

## 5.1 EXECUTIVE SUMMARY

Availability of housing for all demographics is critically important to the economic vitality and livability of communities. Affordable homes attract and retain employees to a community for the benefit of employers; home inventory supports the local workforce to reduce commuting and associated costs; shorter commutes allow workers to spend more time with their families; and the community benefits from reduction in traffic congestion, air pollution, and expenditures on roads. In growing communities the construction and availability of a range of homes helps stimulate economic growth. A healthy mix of housing options, whether homeownership or rentals, single-family homes, duplexes, apartments or senior living, ensures opportunities for all individuals to improve their economic situation and contribute to their communities.

### AVAILABILITY OF A MIX OF HOUSING TYPES IS ESSENTIAL FOR THE SOCIAL STRUCTURE OF A COMMUNITY.

Communities without available housing, especially affordable housing, quickly become segregated by income and family background. Large differences in classes of a community tend to wear on the fabric of that social structure. In order to promote economic and social health, a community needs to provide for the needs of all families from all income levels. Well-placed housing developments allow communities to welcome a wide range of families and to create a vibrant, diverse group of residents. The results of this are healthier children and families, a stronger social community and improved outcomes for all demographics.



## 5.2 BACKGROUND

While the City experienced a robust housing economy from 1999 through 2007 (Table 5.1, top half), the recession and economic downturn in the national economy around 2008 had a significant impact on housing in Mountain Home. An extreme drop in new construction occurred from 2009—2019 (see Table 5.1 - bottom half):

**The most desirous and critical residential type - the single family home - experienced a drop of 72.2% in building permits from 2009 to 2019.**

**Multi-family housing types (duplex, fourplex, townhomes, apartments) fell by 100%; not a single multi-family unit has been built (or permitted) since 2008.**

**New construction, for all housing types, dropped by an extraordinary 80%, from 1999 - 2008, as compared to 2009 - 2019.**

Graph 5.1 exhibits the long lasting results of the drop in construction for the last decade. Housing availability (for purchase) for the first half of 2019 was at a mere 1.2-months supply of inventory, when a healthy and balanced housing market calls for 6-months of inventory.

With the concerns surrounding housing becoming a chronic community issue, **housing has been designated as one of the City's Top 5 Priority Issues to address** through the next ten years.

Graph 5.1

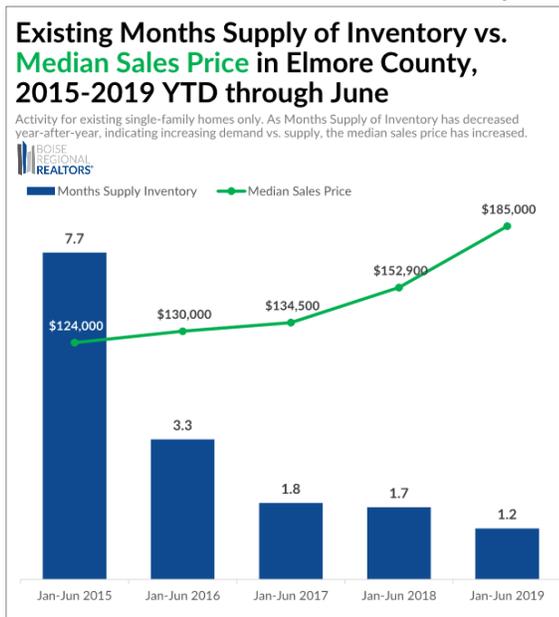


Table 5.1

**BACKGROUND: New Home Construction Activity 1999–2019**

	SINGLE FAMILY	DUPLEX	4-PLEX	TOWN HOME	TOTAL PERMITS	TOTAL NEW UNITS
1999	76	2	0	0	78	80
2000	100	7	2	4	113	126
2001	91	3	0	4	101	106
2002	105	10	2	6	123	133
2003	113	5	16	2	136	187
2004	156	25	0	4	185	210
2005	135	33	8	4	181	240
2006	119	25	0	10	157	188
2007	146	22	13	16	197	258
2008	103	10	2	4	119	135
<b>Subtotal</b>	<b>1,144</b>	<b>142</b>	<b>43</b>	<b>54</b>	<b>1390</b>	<b>1663</b>
2009	71	1	0	0	72	73
2010	21	0	0	0	21	21
2011	10	0	0	0	10	10
2012	40	0	0	0	40	40
2013	42	0	0	0	42	42
2014	33	0	0	0	33	33
2015	32	0	0	0	32	32
2016	36	0	0	0	36	36
2017	16	0	0	0	11	16
2018	11	0	0	0	1	11
2019	5	0	0	0	0	5
<b>Subtotal</b>	<b>317</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>298</b>	<b>319</b>
<b>2008 vs. 2019</b>	<b>-72.2%</b>	<b>-99.3%</b>	<b>-100%</b>	<b>-100%</b>	<b>-78.5%</b>	<b>-80.8%</b>

