

ANNUAL REPORT TO STAKEHOLDERS

Fiscal Year 2012



**FOR THE PERIOD
OCTOBER 1, 2011 - SEPTEMBER 30, 2012**

SECTION I EXECUTIVE SUMMARY

Local Employment and Housing Market Conditions

The Blaine County Housing Authority reviews Blaine County demographics, employment conditions and housing market conditions as it relates to the demand for affordable housing. As we continue to report and analyze this data quarterly, we will confirm and better define the relationships between each data point and affordable housing.

The unemployment rate in the county continued to improve in the 4th quarter of FY 2012 and throughout the fiscal year. The unemployment rate for Blaine County in September 2012 is 6.5% compared to the September 2011 rate of 9.0%. The rate in June 2012 was 7.3%, down from 8.0% in February 2012. Conversely, the total employment in Blaine County continues to struggle. Total employment in September 2012 is 11,552 workers, essentially the same as the September 2011 number of 11,441. We did see an increase to 11,694 total employment in June which was up from 11,375 in February. The total employment in Blaine County remains well below the peak of 13,707 total employment in 2006.

BCHA did not receive real estate sales data in time for this report. The analysis included in Section II of this report is the analysis based on the sales data from June 30, 2012 and is not updated for September 30, 2012.

Affordable Housing Activities

Blaine County Housing Authority currently has ten ownership units available for sale with two units under contract. All five rental units in BCHA's stewardship are occupied. There are four community homeowners renting their homes to Qualified Applicants with the permission of BCHA.

Section III of this report provides details of BCHA's stewardship, internal activities and our other activities and programs with the community throughout the year. One highlight is our ongoing partnership with Neighborhood Housing Services, Inc. of Boise to provide Blaine County residents with foreclosure prevention counseling.

Community Housing Applicants' Characteristics

The number of applicants in the BCHA database as of September 30, 2012 is 107. The 107 applicants represent 193 individuals indicating an average household size of 1.8. The overall number of applicants at the end of the fiscal year is 17 fewer households than at the beginning of FY 2012.

The majority of applicants remain Income Category 1 households (those earning less than 50% of the area median income (AMI)). The increasing percentage of Income Category 1 applicants seems to have stabilized over the past several quarters. It appeared that the trend during the year was decreasing, however the Category 1 applicants are up from June 30, 2012 as a percentage of our database. This indicates persistent downward pressure on wages and household income.

SECTION II REPORTING AND ANALYSIS OF LOCAL EMPLOYMENT AND HOUSING MARKET CONDITIONS

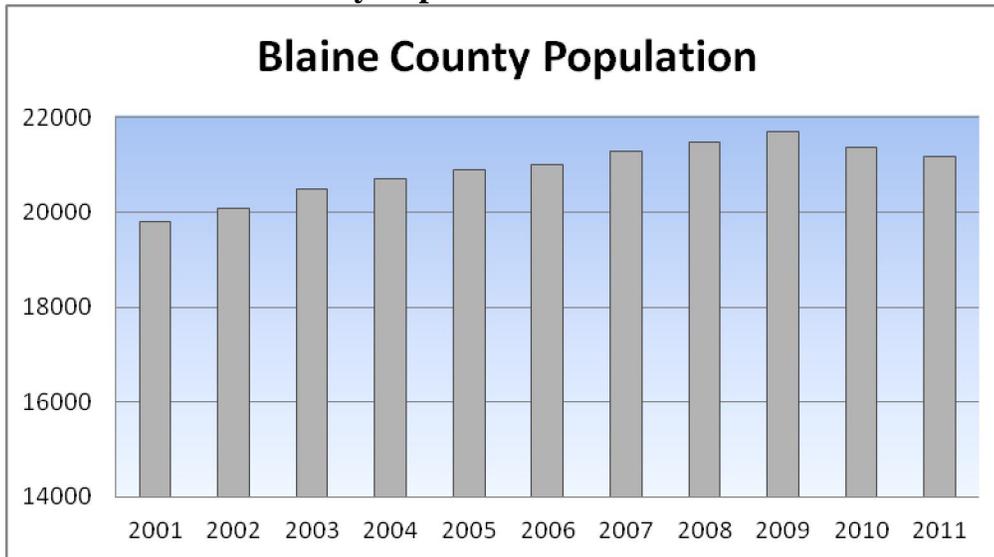
Local Demographics

No new data is available regarding population from the original reporting date in March 2012. The Local Demographic section is unchanged from our March 31, 2012 report.

Blaine County Housing Authority follows regional demographics and employment data trends because we have found the demand for affordable housing is closely related to the population and employment trends in the county.

The last decade has seen the population in Blaine County increase 7.3 percent from 19,755 in 2001 to 21,199 in 2011. However, this is down from a peak of nearly 22,000 in 2009, representing a 3.5% drop in just two years. The downward trend from 2009-2011 may be stabilizing as evidenced by just a slight decrease in the population from 21,376 in 2010 to 21,199 in 2011, a drop of less than 1 percent. The loss in population is undoubtedly attributable to the loss of jobs in the county. *(The jobs and employment data are discussed in detail below)*. BCHA not only expects the downward population trend to reverse when the local economy recovers but that Blaine County will begin to see increases at a modest to a more rapid pace over the next five years. As the population increases, we anticipate added demand for affordable ownership and rental housing in the county.

Chart 2.1: Blaine County Population



Source: Idaho Dept. of Labor

Local Workforce Trends (updated for September 30th)

Blaine County Housing Authority tracks jobs and unemployment data to anticipate demand for affordable housing in the near and medium terms (6 mo. -2 years). Over the long term, we forecast the relative high cost of living and real estate in Blaine County will keep the demand for affordable housing high until a critical mass of affordable housing is attained.

In our previous reports, we noted the downward trend in Blaine County’s unemployment rate as reported by the Idaho Department of Labor. That trend continued to end FY 2012. The September 2012 unemployment rate of 6.5% is down from the June 2012 rate of 7.3% and the February 2012 rate of 8.0%. The improvement in Blaine County’s unemployment rate is especially noteworthy when compared to the September 2011 rate of 9.0%, showing a significant improvement over the year.

Chart 2.2: Blaine County Unemployment Rate

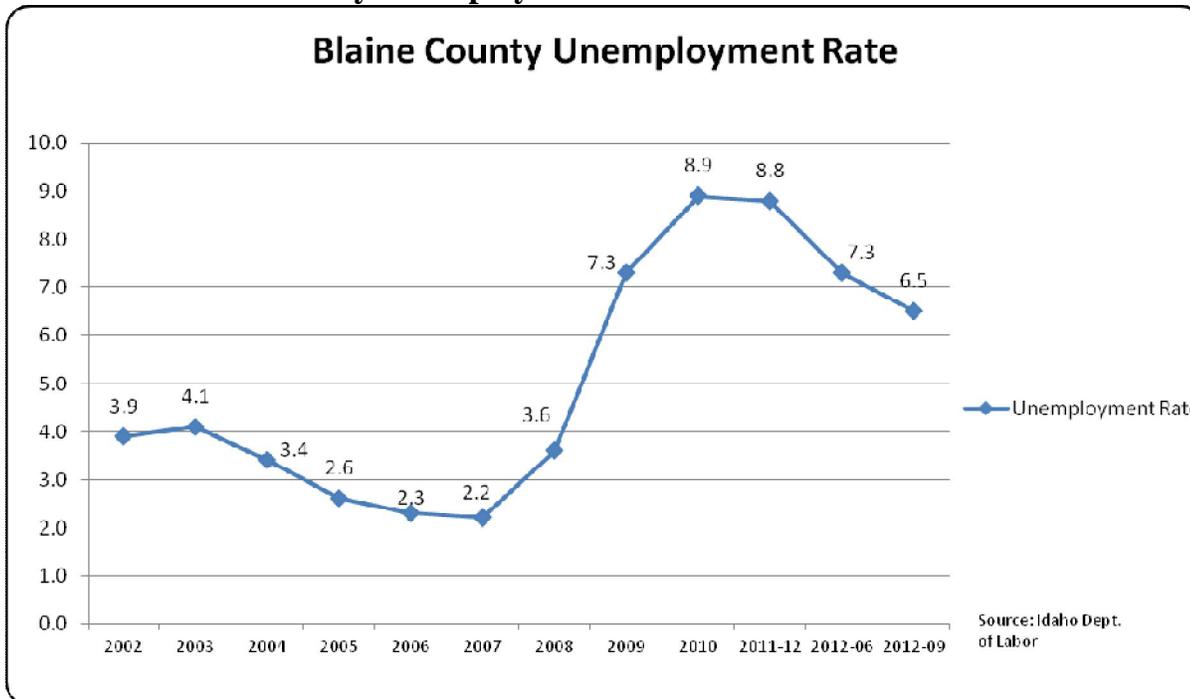
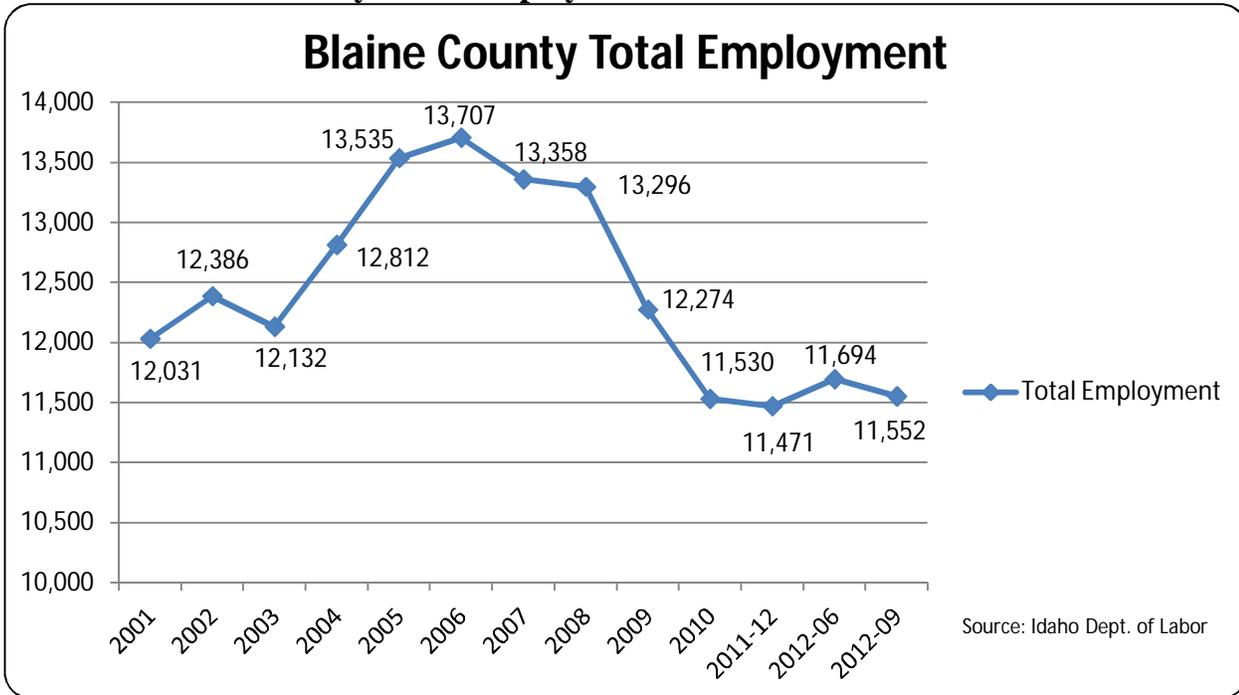


