them succeed.”

NSP funds can be used to ‘fill the gap’ between the purchase price of the home and the mortgage the buyer is qualified for, as well as closing costs. When the homebuyer gets their own loan, the NSP funds are repaid and returned to the program for use in purchasing additional homes. The recycling of funds creates program income that allows partners to continue the process and meet the continuing need of stabilizing neighborhoods.

Throughout Idaho, NSP partners have expended over \$24 million; \$14 million in program funds and \$10 million in program income. NIHC has purchased and sold 29 homes through the program and has plans for at least 50 more. Statewide a total of 171 households have been able to purchase a home because of the NSP program. ■

Left and right: A team of North Idaho area professionals helped Jessie with the details of the home-buying process.





ECONOMY

Partners in Economic Growth and Development

Research is at the heart of development, and IHFA is helping support Idaho's research facilities with \$26 million in economic development bonds issued for the Idaho National Laboratory's (INL) expansion in Idaho Falls to build its Testing and Demonstration Facility (TDF).

TDF Facilities, LLC, an Idaho entity, was issued two economic development bonds through IHFA during this past year. The bonds consisted of a \$24,255,000 tax-exempt bond and a \$1,960,000 taxable bond and provided financing for construction, improvement, and equipping of a two-story building comprised of laboratory, research, and office space located on ten acres of property.

The INL's mission is to ensure the nation's energy security with safe, competitive, and sustainable energy systems and unique national and homeland security capabilities. To carry out this mission, INL leverages its unmatched combination of scientific and engineering expertise and unique facilities.

This facility is part of a larger INL project in Idaho Falls that will hold a Research and Education Campus focusing on research for alternative fuels and nuclear energy. TDF will house three INL programs, including the Biofuels and Renewable Energy, Energy Storage and Transportation, and Hybrid Energy Systems Testing activities.

INL is one of only ten Department of Energy multi-program laboratories in the nation and it is the designated lead lab for nuclear energy research,

development, and demonstration. This new facility is important because it will provide much needed work space, tools, and equipment for research programs that have experienced steady growth over the years. Here, principal investigators will conduct the research and development necessary to understand and reduce the technical and economic risks associated with the deployment of energy related technologies. This support function will facilitate moving innovative energy security concepts and technologies from the realm of scientific and engineering investigation to commercial and industrial marketplaces.

Design of TDF is now complete and construction is underway. TDF is scheduled to be completed in August of 2012 with occupancy to follow immediately after that.

Thanks to IHFA's bonds, the project will greatly impact Idaho Falls and the surrounding area by giving INL the space it needs to continue the development of the nation's biomass feedstock supplies for biofuels, evaluating new advanced battery technologies, and developing and testing integrated energy systems of the future.

Funding from the bond impacts other Idaho businesses as well. The funds support Ormond Builders, an Idaho-based construction business created more than 30 years ago.

As the owners of the property, Ormond will be in charge of building the facility, and will eventually be its landlord.

"The numbers might vary depending on project stage, but at the peak of construction, I estimate that we will have 75 to 85 workers in the field and probably double that number will work on the project off-site," said Reed H. Miller, vice president of Ormond Builders.

The building process will impact the local economy not only during the construction process, but it will also

host over 50 current INL employees from three projects: electric battery testing, bioenergy, and hybrid energy. INL employees will need food, gas, and other necessities, impacting nearby businesses positively.

Battelle Energy Alliance (BEA) is the operating contractor for INL. As such, BEA is responsible for INL landlord functions and providing crosscutting services to other site contractors. Cleaning and food services, for example, are among those services provided by Idaho-based businesses. Many of the lab subcontracts are from Idaho businesses as well. In fiscal year 2010, INL's total for contract awards in the state of Idaho was \$664,000,000.

The project will also help grow an array of businesses nationwide affiliated with alternative fuels. INL will work with private businesses in developing economical methods to convert raw biomass into custom-designed bioenergy feedstock commodities for biorefineries, as well as perform battery testing for major companies, including many in the auto industry.

More Recovery Zone and Economic Development Bonds

The bond market looks drastically different from two or three years ago and investors don't want to take risks anymore. IHFA has expanded from its original housing finance mission and has been chosen to issue bonds outside of the housing realm because of its reliability, market knowledge, and expertise.

In addition to issuing mortgage revenue bonds and multifamily financing bonds, IHFA has reached out to organizations and businesses to fund other qualified projects, including financing facilities that promote economic development, such as this one.

Left and top right: INL's Testing and Demonstration Facility under construction in Idaho Falls.

Right: Advanced energy storage/battery research and biomass-to-feedstock preconversion tools and processes at INL.





In addition to the TDF facilities, IHFA also issued an additional six Recovery Zone/Economic Development bonds—in Rexburg, Meridian, Nampa, and Boise—totaling \$50,890,000, which is noteworthy since the bond market was in disarray throughout the past year.

The willingness of IHFA to take on new challenges, despite the difficult financial times, is having an energizing effect on Idaho individuals, communities, businesses, and organizations by providing the resources necessary to maintain and create employment and new business initiatives. ■

Bond Saves Jobs and School

The lease for a building used as a charter school was about to expire. School administrators at the Compass Charter School in Meridian were not sure the new increased payments were going to be feasible in the long run.