\* City of Mountain Home Building Services Department

## 5.3 EXISTING CONDITIONS

The existing housing market in Mountain Home is in crisis, and the community is feeling the ramifications of the shortage.

- House prices are nearing, and some have reached, unaffordable rates; and rental rates are the highest they've ever been.

**Rental costs having increased by 48% since 2017 alone (see Appendix E).**

- Low inventories have impacted the workforce - without housing there is no workforce to hire.
- Potential incoming companies wonder where their talent and employee pool will come from if they invest in Mountain Home.
- The Air Force Base is overburdened at 98% base housing occupancy; they are at least 100 airmen over occupancy.

- \* The Base has been using hotel rooms in the community as dorms.

- \* Without relief the ramifications could be severe with regard to the Base. Mountain Home Air Force Base has a significant impact on the local community (see **Graph 5.2**).

- The lack of impact fees coming into the City are stretching municipal budgets, simply to maintain existing infrastructure, with little investment in new infrastructure possible.
- The school district has experienced jumps in student body, with families moving in from all over the nation, as well as from the rapidly growing metropolitan area of Boise.

### The City's approach to this concern is multi-faceted, and is already underway

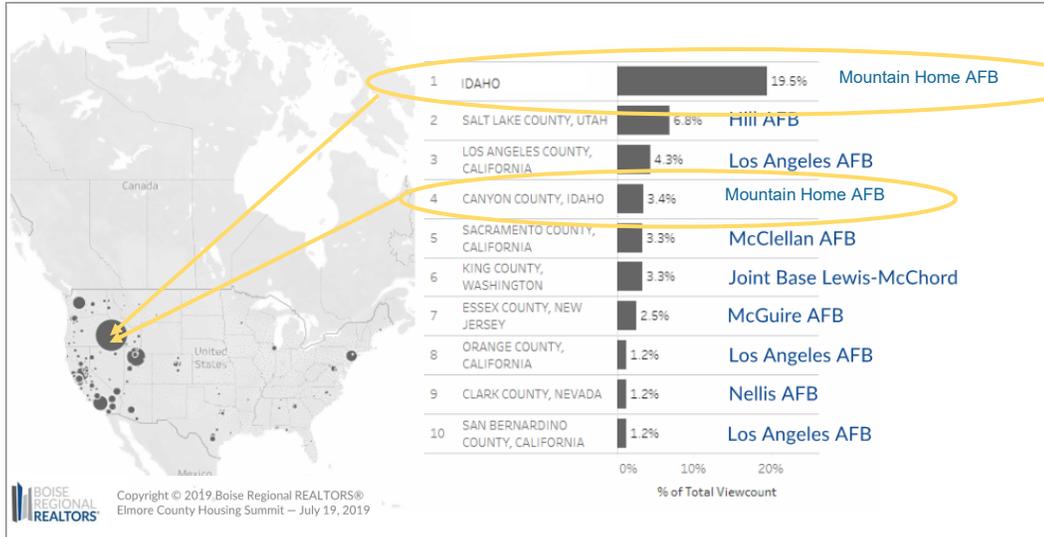
- New policies, code and ordinances are being drafted pertaining to housing and zoning;
- The City's Area of Impact is to be expanded to allow for more land to develop;
- Updates to the City's zoning map and future land use map have been made to encourage and highlight the City's new priorities regarding housing development;
- Policies and marketing geared toward attracting developers, investors and builders is ongoing.



## 5.3 EXISTING CONDITIONS

### The Impact of Mountain Home Air Force Base on the Local / Idaho Market

Graph 5.2



Mountain Home Air Force Base ("MHAFB") has the most significant impact on its local community when compared to other Air Force Bases within the western region.