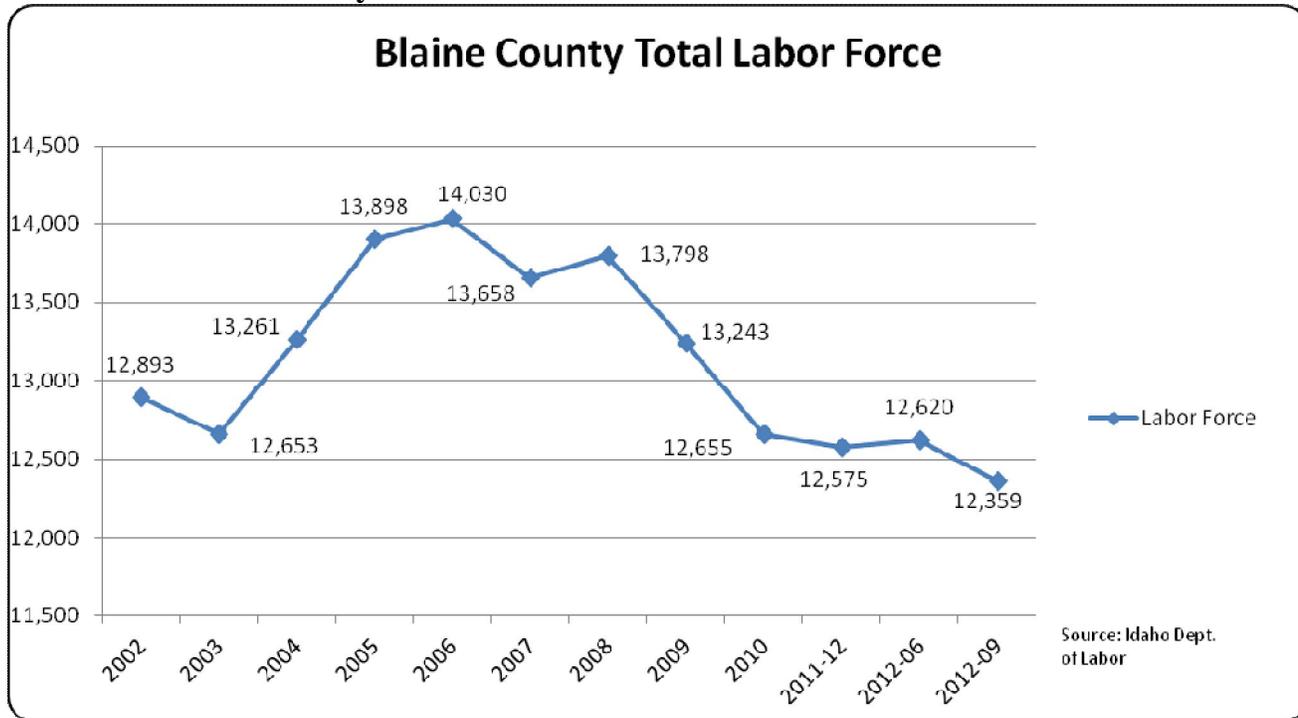
Chart 2.3: Blaine County Total Employment



In contrast to the unemployment rate, the total employment (essentially the Blaine County Workforce) in Blaine County is not showing consistent improvement, but appears to have stabilized. The total employment in September 2012 is 11,552 up slightly from 11,441 in September 2011. However, this is a drop in total employment from our last report in June 2012 when 11,694 workers were employed in Blaine County.



Chart 2.4: Blaine County Total Labor Force



The difference between the encouraging unemployment trend and the fluctuating total employment trend is explained in the total labor force numbers (total employment + unemployed). The total labor force in September 2012 is 12,359, down from 12,566 in September 2011. This is the smallest labor force since at least 2001 and is nearly a 12% decrease in Blaine County's labor force from its peak of 14,060 in 2006.

BCHA notes that demand for affordable housing is directly related to total employment and inversely related to the unemployment rate in the county. We are beginning to see that affordable housing demand is more closely correlated with the total employment figure. Demand, as defined by the number of BCHA applicants, was particularly high in the years when the county had a high number of jobs and a low unemployment rate.

Considering the fewer number of workers in the county when compared to historical highs, BCHA expects the near term demand for affordable housing in the county to be less than the historical demand of the mid-2000's. However, an improving employment landscape will increase demand for affordable housing, even if slightly, in the near term.

The high cost of real estate in Blaine County remains a hurdle for Blaine County workers. Idaho Department of Labor Regional Economist, Jan Roeser, notes in her October 2012 report for Blaine County that "the labor pool continues to be constrained by a lack of affordable housing." Ms. Roeser also credits efforts by jurisdictions in the county to incentivize developers to provide affordable housing, along with falling home prices, to temporarily lessen the impact of high housing costs in the county.

Regional Housing Market *(we did not obtain sales data in time for this report. Therefore, this section is unchanged from our June 30, 2012 report.)*

Affordability Benchmarking

For this analysis we will consider a median family of three (average household size in Blaine County is 2.44). The area median income (AMI) for this household size in Blaine County is \$69,840 and this yields a target price of \$210,000 for an affordable home to a household earning 100% of AMI. Focusing on low to moderate income households, defined as those earning up to 80% of AMI (up to \$55,872 annually for a family of three), the maximum affordable home target price is \$167,600 for a household earning 80% of AMI.

Affordability contains two components: housing cost & household income. Falling housing prices are only one side of the equation. It is important to be aware that household incomes and wages in Blaine County have fallen at the same rate as housing prices. Data from the Idaho Department of Labor show that total wages in Blaine County have fallen from \$567 million in 2006 to \$382 million in 2011, a \$185 million loss in wages representing a 33% decrease over five years. This means, that for many households, there has been no net gain in overall affordability that can be attributed to lower housing prices. Only those households whose income has remained steady have been able to take advantage of lower housing prices.

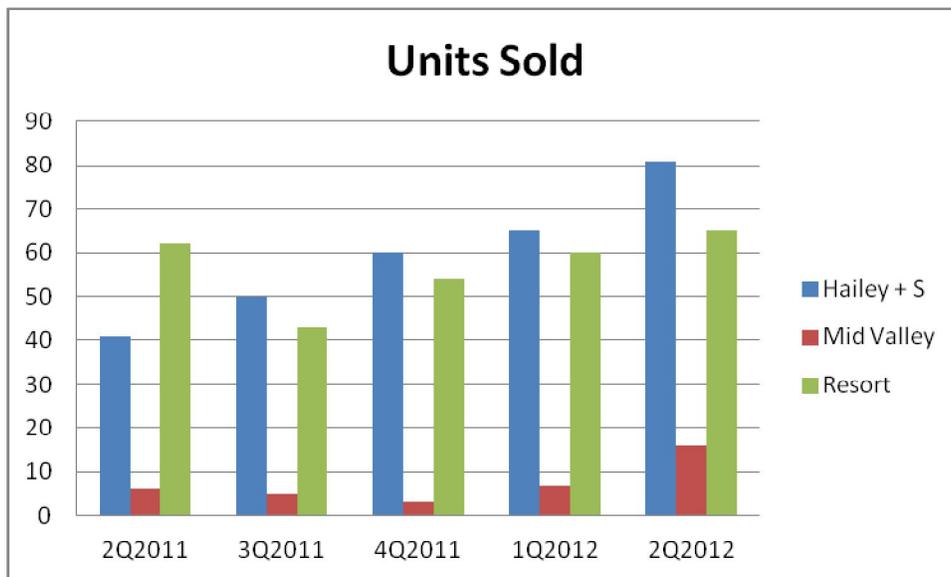
The chart on the next page highlights the median sales price, average sales price and unit volume sold in the county over the past five quarters. (Data courtesy of the Sun Valley Board of Realtors)



Chart 2.5: SVBOR Price and Units Sold

Trailing Five Quarters Median Price, Average Price and Unit Volume
(Data courtesy of the Sun Valley Board of Realtors)





We do not consider the values for mid valley sales in our analysis as the unit volume is not a significant sample size. The unit volumes in both the north valley (resort) and south valley (Hailey + S) are at least 30 sales per quarter and are considered an adequate sample size for our purpose.

South Valley (Hailey + S)

In our second quarter report we noted that the median prices in the South Valley "indicate the market is providing affordability that did not previously exist in this part of the county." We also noted the "price trend over the period continues to fall, increasing affordability." Finally, we indicated that many homes at the low end of the price spectrum "are not in livable condition and many need extensive renovations" which affects affordability for low and moderate income households.

Looking at the data from the second quarter of 2012, we note that transactions in this part of the county continue to rise with over 80 transactions in the period, up nearly 25% from the previous quarter. The trend of falling prices reversed in the second quarter of 2012, with the average price just above \$200,000. This data, with anecdotal evidence from our development partners, leads us to believe that the first quarter of 2012 may have been the bottom of the market and prices in this market segment may continue to increase.

We will continue monitor activity and prices closely. With a target price of \$167,600 (established in benchmarking section above), the average price above \$200,000 and the median price very near our benchmark, may signal that affordability in this market will again become an issue.

North Valley (Resort)

In our second quarter report, we noted the disparity between the Q4 2011 and Q1 2012 median price and average price, indicating the strength in this market was in high-end properties.

The number of units sold in the north valley also rose this quarter and continues a four quarter trend of increasing transactions. While the Q2 2012 average price dropped slightly to just over \$600,000, the median price jumped from \$300,000 to just over \$400,000. This indicates less activity in the high-end market than the previous quarters.

The median price of \$400,000 in the north valley remains out of reach for a family of three earning 100% of AMI. The target price for an affordable home for a family earning 100% of AMI is \$210,000 (based on a median income of \$69,840). Using standard affordability guidelines, the median price of \$400,000 is affordable for a household with an income \$135,000 per year, or a household of three that earns over 180% of AMI.