The unimaginable decision of closing the doors and leaving 350 families looking for a new school for 600 children in Meridian was out of the question. The answer was buying the facilities to avoid any disruption in the lives of the children, but affording the purchase price was also a daunting task. Fortunately, IHFA was able to issue a nonprofit facilities bond to allow Compass Charter School to purchase the three buildings that comprise the school.

The \$5,155,000 nonprofit facilities bond allowed Compass Charter School to acquire an approximate 38,065 sq. feet on 3.64 acres of land for the K-12 school facility consisting of 27 classrooms and related facilities.

The bond was issued in late September 2010, and by September 21—while classes were already in session

and art projects were hanging on the walls—the building transitioned to its new owners.

“Without the bond, we would have probably lost the facility and perhaps closed the school,”

said Cindy Stover, business manager and clerk of the Compass Charter School Board. “Ownership was the right option for us. The lease was really high and now, with the purchase, payments are more steady and manageable.”

“We now can make adjustments and renovations as needed, like adding an office or expanding classroom space.”

“The actual bond process was relatively easy,” said Stover. “There were lots of details that the issuer and purchasers of the bonds needed, so it took time and effort to do it, but it wasn’t terribly difficult,” she said. “I think it took three months of pulling information together from beginning to the end. Once the bond was issued the funds were transferred to the former owner almost immediately and the facilities were ours.”

The school not only kept its promise to its students, it also gave continuity to the 50 full-time and part-time employees that work at the school, who would have lost their jobs had the school closed.

On August 15, 2011, another first day of classes arrived at Compass Charter School almost one year after the bond was issued. While students giggle in the halls and walk to class, school administrators sit in their own offices, at their own facilities, with no worries about the future of the school, other than those that come with ownership. Painting or renovations might have to be planned, since the three school buildings are 35, 25, and three years old respectively. But that is a different story, and a different project, saved for another time. ■

Funding Rescues Development

Giving a new life to an old building is no easy task. Ask Ryan Hackett, of Western Region Nonprofit Housing Corporation, who has to balance the old and the new at Silver Hills Apartments, in Wallace.

“Our group is a nonprofit whose mission is to preserve subsidized affordable housing,”

Hackett said. “With Silver Hills, we had the added component of preserving a building with historical value to the city. We cooperated with the city to preserve the historical appearance, including, for example, choosing the historical colors or discarding the idea of a vinyl fence—which was thought of as too modern—and place instead wrought iron fencing.”

Where children used to run and play, seniors now live and rest at this early 1900s schoolhouse remodeled into a 24-unit senior affordable housing development. The building, first remodeled in the 70s, was in need of serious renovation.

Keeping the historical building exterior as true to its original as possible will give the town a sense of continuity as well as ownership of its history. Outside, historical elements of the original building will be restored; the brick will be cleaned; and the exterior molding, siding, and windows will all be replaced.

Another major project includes the rebuilding of the front entrance back to its original design.

Left: Compass Charter School board members LeAnn Simmons, Rich Fairbanks, and Mike Adolf, and the school in Meridian.

Right: Lester, a resident of Silver Hills, takes his dog for a walk.





“The front entrance used to have a grand archway that was removed when the building was converted to apartments to meet code requirements. We found an old picture of the original building, and we will now place an entrance portico similar to the original one,” said Hackett.

At the same time, the site has to be modernized. Focusing mostly on the interiors, the remodeling will include removing old electrical fixtures and plumbing and installing new flooring, doors, cabinets, and energy-efficient appliances. The development, which is scheduled for completion this fall, will also become ADA-compliant, making it more accessible for residents.

Keeping the city and the tenants happy requires a lot of planning and coordination. “We will work around the tenants, and try to cause as little disruption as possible. Each unit will take us only a couple of weeks to remodel, and when the tenants come back they will literally have a brand new apartment,” Hackett said. “Part of the renovation will include energy-efficient systems, I think the tenants will be really pleased with the results and save money in the long term.”

The project originally started out with \$981,010 in Tax Credit Exchange funds. Section 1602 of the American Recovery and Reinvestment Tax Act (ARRA) appropriates grant funds to individual states, in lieu of 2009 low-income housing tax credits, to finance qualified low-income buildings.

Half of that amount went to purchase the property and the rest was allocated to the rehabilitation of the building.

Left: Silver Hills residents enjoy a sunny afternoon on the porch and a walk around the block.

While Hackett had in mind to spend about \$40,000 in each unit, he had come to terms that some changes he had planned for were not going to be possible, until IHFA awarded the senior project the additional funding it desperately needed to complete the renovation.

Thanks to IHFA, via the Tax Credit Assistance Program (TCAP), the project was awarded \$1.29 million in additional funding as part of ARRA. Hackett explains,

“This additional funding enables us to complete a full renovation of the project and modernize the building. The building is in need of a massive renovation, and with the original funding we were not going to meet our expectations.”

Silver Hills received the last Tax Credit Exchange funding as well as the last TCAP funds available in Idaho, which were awarded to IHFA above the original state allocated amount. The extra funding was made available to the project because of IHFA’s expertise and success in administering the initial TCAP allocation and recapturing TCAP funds.

Hackett said that the renovation of the project will involve local and regional subcontractors and resources from the area.

“We’ll be able to improve the community through the renovation of the Silver Hills building. New development will help the curb appeal of the neighborhood and will hopefully encourage the surrounding neighbors to improve their homes and bring renewed life to the community,” Hackett added. ■



2011

The Ripple Effect:

Families, Community, and the Economy



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