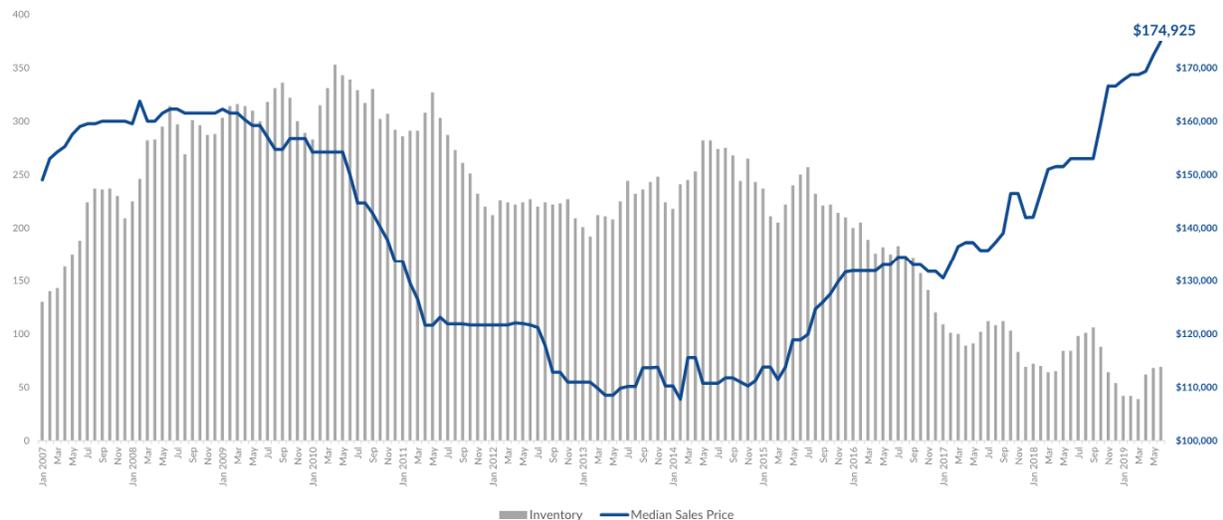
Graph 5.2 illustrates the reach that each Air Force Base has within its associated zone. MHAFB's influence range is substantial, especially for the City of Mountain Home.

Since housing availability for the Air Force Base is a critical factor to the continued success of the Air Base, and the Base relationship with the City, solutions are critical.

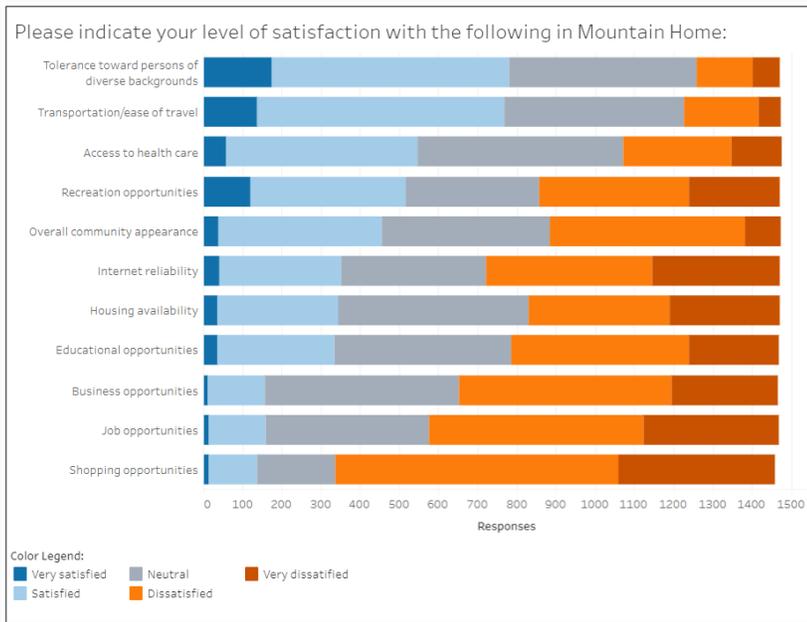
Graph 5.3

### Historical Monthly Median Sales Price vs. Inventory in Elmore County

Activity for existing and new single-family homes combined between Jan 2007 - Jun 2019. The median sales price and inventory rose and fell together between Jan 2007 and Aug 2015. Since then, inventory has not kept up with demand, contributing to prices being pushed upwards. Prices between 2011-2013 were depressed as more than 40% of all sales were considered "distressed" (foreclosure, short sale, REO/bank-owned, or HUD-owned).