SECTION III AFFORDABLE HOUSING ACTIVITIES

Affordable Housing Market

One Community Housing unit closed in FY 2012. This is well below the average in a typical year. The low number of units closing is indicative of the weakness in the entire housing market. BCHA currently has ten ownership units available. One unit in Ketchum and one unit in Hailey are under contract. Last quarter, we reported eleven ownership units available with one unit under contract. While the number of units available at one time may seem unprecedented for BCHA, we need to recognize that larger than normal inventories have been, and continue, to exist in most markets. There are undoubtedly distinctions between the affordable market and the open market. However, the affordable market is a subset of the larger unrestricted market and we have observed, as the recession progressed and persisted, that the characteristics of the affordable market tend to lag the overall housing market. We believe this increase in inventory is one such lagging characteristic. Table 3.1 below provides the details of each unit available.

Table 3.1: Ownership Units Available

BCHA Ownership Units Available							
Unit	Location	Beds	Income Category	List Price	NOI Date	Days Available	Notes
1	Ketchum	2	4	\$185,129	4/4/2012	179	
2	Ketchum	2	4	\$181,966	10/23/2011	343	
3	Ketchum	1	4	\$126,000	5/21/2011	498	Reduced from \$142,830;
4	Hailey	2	3	\$89,000	1/19/2012	255	Short Sale pending
5	Ketchum	2	4	\$185,798	6/27/2012	95	
6	Ketchum	2	4	\$185,000	6/29/2012	93	
7	Ketchum	2	2	\$160,000	6/7/2012	115	Short Sale Pending
8	Ketchum	1	5	\$179,000	5/1/2012	152	
9	Sun Valley	2	4	\$164,999	6/30/2012	92	
10	Ketchum	2	4	\$152,549	9/14/2012	16	
Date: 9/30/2012							

BCHA Rental Units Available

All of the Rental Units in BCHA's stewardship are occupied.

BCHA Ownership Units Currently Rented

The BCHA Guidelines allow a Community Homeowner to rent a community home under certain conditions and with approval from BCHA. There are currently four Community Homeowners renting their homes to qualified occupants.

Stewardship Activities

- The Blaine County Needs Assessment was completed in November 2011 and presented to the community. It was received quite well and received considerable coverage in the local press. A key feature of this Needs Assessment is that it is based on an updatable model. This will allow BCHA to input new data as it becomes available. In addition, it will allow us to measure the progress of the community's affordable housing efforts going forward.

Below are some of the key findings of the Needs Assessment:

- ✓ 480 units are needed county-wide
- ✓ There will likely be more need for rentals in the future
- ✓ The Latino / Hispanic population in the county grew from 11% in 2000 to 20% in 2010
- ✓ Median household income declined from \$62,910 in 2000 to \$56,601 in 2010 (inflation adjusted)

The Needs Assessment was funded 100% through grants and donations.

- BCHA embarked on developing a county-wide housing plan following the needs assessment report. BCHA received one of six technical assistance grants awarded nationwide by the Cornerstone Partnership. The \$20,000 grant provided BCHA with two consultants with affordable housing expertise in rural communities to help start the development of the county-wide housing plan.

Consultants Peter Werwath and Michael Brown conducted dozens of interviews with stakeholders and community members throughout the county. Peter's and Michael's work culminated with a community planning session hosted by BCHA at the Church of the Bigwood in early December 2011. Based on their interviews, Peter & Michael developed a "menu of opportunities" which were presented and discussed by the participants. Participants were given the opportunity to indicate their preferences to pursue affordable housing at the end of the day. Four choices from the menu emerged as the top priorities of the participants present:

1. Acquisition/Rehabilitation of existing homes,
2. Coordination among providers,
3. New affordable rental construction using tax credits and
4. The collection and publication of data accompanied by messaging and education.

Other opportunities offered were:

5. Assistance to low and moderate income buyers to take advantage of reduced prices,
6. Housing counseling and homebuyer education,
7. Land banking,
8. Changes to ordinances

- Sales of Community Housing Stock - Only one Community Home closed this fiscal year.
- One Workforce Market Deed Restricted Community Home in Hailey was lost to foreclosure. The owner attempted a short sale of the unit, which was rejected by the lender.
- The Board and Staff completed a review and made amendments to the Community Housing Guidelines.
- BCHA continued regular communications with the community through Constant Contact electronic communications. Topics covered included:
 - Announcement of Finally Home homebuyer education course
 - Advertisement for a Community Home available at Scott-Northwood
 - Announcement of new Executive Administrator
 - Introduction of newest Community Homeowners
 - Advertisement and encouragement to participate in Ketchum's Comp Plan
 - HARP - Home Affordable Refinance Program
 - "Why We Still Need Affordable Housing" editorial by John Flattery

- Advertise Available Units: Mt. Rides rental in Ketchum, Silverstone (x2), Frenchman's Place, Scott Northwood
- Melanie Rees report Deed Restrictions in a Down Market

In the third quarter of FY 2012 we suspended bi-weekly communications while we evaluated the effectiveness of this form of communication. We are still evaluating the effectiveness of these communications while continuing to send relevant information as it becomes available.

- BCHA completed its annual compliance monitoring surveys initiated In February, 2012.

Foreclosure Prevention Counseling

- BCHA formed a partnership with Neighborhood Housing Services, Inc (NHS) in Boise to provide Blaine County residents with foreclosure prevention counseling. NHS is a HUD certified housing counselor and provides this service at no cost to the homeowner. There are no HUD certified counselors or any such service available in Blaine County.

NHS's counselor, Tom Birch, made trips to Hailey to meet with and counsel Blaine County homeowners who have experienced some type of hardship in the form of reduced income, an unexpected increase in expenses, change in familial status or other hardship.

One Blaine County homeowner who negotiated a forbearance with their bank sent thank you note to BCHA and NHS that reads in part "This gives me the necessary breathing room to survive. I appreciate all your help. If you guys hadn't reached out to this community, this would have never happened. I'm grateful for your hard work."

Internal Activities

- The stewardship of the existing stock of community homes remains a primary function for BCHA. The database of applicants is updated at least annually. Approximately one quarter of the applicants are contacted each quarter to verify the information on their application. Although the number of applicants on the list remains relatively consistent from quarter to quarter, the list is not static. There are several applicants who drop off the list and several added as a result of each review. The Characteristics Report in Section IV of this report provides a detailed analysis of the applicant database.
- BCHA conducted public outreach at several farmers' markets in Ketchum and Hailey.
- Staff developed a Notice of Intent to Rent for owners who have requested and have been granted permission to rent their community home through BCHA.
- BCHA joined a group help insurance plan through Blue Cross of Idaho and is now contributing to health benefits for its employees.
- We continue to expand our use of social media as an additional outlet for our services and to provide general affordable housing information.
- Staff reviewed and revised the Community Housing Application to better reflect fields and data points in our database of applicants.
- Staff developed a Permitted Capital Improvement Request Form for homeowners who wish to make improvements to their property and receive credit for the improvements upon the sale of their Community Home.
- BCHA developed an Affordable Housing Rental Guide to respond to a high volume of inquiries for affordable rental properties. The guide includes contact information for all subsidized rental properties in Blaine County (LIHTC, USDA Rural Development, Section 8, etc) in addition to the rentals in BCHA's stewardship.

- BCHA developed a time reporting system that will enable the tracking and analysis of how staff resources are allocated in different areas of the business (administration, program management, community engagement, etc.)
- The Board of Commissioners revised and approved job descriptions for Executive Director, Program Administrator and Board Commissioner.
- BCHA executed Contracts for Service with Blaine County, The City of Ketchum, The City of Sun Valley and The City of Hailey.
- Staff attends Hailey and Ketchum Business After Hours (BAH) events throughout the year.
- BCHA developed an advertisement for the interior of Mountain Rides buses and commuter vans.
- BCHA sent its FY 2011 Annual Report and Audited Financial Statements from FY 2011 & 2010 to stakeholders in February and have presented the report to the County Commissioners and the Cities of Hailey, Sun Valley and Ketchum.

Development Projects

- **North Mountain Sage Townhomes**
 - The City of Hailey approved the Mountain Sage II PUD in April of 2005. The development agreement included the provision of one community housing unit. The developer built a duplex on the property with the intent of offering one half of it for its community housing obligation. However, the PUD was never completed and the duplex never received a certificate of occupancy. The property was eventually foreclosed by Wells Fargo.
 - ARCH Community Housing Trust purchased the property from Wells Fargo with funds granted by IHFA. ARCH and Habitat for Humanity partnered together to apply for the IHFA grant. Both townhomes in the development will be offered to households earning less than 80% AMI and will be administered by Habitat for Humanity.
- **McHanville Apartments**
 - BCHA worked with the owner's architect to develop a Community Housing Plan for a rental development in the County's Community Housing Overlay District. This is the first application to be reviewed under this ordinance and BCHA helped the applicant navigate several unknowns and hurdles. The application was well-received by both the County P&Z and Board of Commissioners and received approval in record time.
 - Five of the fifteen units will be restricted to affordable rental rates.
 - BCHA and the developer finalized rental rates for the 5 affordable units and the county has issued a building permit.
 - BCHA Commissioners and Staff attended the ground-breaking ceremony.
 - The developer invited BCHA, the media and other interested parties on a tour of the progress to date. The units look great and are expected to be completed in the early summer 2013.
 - BCHA will work with the developer to identify the five units intended for BCHA applicants.
- **Warm Springs Ranch Resort**
 - The developers of WSRR approached the City of Ketchum to amend the employee housing section of their current PUD Agreement with the city. The original development agreement included the construction of housing for employees on site. The developer requested a waiver to build this housing from the city. Their preferred amendment was to have any and all employee housing requirements waived by the City if building commenced by June 1, 2014. BCHA did not support this request.

- The applicant did offer an alternative method to provide employee housing in the form of a Employer Assisted Housing (EAH) Plan which was ultimately agreed to by the City. The EAH plan will be funded through a fee charged on all sales at the hotel. Money from the fund will be used to subsidize qualified employees housing expenses.
- BCHA was identified and designated as the organization who should administer this plan. We look forward to working with the City of Ketchum and the owner to develop a workable and successful plan.
- There has been no activity on this development since the City approved this plan.

Activity at the State and National Level

- In late October 2011 David Patrie and Michelle Griffith from ARCH traveled to Boise to provide comment and testify to IHFA regarding proposed changes to their Qualified Application Plan (QAP) for Low-Income Housing Tax Credit (LIHTC) and HOME funding programs. Some of the proposed changes would have severely limited developments in Blaine County's ability to submit competitive applications for funding. If some of the proposed changes were implemented, developments in high cost areas like Blaine County almost certainly would lose out to developments in lower-cost counties, effectively eliminating Blaine County's access to these programs.

We are happy to report that IHFA removed one of the most damaging changes that would have affected Blaine County from the 2012 LIHTC QAP despite overwhelming support for those particular provisions from housing developers in the rest of Idaho.