## 5.4 THE PUBLIC'S VOICE



When the public was asked about their **Level of Satisfaction** with **Housing**, a large segment of the community voiced an overall dissatisfaction with the City's current housing options:

- 19.05% were very dissatisfied
- 24.42% were dissatisfied
- 33.06% were **neutral**
- 20.88% were satisfied
- 2.59% were very satisfied

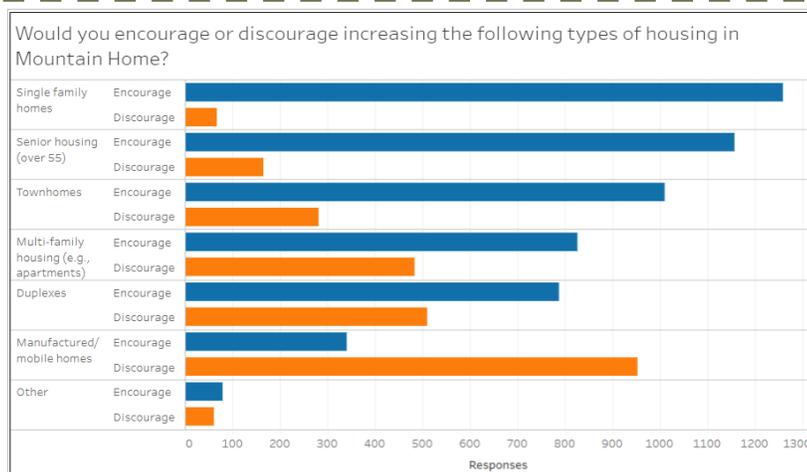
Overall, **43.47% of the community lack satisfaction of housing availability**, while only 23.47% were satisfied on some level.

The survey data contained in the graph and chart (left and bottom left) shows cross-tabulated data between questions about **housing types**, to data based on the **age groups** providing the answers.

The darker the blue box in the bottom table, the higher the number of respondents within each age group desired that type of housing. In summary, the data infers the following conclusions:

- Single-family homes are the highest priority for all age groups.
- Senior housing is highly desirable for age groups 35 and older.
- Multi-family units have strongest interest by the 18-24-year old group, while the rest of the age groups show a fairly balance interest, with townhomes being higher priority.
- Further, the least desirable housing type was manufactured homes with more people desiring to discourage it, rather than encourage it.

Other similar cross-tabulated data tasks were performed with several other survey questions, and the data was considered when the Comprehensive Plan Land Use Map was updated and new boundaries were created.



Would you encourage or discourage increasing the following types of housing in Mountain Home?

		Please select your age range.						
		18-24	25-34	35-44	45-54	55-64	65 or over	Prefer not to answer
Single family homes	Encourage	95.68%	98.18%	96.05%	93.04%	92.61%	94.06%	93.44%
Senior housing (over 55)	Encourage	79.67%	76.40%	87.60%	93.99%	95.61%	99.11%	88.14%
Townhomes	Encourage	76.80%	82.96%	79.68%	78.76%	75.13%	74.47%	64.91%
Multi-family housing (e.g., apartments)	Encourage	82.51%	61.03%	61.96%	58.52%	56.78%	59.18%	59.32%
Duplexes	Encourage	63.69%	59.48%	60.08%	59.39%	64.62%	58.59%	56.14%
Manufactured/mobile homes	Encourage	35.16%	21.32%	25.50%	19.30%	32.64%	27.37%	35.09%
Other	Encourage	61.29%	41.67%	55.56%	54.84%	71.43%	72.73%	33.33%

% of Total Responses along Pivot Field Values broken down by Please select your age range, vs. Pivot Field Names and Pivot Field Values. Color shows % of Total Responses. The marks are labeled by % of Total Responses along Pivot Field Values. The view is filtered on Pivot Field Values, which keeps Discourage and Encourage.

The darker the box, the higher the response rate for that item (type of housing by age group).  
 19.30% 99.11%





## 5.6 FUTURE

Apart from the existing need for additional housing in Mountain Home, adding housing will be an economic stimulus for the community.

It will add valuable and much needed tax base to the City, which will allow for increased and improved services; and it will also provide impact fees which are used to maintain and plan for expansion of infrastructure - infrastructure that has already been determined to be sorely in need of updating throughout the community.