- BCHA and ARCH met with State Representatives Jaquet, Pence and State Senator Stennett prior to the 2012 legislative session to discuss the upcoming session and identify policies that can make increasing affordable housing in our District easier.
- BCHA participated in Governor Otter's Capital for a Day program held in Sun Valley on December 21st. We were given the opportunity to address the Governor and his cabinet.
- In July David met with Idaho's Congressional Delegation at a community event at the Hailey Senior Center. This event provided the opportunity to discuss FHA policies and their affects on lending availability for condominiums and low and moderate income households. David spoke with the Regional Directors from Senators Crapo and Risch's offices and Rep. Simpson's Area Director. We received feedback in a timely manner from Senator Crapo's Washington D.C. office that the FHA will be issuing new guidance for condos.
- BCHA attended two of IHFA's quarterly housing roundtable forums in Twin Falls.

Stakeholder Outreach

Executive Director, David Patrie, continues to meet individually with community members and housing stakeholders on a regular basis. The meetings are open-ended and each individual is encouraged to converse openly about BCHA and housing. Meetings this quarter include:

- ✓ Mayors and County Commissioners
- ✓ Non-profit developers
- ✓ Major employers
- ✓ Real Estate professionals
- ✓ City and County Planning Staff

- ✓ Bank representatives
- ✓ Major land owners
- ✓ School District Representatives
- ✓ Fire Chiefs

Activities with Blaine County

- On May 22nd, we presented our proposed fee for service for FY 2013 to the County Commissioners. Our presentation included a tentative BCHA budget, the County's budget request form and a summary of how BCHA's goals align with, and support, the County's budgetary and service goals. We requested \$70,000 for our fee for service. This is the same amount we requested for FY 2012. The county approved this amount in its final budget.
- BCHA continues to work with Blaine County Planner, Kathy Grotto and the Planning and Zoning Commission on amendments to the CH-PUD. Public hearings were held on April 26th, May 24th, June 28th, July 12th, August 9th and September 27th.

Activities with the City of Ketchum

- BCHA participated in the City of Ketchum's comprehensive plan update kick-off meeting.
- Executive Director David Patrie is working with City Staff and has participated in Ketchum's Comprehensive Update planning process and serves on a citizen's advisory committee assembled to help guide the process.
- BCHA presented its annual report to the Ketchum City Council on April 2nd.
- Ketchum Planning Manager, Joyce Allgaier, was present at the meeting above and invited BCHA to make a similar presentation to the Ketchum Planning and Zoning Commission. BCHA gave a presentation to the P&Z on April 23rd.
- BCHA continues to work with the Ketchum Planning Department on the update of its comprehensive plan. Activities included several meetings with staff and a workshop with the Planning and Zoning Commission.

The City's kick-off meeting with the community identified eight areas of high importance to the community. Four of those elements are either directly, or indirectly, related to affordable housing. They are in bold below.

- ✓ **Housing & Diversity**
 - ✓ **Strengthening Our Economy**
 - ✓ **Boosting Community Vitality**
 - ✓ **Attracting & Retaining Young People**
 - ✓ Preserving Small Town Character
 - ✓ Increasing Mobility & Connectivity
 - ✓ Becoming a Greener Community
 - ✓ Building Tourism Opportunities
- The City of Ketchum kept its \$70,000 value for BCHA services in FY 2012 for our FY 2013 Contract for Service.
 - David participated in The Ketchum CDC's Walkable Ketchum project.
 - BCHA consulted with city staff regarding a proposed text amendment regarding residential uses in Ketchum's Light Industrial Zone.
 - BCHA board and staff members consulted with the mayor and staff regarding two LIHTC applications.

Activities with the City of Hailey

- BCHA presented our annual report to the Hailey City Council on March 19th.
- BCHA made its presentation and proposal to the Council and Mayor for FY 2013 Contract for Services in the amount of \$10,000. The Council approved a fee of \$2,500 and in-kind bookkeeping service valued at \$3,000.

Activities with the City of Sun Valley

- BCHA presented our annual report and proposal for BCHA's FY 2013 contract for services to the Sun Valley City Council on May 17th. We requested \$12,000 for BCHA services in FY2013. This is \$2,000 more than the amount requested in FY12. The basis for the increase in our request is the additional resources available to Sun Valley residents through BCHA like the foreclosure prevention counseling program. The Council approved \$5,000 for BCHA services.

Activities with Partners in the Community

ARCH Community Housing Trust

- BCHA helped promote The River Street Senior Apartments by distributing and collecting pre-applications.
- BCHA worked with ARCH to determine the feasibility of using Neighborhood Stabilization Plan (NSP) funds in Woodside. We provided a letter of need and support in ARCH's application to IHFA for these funds.
- BCHA provided a letter of support and details of our Applicant Database to IHFA for ARCH's application for Federal HOME funds.
- BCHA provided a letter to Idaho Housing and Finance in support of ARCH's re-certification as a Community Housing Development Organization (CHDO).
- BCHA certified certain ARCH board members as community homeowners to support ARCH's CHDO designation.
- BCHA board and staff attended the ribbon cutting for the River Street Apartments.
- BCHA provided a brief Market Analysis and Assessment in support of ARCH's proposed acquisition and rehabilitation of the Evergreen Apartments in West Ketchum.
- BCHA consulted with ARCH regarding relocation process of displaced residents should Evergreen Apartments be awarded funding.
- BCHA provided analysis and advice on rental versus ownership model for a newly acquired property in Ketchum.

Ketchum Community Development Corporation (KCDC)

- Hosted KCDC and their development partner GMD Properties at BCHA a board meeting to present the proposed Washington Place development.
- Provided a letter of support for Washington Place to IHFA for LIHTC funding.

Habitat for Humanity

- BCHA provided a comprehensive list of income qualified applicants for the homes Habitat for Humanity will administer in its partnership for homes acquired by ARCH and rehabilitated by Habitat.

Sustain Blaine

- BCHA staff continues to participate in Sustain Blaine's quarterly advisory board meetings.

Others

- David attended Zion's Bank speaker series featuring Chris Redgrave and her discussion on connecting with the digital generation.

BCHA Local and Regional Exposure

- BCHA and Blaine County is one of several resort communities featured in Melanie Rees' research report Deed Restrictions in a Down Market. Ms. Rees explores how deed restricted units have fared in the current economic climate in the resort communities of Colorado, California, Idaho and Wyoming. The report is available on the BCHA website:
https://bcoha.org/uploads/Deed_Restrictions_in_a_Down_Market.pdf.
- BCHA was highlighted in the Cornerstone Partnership's January member profile.
<http://affordableownership.org/profiles/january-highlight-bcha/>
- KECH news did a segment on BCHA on April 24th. You can listen to it here:
<http://kech95.com/2012/04/news-for-tues-april-24-2012/news-tues-april-24-2012-segment-ii/>. You have to click the small typed news segment link to open the player.
- David did a live interview with Lenny Joseph (KECH Radio) on May 25th to promote the foreclosure prevention counseling.
- Idaho Mt. Express
 - Reported on presentation of Annual Report to the City of Hailey;
 - Reported on community meeting to kick off county-wide housing plan;
 - Covered BCHA / ARCH presentation of the Needs Assessment;
 - Reporter Katherine Wutz did a 3-part series on affordable housing in October and November 2011.
 - Published an article on foreclosure prevention counseling that featured one of our Community Homeowners.
http://www.mtexpress.com/index2.php?ID=2005142663&var_Year=2012&var_Month=06&var_Day=27
 - They also published a story on the McHanville Apartments which focused on the affordable component of the development.
http://www.mtexpress.com/index2.php?ID=2005142793&var_Year=2012&var_Month=07&var_Day=04

Staff Development Activities

- FY 2012 was a challenging year for BCHA in regards to staff. Executive Director David Patrie began his tenure two weeks prior to the beginning of the new fiscal year. Long-time BCHA employee Nancy Smith moved to Boise and resigned in June. Nancy's replacement held great promise, but left BCHA to take an Executive Director position in Eastern Idaho within two months of being hired. A new Program Administrator had yet to be selected by the end of FY 2012.
- Nancy Smith completed an e-learning course provided by NeighborWorks for Counseling Clients Seeking Rental Housing.
- David Patrie and Nancy Smith attended a free Fair Housing Basics training session in Boise that was sponsored by HUD.
- David participated in webinars about Outsourcing Stewardship and Where do Families Go After Foreclosure?
- David and Nancy participated in an online training session on Affordable Housing Applicant Interview Techniques.

- David and his wife, Amanda, welcomed Camden Frank Patrie to the world at 12:44 am January 1, 2012. Camden was the first baby born in Blaine County.
- David attended a four day course on developing business plans for non-profits offered by CSI at the community campus.
- David participated in a webinar on establishing housing preferences presented by the Cornerstone Partnership.
- David participated in a partnership forming webinar presented by Idaho Department of Transportation which featured City of Hailey staff and the partnerships they have formed.
- David participated in a webinar presented by HUD on the mortgage settlement service and FHA streamlined refinance.

Board Activities

- The BCHA Board began the fiscal year with 5 of 7 members. Vacant seats were from the Cities of Hailey and Bellevue.
- During the course of the year The County Commissioners approved Linda Johnston to represent the City of Bellevue and Rick Davis to represent the City of Hailey to BCHA's board of Commissioners and we now have a full board.
- Commissioner Carter Ramsay, representing Ketchum, was confirmed for a new term on the BCHA board.
- Heather Filgate attended a four day course on developing business plans for non-profits offered by CSI at the community campus.



SECTION IV

Characteristics of Blaine County's Community Housing Applicants and Community Homes (As of September 30, 2012)

The Blaine County Housing Authority (BCHA) updates the community housing applicant database on a rotating quarterly basis. Applicants are contacted at least once per year, approximately 25% each quarter, to ensure that the information about the applicant households within the database is kept current.

As of September 30, 2012, there were **107** active applications in the database, representing a total of 193 individuals. Comparatively, there were **124** active applications representing 233 individuals on September 30, 2011. The net difference over the course of the fiscal year is -17 households reaching out to BCHA for assistance obtaining affordable housing. We have seen applications from 26 new households while 43 applicants have been removed from the list. Of the 26 new applicants, 10 are interested in ownership and 16 are interested in renting affordable housing. Of the 43 households who dropped off the list, 4 purchased market-rate homes, 1 purchased an affordable home, 5 notified BCHA that they could no longer afford to purchase, 10 moved from Blaine County and 23 were not able to be contacted by BCHA.

A closer look at the numbers above shows us that 62% of our new applicants are looking for affordable rental opportunities while 38% are looking for affordable ownership opportunities. It may be tempting to view the 43 households that dropped out of BCHA's database as good news and an indication that these households found affordable living situations. However, upon inspection, it appears the majority of these individuals and families left Blaine County. If you take the 10 households BCHA confirmed moved from Blaine County and add in the 23 households we were unable to contact through the contact information provided on their BCHA applications and presume they too have moved, 33 of 43 households removed from BCHA's database (77%) did not find affordable housing in Blaine County.

It appears the recession, loss of jobs in Blaine County and the continuing sluggish recovery is mostly responsible reduction in households seeking affordable housing through BCHA. It does indicate less overall demand for affordable housing. But the demand still exists, represented only in part, by the 107 households currently in the BCHA database. If and when the economy and jobs in Blaine County stabilize we expect the overall demand to increase from the current level.



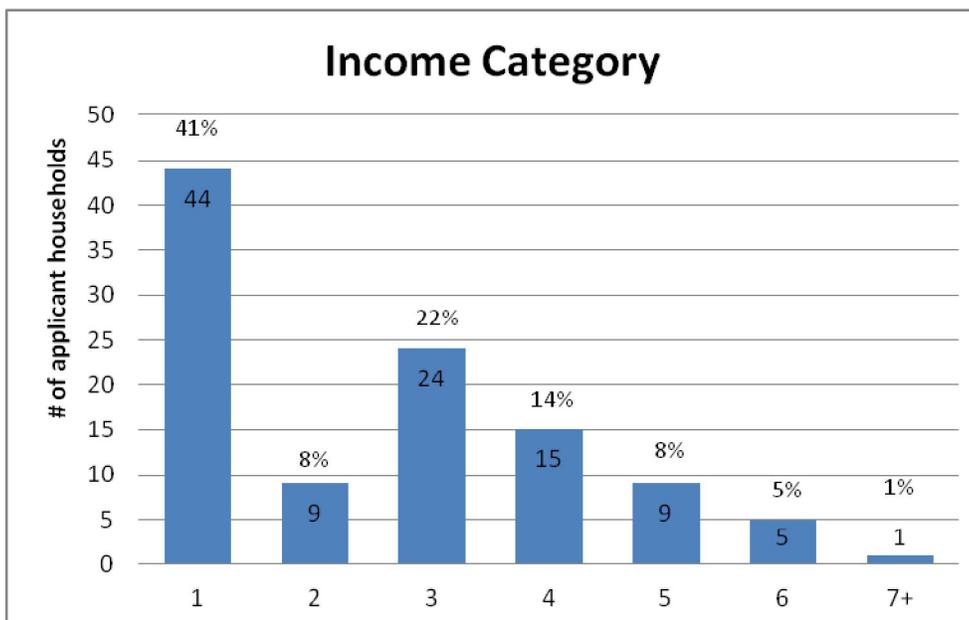
The majority of the demand for community housing is from households within Income Categories 3 and below, which constitute 72% of the applicant database. These applicant households have earnings at or below 80% the Area Median Income (AMI). Households earning more than 80% AMI make up the remaining 28% of our applicant database. A good rule of thumb is that households earning above 60% AMI (Income Categories 3 and above) could qualify for homeownership and those earning less than 60% AMI (Income Categories 1 and 2) are more suited to affordable rental opportunities. Using this guideline (not an absolute rule) we see that the Income Categories of households in the BCHA database breakdown virtually 50/50 between households who could qualify for affordable homeownership opportunities and those who are more likely to be seeking affordable rental opportunities.

The 2012 AMI is \$76,500 for a family of four in Blaine County. See Table 4.1 and Chart 4.1 for the breakdown of BCHA applicants by Income Category. Income limits for each household size and income category can be found in the 2012 Housing Price Calculator available on the BCHA website www.bcoha.org or by contacting BCHA.

Table 4.1: Percentage of BCHA Applicants in each Income Category

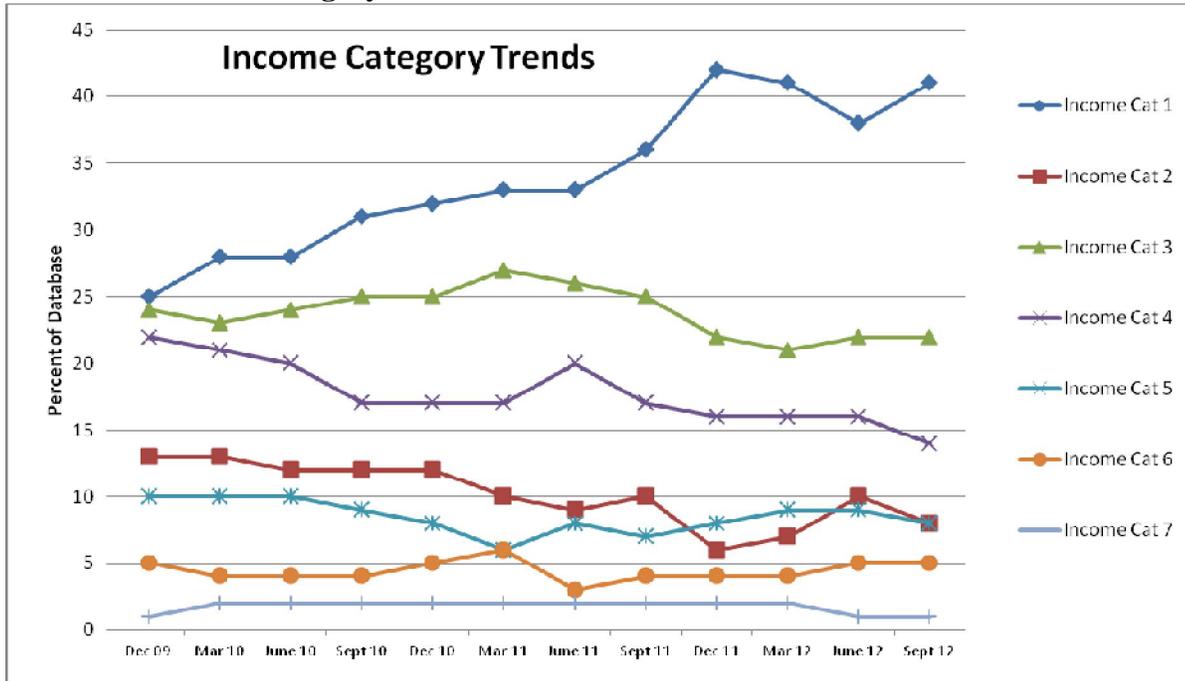
INCOME CATEGORY	% of Area Median Income (2011 HUD)	% of all Applicant Households in each Income Category
1	Up to 50% of Median	41%
2	50% - 60% of Median	8%
3	60% to 80% of Median	22%
4	80% to 100% of Median	14%
5	100% to 120% of Median	8%
6	120% to 140% of Median	5%
7 and Over	Over 140% of Median	1%

Chart 4.1: Distribution of Household Income



The steep climb in Income Category 1 applicants has stabilized in the past year. However, the number of household applicants earning less than 50% of AMI remains at historic highs. Chart 4.2 shows the trends of all Income Categories since December of 2009 as a percentage of the BCHA database.

Chart 4.2: Income Category Trends.

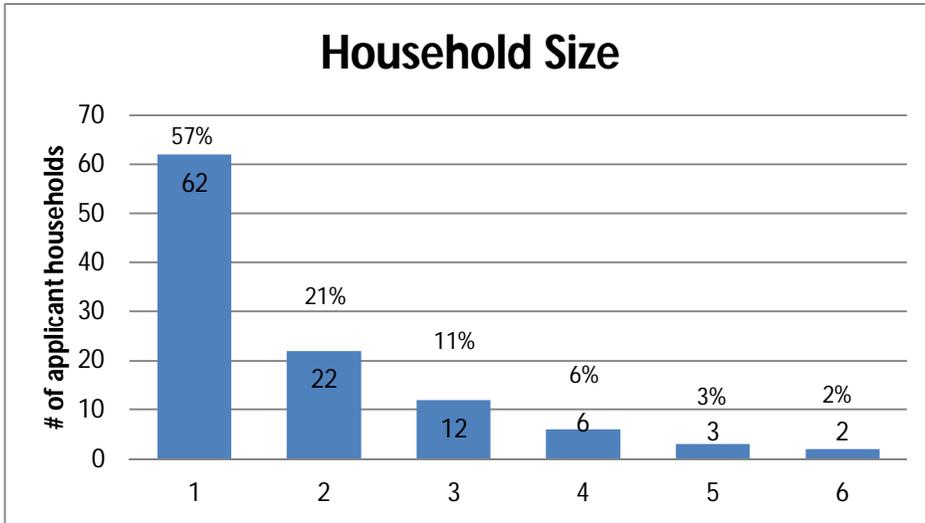


Even with the stabilization noted above, the most obvious characteristic in this chart is the significant rise in the percentage of Income Category 1 applicants, from 25% of the database at the end of 2009 to 41% today. This rise is most likely attributable to the job losses and the rise in the unemployment rate as well as the loss in household income in Blaine County over this period.

In December 2009, there was a healthy balance of Category 1, Category 3 and Category 4 households representing 25%, 24% and 22% of the applicants respectively. (Note that Category 2 represents households earning a 10% range (50%-60%) of AMI where all other Categories represent a 20% range.) This healthy balance is no longer in place at the end of September 2012.

The percentage of Income Category 3 and Category 4, often the easiest demographic to serve, have trended down since December 2009. The downward trend in Category 3 applicants that began around February of 2011 has stabilized over the past three quarters. Category 4 applicants (earning between 80%-100% AMI), and essentially the middle class, stabilized somewhat and is trending down again when looking at the same period.

Chart 4.3: Distribution of Household Size



Singles continue to dominate the database, representing 57% of the active applications. Two person households account for another 21% of applicants. Households of three or more represent the remaining 22% of applicants. While the number of families (presumably households of three or more) within the database is currently lower than individuals, anecdotal evidence suggests that this may be due to the current composition of the community housing inventory. The current inventory of units by number of bedrooms under BCHAs stewardship is as follows: Studio and 1 Bedroom = 43%, 2 Bedroom = 40%, 3+ Bedrooms = 17%.



Chart 4.4 tracks the total number of applicants as well as the applicants by household size from December 2009 through the current reporting period. The applicant list has fallen from 180 applicants at the end of 2009 to 107 currently. The majority of the applicants dropped off the list from early 2010 to March 2011. The number of applicants has continued to fall at a modest pace over the past 12 months. Even with the reduction in the number of applicants, households of 2 or more people have remained relatively consistent. The fluctuation in the database is almost wholly represented by single person households. This is likely because single persons are best able to respond to an economy in recession and job losses by moving to other areas to find work. It also amplifies the need for housing assistance of multiple person households who have fewer options to respond to adverse economic conditions.