Additionally, commercial centers will prosper from added population, as will schools, downtown, local businesses, and other community organizations and programs.

**The City has made it a priority to plan wisely for growth in order to maintain and preserve the small town feel that Mountain Home residents cherish, while empowering and preparing the community to thrive.**

Smart growth principles will act as a mechanism of ensuring the community retains its heritage. The City's goal is to promote a variety of housing choices:

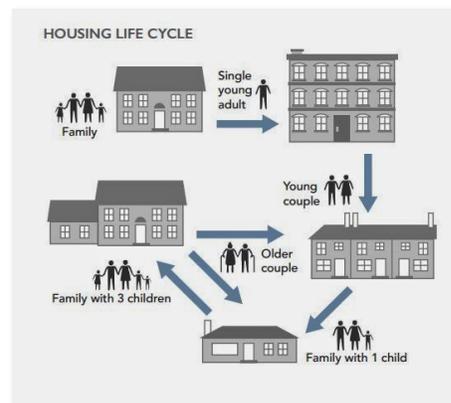
- Affordable and Workforce Housing
- Variations of Multi-family Housing
- Generational Housing
- Single Family Housing
- Next Generation Housing

The City's processes will include planning where housing growth occurs since this is a key factor in determining households' and individuals' access to transportation and commuting patterns. It determines citizens' accessibility to services and education, and it influences consumption of energy and other natural resources.

By using smart growth approaches to plan and create a wider range of housing choices, Mountain Home can work to use existing infrastructure resources more efficiently; ensure a better job/housing balance; and generate a strong foundation of support for neighborhood commercial centers, and other services.



Planned subdivisions with open space and connectivity are a priority for the City.



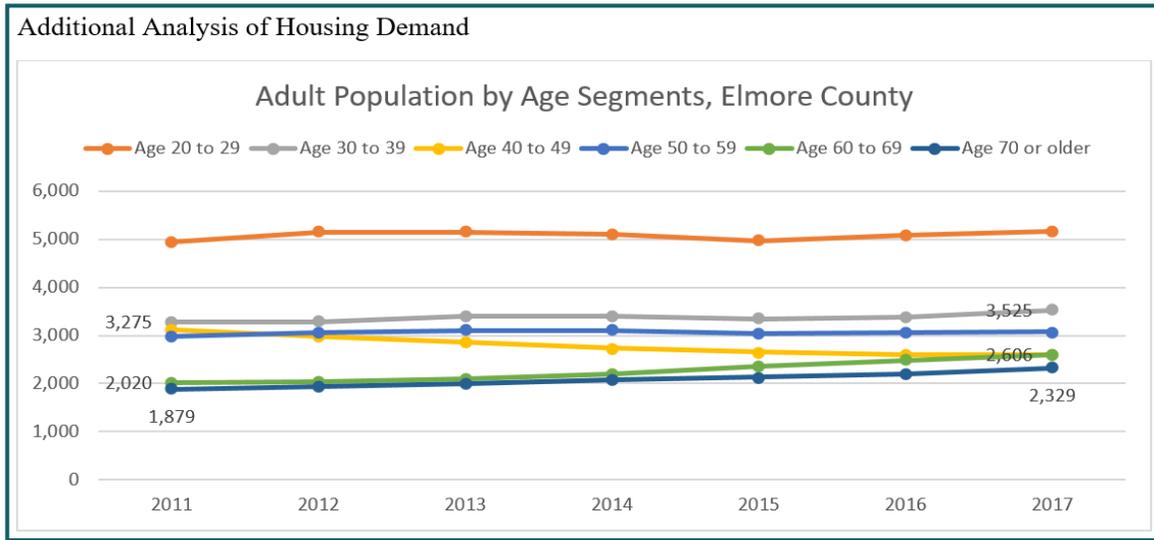
**"Life Cycle Housing"**  
Housing built to be adaptable to the different stages and physical needs of homeowners.



The City's priority is to promote and encourage the development of multiple housing types that will meet the needs of residents, and that will follow smart growth planning principles.