Chart 4.4: Household Size Trends

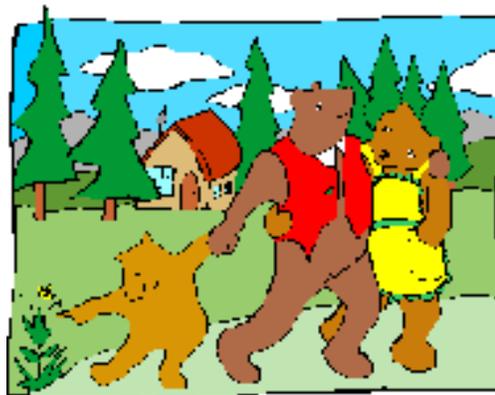
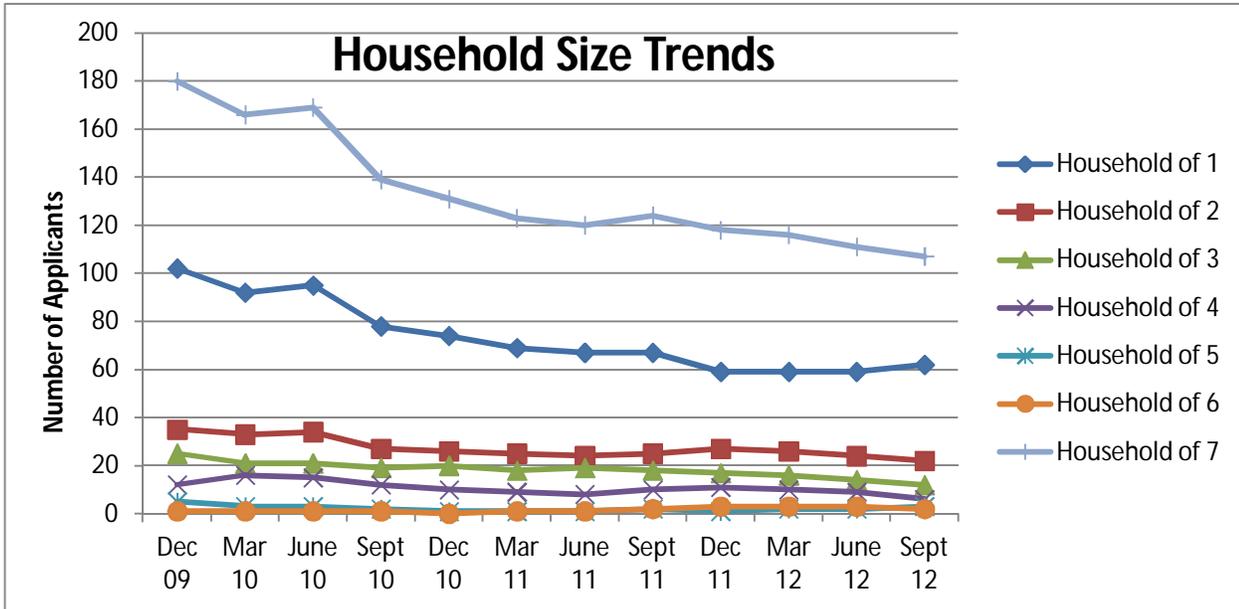
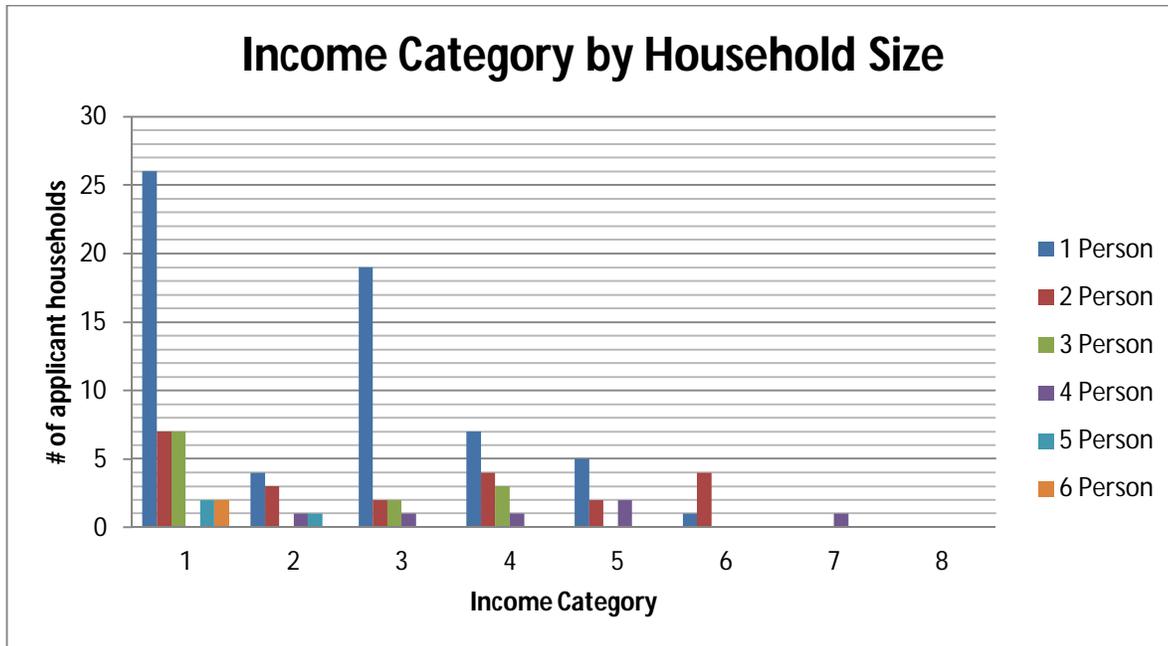


Table 4.2 and Chart 4.5 illustrate the distribution of applicants by the size of each household and that household's respective income category.

Table 4.2: Applicant Households in each Income Category, by household size.

Household Size	Number of Applicant Households in each Income Category by Household Size						
	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Cat 6	Cat 7 & over
1	26	4	19	7	5	1	
2	7	3	2	4	2	4	
3	7	0	2	3			
4	0	1	1	1	2	0	1
5	2	1					
6+	2						

Chart 4.5: Distribution of Household Size relative to Household Income



Demand exists for both smaller and larger homes; with a much stronger demand for small homes as 57% of the current applicants are single-person households. The next largest household size represented in our database is two-person households at 21% of the total. Given that 73% of our applicants are one and two-person households we see the strongest demand for one and two bedroom units.

Chart 4.6: Distribution of Applicant Households' City of Employment

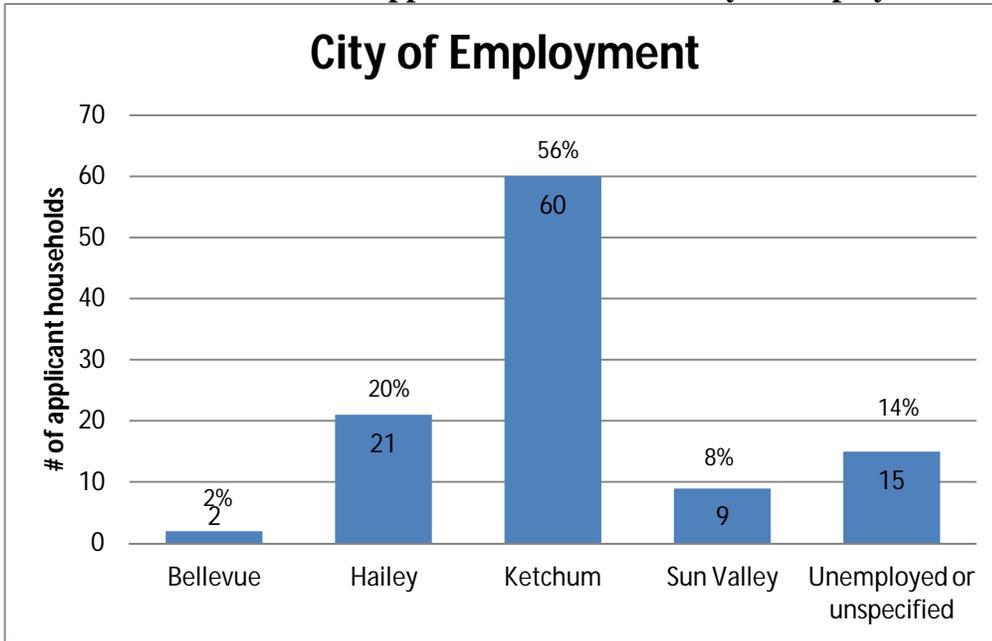


Chart 4.6 shows that the majority of BCHA's applicants are employed in the north valley. 64% of applicants work in Ketchum or Sun Valley, while 22% work in Hailey or Bellevue. The 14% of unemployed or unspecified include households who are retired, disabled or self-employed. (This data is based on the primary applicant's place of employment and does not include the place of employment of any co-applicant. Co-applicant's employment information is tracked in the database.)

Chart 4.7: Distribution of Applicant Households' Desired Home Location

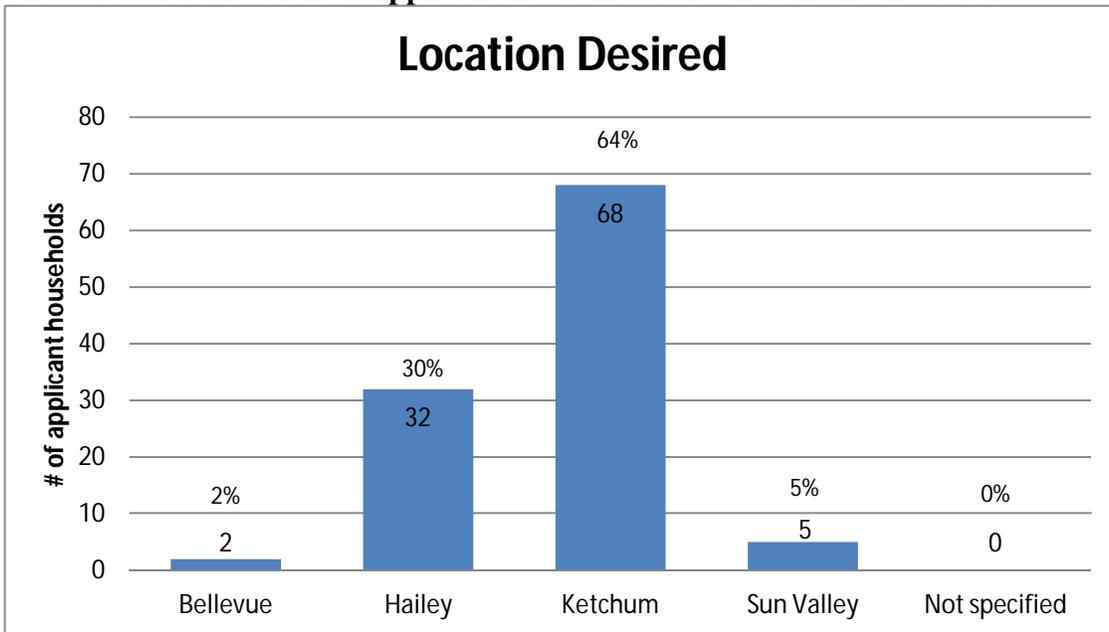


Chart 4.7 closely reflects the location of employment, and confirms that the majority of applicant households (64%) prefer to live in Ketchum. It is also notable that more applicants indicate they prefer to live in Hailey than the number of applicants who work in Hailey. The number of applicants that prefer

Sun Valley as their first choice is less than the number of applicants employed in that city. (Locations indicated in the chart are applicant households' first choice; other choices are tracked in the database.)