## 5.7 DEMOGRAPHICS RELATED TO HOUSING

Graph 5.4



\* Source: Idaho Policy Institute, Boise State University

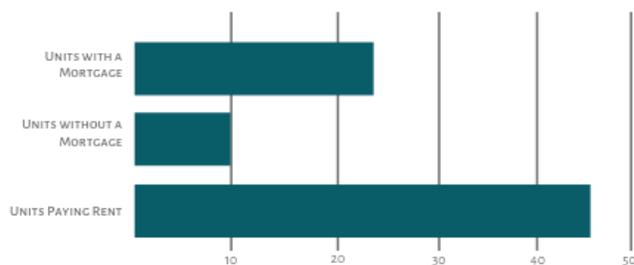
**Graph 5.4** shows that changes in housing needs based on age will continue to have impacts on the housing situation in Mountain Home. Population segments in the 30-39 age category, as well as the 60-69, are known to hold high potential to establish new households because of changes in familial status.

Additionally, growth in certain age segments will be an additional factor in growth impact; in particular, the 30-39 segment, which was **3,275 in 2011**—and then increased to **3,525 in 2017**.

**During the same period**, the age 60-69 segment grew from **2,020 to 2,606**. Likewise, the population with ages **70 or older** grew from **1,879 in 2011 to 2,329 in 2017**. These observations signal an increasing housing demand trend, on top of the crisis already underway.

### Housing Burden

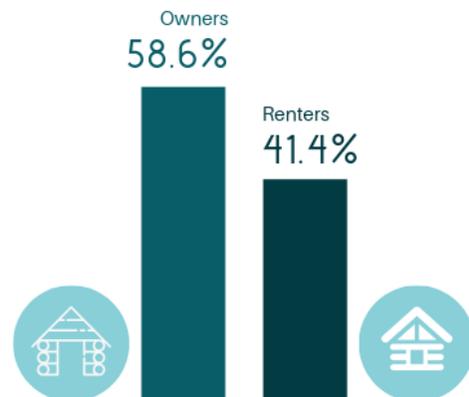
In Mountain Home, ID households spend more than 30% of monthly income on housing costs. This chart shows the percentage of housing units and their burden.



\*Data provided by the Census Bureau 2017 data, ACS 5-year estimates.

### Housing

#### Owners vs. Renters



\*Data provided by the Census Bureau 2017 data, ACS 5-year estimates.



## 5.8 MOUNTAIN HOME HOUSING STATISTICS\*

### Property Value

**\$138,800**      **\$132,400**

2017 MEDIAN  
± \$7,942

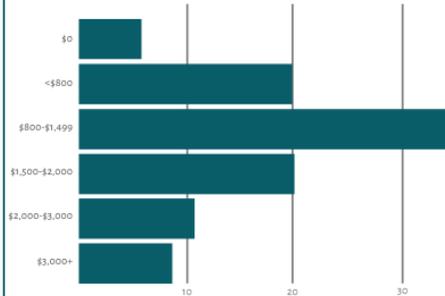
2016 MEDIAN  
± \$8,807

In 2017, the median property value in Mountain Home, ID grew to to \$138,800 from the previous year's value of \$132,400.

The following charts display, first, the property values in Mountain Home, ID compared to it's parent and neighbor geographies and, second, owner-occupied housing units distributed between a series of property value buckets compared to the national averages for each bucket. In Mountain Home, ID the largest share of households have a property value in the \$150k - \$175k range.

### Property Taxes

This chart shows the households in Mountain Home, ID distributed between a series of property tax buckets. In Mountain Home, ID the largest share of households pay taxes in the \$800-\$1,499 range.



\*Data provided by the Census Bureau 2017 data, ACS 5-year estimates.

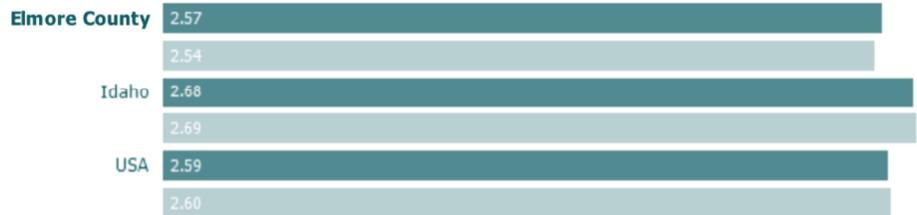
### Average Household Size

This chart shows the average household size in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2017

Update Frequency: Annually

■ 2017  
■ 2022 (Projected)



### Population Density

This chart shows the number of people per square mile in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2017

Update Frequency: Annually

■ 2017  
■ 2022 (Projected)



\* Source for Data on this page:  
U.S. Census American Community Survey via Esri, 2017