Chart 4.8: Location Desired by Household Size

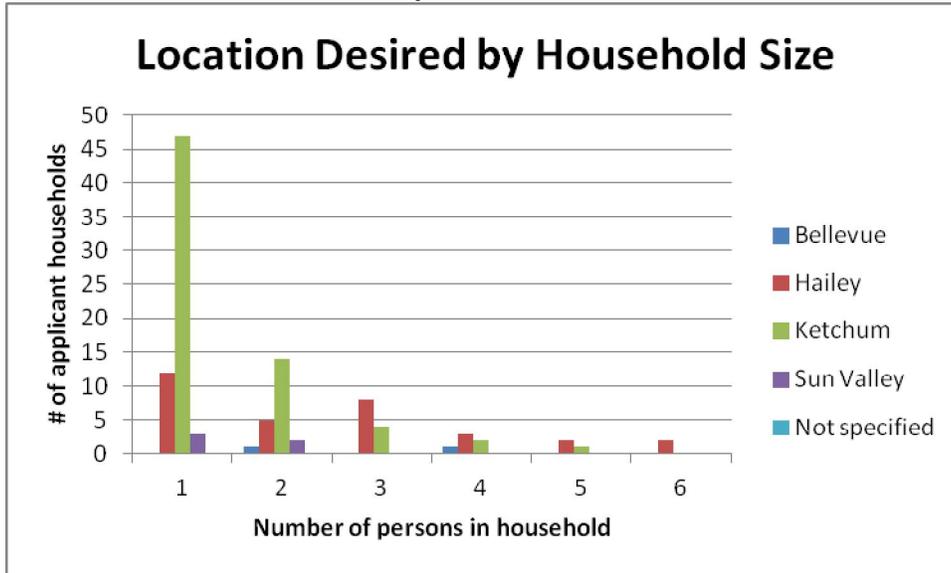


Chart 4.8 shows Ketchum is the most preferred location for single and two-person households; Hailey is preferred by households of three or more. (Again, locations indicated in the chart are applicant households' first choice.)

Chart 4.9: Distribution of Applicant Households' Desired Home Type

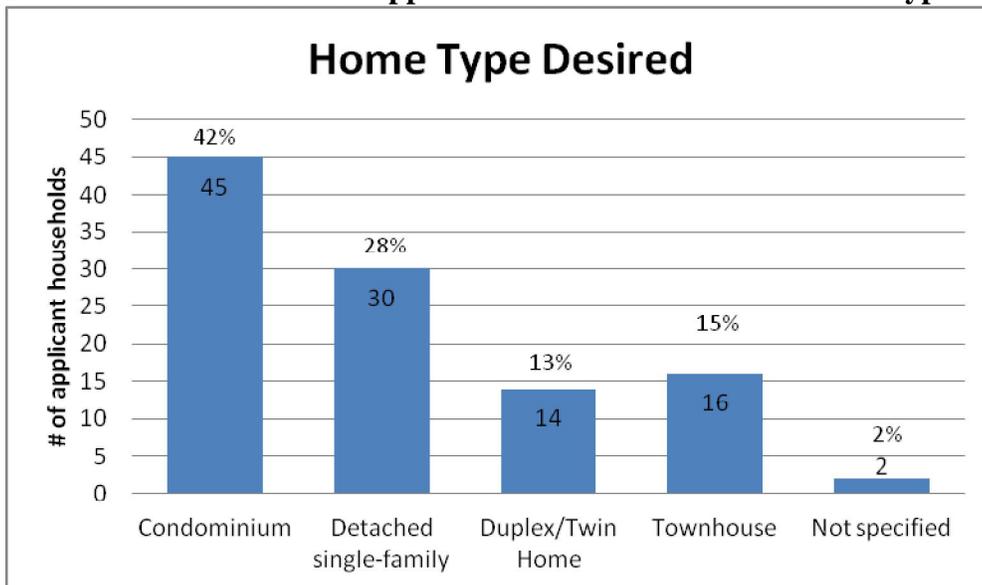
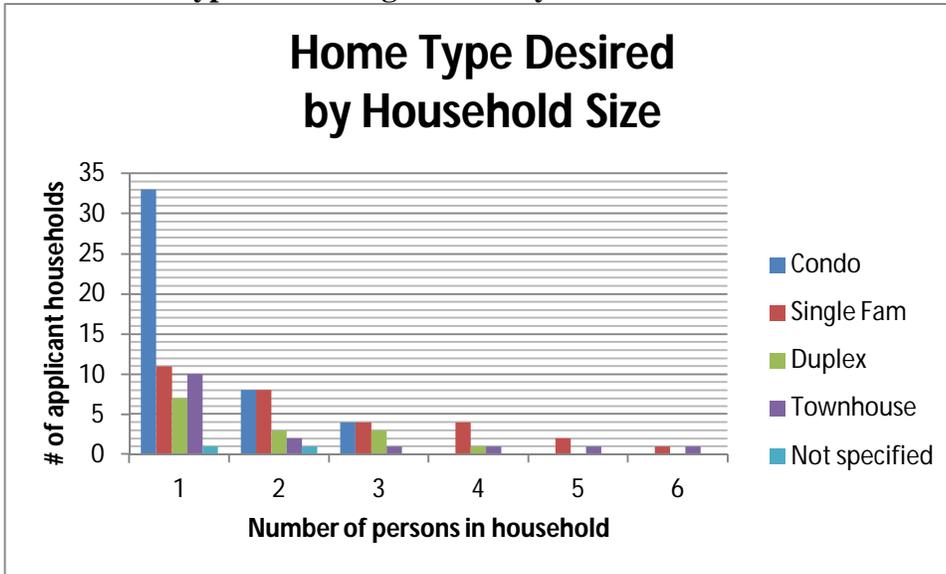


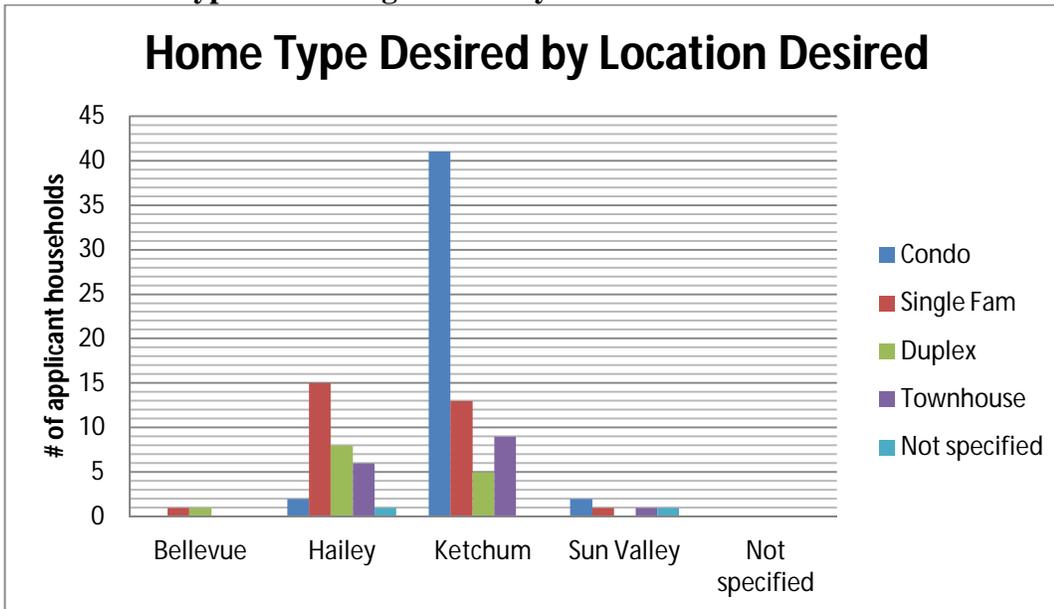
Chart 4.9 indicates that condominiums and single family homes are desired by the majority of applicant households. Duplexes and townhomes are the next most popular preference among those indicating a choice. However, the home types desired by different demographic groups are made clearer in the two charts below. (Home types indicated in the chart are applicant households' first choice; other choices are tracked in the database.)

Chart 4.10: Type of Housing Desired by Household Size



Condominiums are preferred by single applicants. Families prefer single family detached homes. There is also demand for condominiums among couples and families. Duplexes and townhomes are less desired by most household sizes.

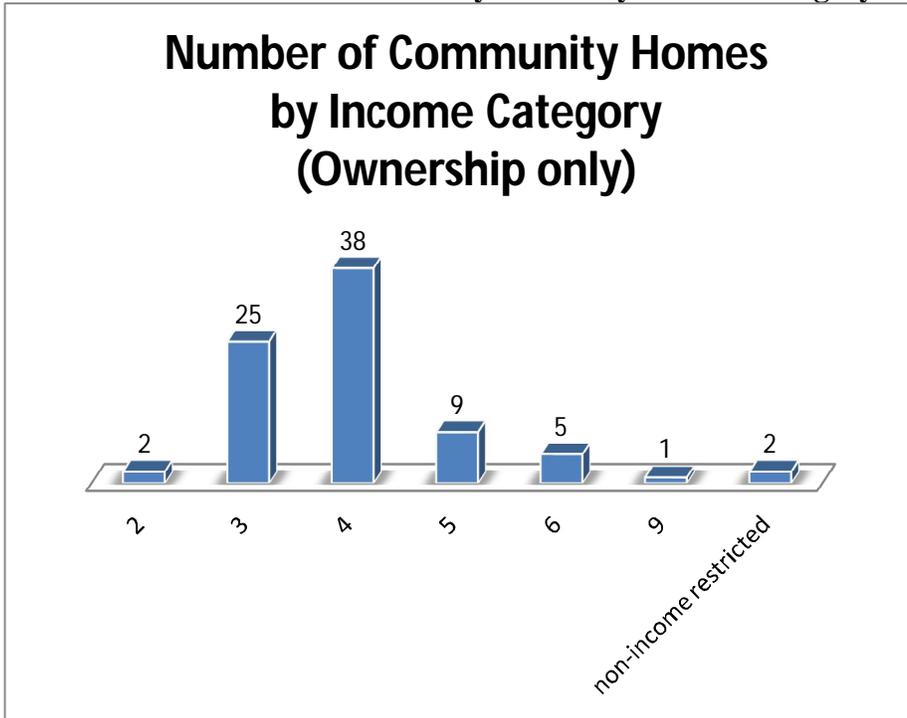
Chart 4.11: Type of Housing Desired by Location Desired



Condominiums are preferred by those applicant households wishing to live in Ketchum and Sun Valley, while detached single family homes are preferred by those wishing to live in Hailey and Bellevue.