## 5.9 GOAL 1

**Create an environment that will encourage rapid and well-planned development of a variety of housing types.**

- A. Implement Smart Growth Policies in planning for land use and community design, and shall encourage and support residential developments that integrate the same.
- B. Openly collaborate with developers and builders to assist with the conceptual planning of areas that will be developed ensuring a mix of housing types and connectivity to other parts of the City.
- C. Encourage developments that offer affordability and diversity in housing, including housing for retiring generations.
- D. Initiate and promote a campaign of partnering with Air Force Base housing authority and other stakeholders to strategize means of increasing local housing stock.
- E. Support programs aimed at increasing homeownership among entry-level and moderate-income households.
- F. Create an advisory group of professionals in the industry and from the Air Force Base to pursue development and investor opportunities, and to approach local land owners to offer land for sale to developers.
- G. Consider creating a Builder's Association to partner with the City in offering incentives to builder and developer members to build in Mountain Home.
- H. Execute a marketing campaign to in-state and out-of-state builders and developers of multi-family and military housing.

## 5.10 GOAL 2

**Promote residential development that integrates alternative housing and site design solutions throughout the community in areas where standard housing types may not be feasible.**

- A. Conduct an evaluation of publicly owned property to determine if any properties could be redeveloped or renovated for residential use.
- B. Encourage live-work units in areas in close proximity to commercial and/or bordered by atypical residential development.
- C. Collaborate with the Mountain Home Community Transit system for feasible options of expanding route of eligible transit stops, thus reducing resident transportation costs and enhancing community livability.
- D. Explore allowance for a range of innovative housing types, including but not limited to accessory and attached dwelling units, row homes, live/work units and multi-generational units.

## 5.11 GOAL 3

**Support and prioritize development and redevelopment that will provide opportunities for mixed housing types in the Downtown area.**

- A. Pursue development and redevelopment housing opportunities, and encourage a mix of uses within Downtown to promote a live-work environment.
- B. Promote the development of higher density housing in and around the Downtown area.



## 5.12 GOAL 4

**Develop and adopt updates to code, ordinances, policies and processes in order to streamline residential development and redefine the direction of the community, while also ensuring that new development will foster livability and innovative design.**

- A. Encourage and support housing that promotes and provides multi-generational and retirement housing products.
- B. Implement Smart Growth Policies in updating code, ordinance, policies and processes relative to land use, community design and residential development approvals.
- C. Foster creatively designed subdivision layouts in which open space and recreational amenities are thoughtfully integrated throughout, and that which promote density appropriate to the surrounding area.
- D. Promote planned residential communities which provide a range of housing options and promote socioeconomic balance.
- E. Require that developments constructed within the Area of City Impact meet all City Standards and Design Guidelines.
- F. The City's updated codes and ordinances shall encourage the rehabilitation of existing residential areas, especially in the downtown area, by maximizing densities and potentially allowing more flexibility in setbacks.
- G. Given anticipated growth, the City shall implement a Design Review Process for approvals that will be streamlined and expedient to avoid City-instigated delays in new home construction.
- H. Evaluate current code, ordinance and policy language, and draft new language, to allow for a range of standard and innovative housing types, including but not limited to accessory and attached dwelling units, row homes, live/work units and multi-generational units.
- I. Amend code and ordinances to adjust setbacks and other standards as needed to promote innovative new construction or renovations which could increase housing units and provide affordable housing alternatives.
- J. Develop and adopt Design Review guidelines which shall be applied to mixed-use developments, as well as to applications for redevelopment, renovations and remodels.



## 5.13 GOAL 5

**Work to improve the characteristics of existing residential areas of the community to revitalize the physical and social fabric of neighborhoods that are in decline.**

- A. Devise a public awareness campaign of code and ordinances that pertain to community regulation, with a focus on educating residents that reside in areas of decline, in order to provide for safe and healthy living environments.
- B. Strengthen existing codes and ordinances that pertain to low-income areas and areas that are in decline, and begin a campaign of proactive enforcement in partnership with local law enforcement agencies.
- C. Promote infill development of a variety of housing types that would increase density and promote revitalization to the neighborhood.
- D. Encourage the provision of attractively designed small-to-medium scale neighborhood centers that offer convenience goods and services for the daily needs of nearby neighborhoods, thereby enhancing walkability and livability in the community.
- E. Conduct an evaluation of public property to determine if any properties could be redeveloped or renovated for green space or open use.



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