Charts 4.12 and 4.13 show the income category and location distribution of the community homes administered by BCHA.

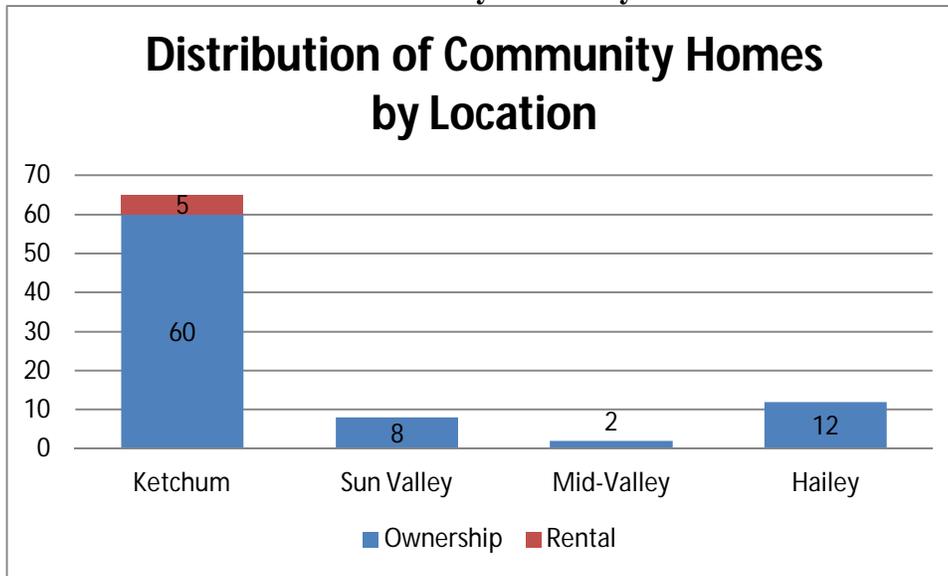
Chart 4.12: Number of Community Homes by Income Category



Seventy-seven percent (77%) of homes in BCHA's stewardship program are owned by Income Category 3 and Category 4 households (60%-100% AMI). Eighteen percent (18%) are owned by households at Category 5 and above (>100% AMI). Only two percent (2%) of the homes are available to households at Income Category 2 or lower (<60% AMI). Two percent (2%) of the homes are restricted to the Blaine County Workforce with no income or selling price restrictions.

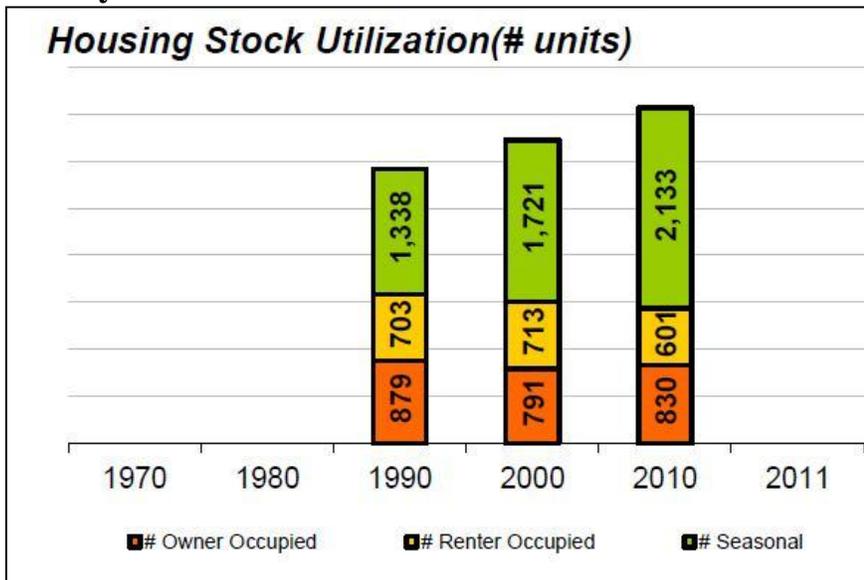


Chart 4.13: Number of Community Homes by Location



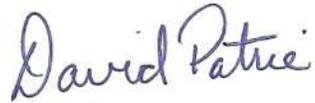
In response to the demand for homes affordable to its workforce, and due to Ketchum’s commitment to community housing, the vast majority of CH units are located in the City of Ketchum. There are currently 60 ownership units and 5 rental units administered by BCHA in Ketchum. These 60 ownership units have been added since 2000. As can be seen in Chart 4.14 below taken from Sustain Blaine’s 2011 Economic Profile of the City of Ketchum, if these community homes were not built, Ketchum would have seen a drop in owner occupied homes between 2000 and 2010.

Chart 4.14: City of Ketchum Housing Stock Utilization
City of Ketchum



BCHA will continue to track demographics and preferences of the applicant households and the trends that may emerge, and will share this information with policy makers, developers and the community in order to best meet the demand of the community's workforce.

Respectfully submitted,



David Patrie, Executive Director

Appendices Follow:

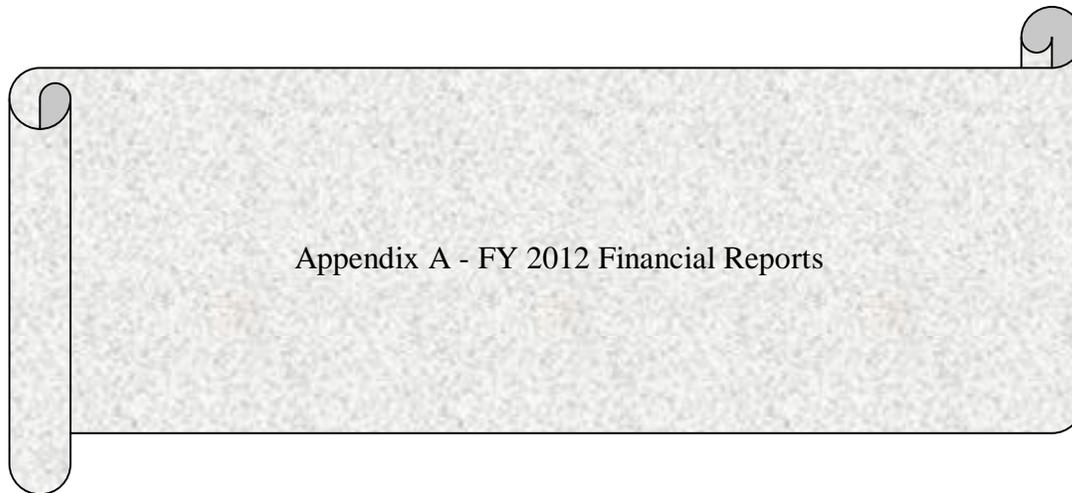
Appendix A - BCHA FY 2012 Financial Statements

Appendix B - BCHA Ownership and Rental Unit Inventory, September 30, 2012

Appendix C: Blaine County Work Force Trends & Unemployment Data, Idaho Dept. of Labor, Sept 2012

The Blaine County Housing Authority's mission is to advocate, promote, plan and preserve the long-term supply of desirable and affordable housing choices in all areas of Blaine County in order to maintain an economically diverse, vibrant and sustainable community.





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10/10/12
Accrual Basis

Blaine County Housing Authority
Balance Sheet Prev Year Comparison
As of September 30, 2012

	Sep 30, 12	Sep 30, 11	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Cash in Bank			
Checking US BANK	7,101.12	15,996.60	-8,895.48
BCHA - Operating Reserve 2478	65,276.45	65,120.66	155.79
Total Cash in Bank	72,377.57	81,117.26	-8,739.69
Restricted Cash			
Capital Repl Reserve US Bank	600.00	50.00	550.00
Restricted Cash-LGIP 3138			
Restricted-Comm Hsg Pres Fund	20,144.20	19,829.83	314.37
Restricted-Contingency Fund	42,000.00	27,000.00	15,000.00
Restricted Cash-Earnings	0.00	196.41	-196.41
Restricted Cash-LGIP 3138 - Other	43.62	42.88	0.74
Total Restricted Cash-LGIP 3138	62,187.82	47,069.12	15,118.70
Total Restricted Cash	62,787.82	47,119.12	15,668.70
Total Checking/Savings	135,165.39	128,236.38	6,929.01
Accounts Receivable			
Restricted Cash Receivable	0.00	-50.00	50.00
Total Accounts Receivable	0.00	-50.00	50.00
Other Current Assets			
Prepaid Insurance	923.45	1,383.98	-460.53
Total Other Current Assets	923.45	1,383.98	-460.53
Total Current Assets	136,088.84	129,570.36	6,518.48
TOTAL ASSETS	136,088.84	129,570.36	6,518.48
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	3,641.55	4,077.18	-435.63
Total Accounts Payable	3,641.55	4,077.18	-435.63
Other Current Liabilities			
Accrued Compensated Absences	1,325.26	1,325.26	0.00
Accrued Payroll Liabilities	2,625.26	1,325.48	1,299.78
Total Other Current Liabilities	3,950.52	2,650.74	1,299.78
Total Current Liabilities	7,592.07	6,727.92	864.15
Total Liabilities	7,592.07	6,727.92	864.15
Equity			
Unreserved Fund Balance	46,628.39	46,628.39	0.00
Retained Earnings	76,214.05	20,235.33	55,978.72
Net Income	5,654.33	55,978.72	-50,324.39
Total Equity	128,496.77	122,842.44	5,654.33
TOTAL LIABILITIES & EQUITY	136,088.84	129,570.36	6,518.48

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Blaine County Housing Authority
Profit & Loss Budget Performance
 September 2012

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 10/10/2012
 Accrual Basis

	Sep 12	Oct '11 - Sep 12	Annual Budget	% Ann. Budget
Ordinary Income/Expense				
Income				
Capital Replacement Revenue	50.00	600.00	600.00	100.0%
CH Sales Fee	250.00	5,430.00	20,450.00	26.6%
Contracts for Service	0.00	141,115.00	140,965.00	100.1%
Interest/Investment Income	25.57	274.49	150.00	183.0%
Total Income	325.57	147,419.49	162,165.00	90.9%
Gross Profit	325.57	147,419.49	162,165.00	90.9%
Expense				
PROGRAMS				
PROGRAM - CAPACITY	110.00	591.35	7,500.00	7.9%
PROGRAM - CHIP	-1,099.78	3,509.98	10,000.00	35.1%
PROGRAM - CHAMP	117.72	686.51	10,700.00	6.4%
Total PROGRAMS	-872.06	4,787.84	28,200.00	17.0%
Payroll Expenses				
Wages - Exec Admin	5,000.00	54,999.96	60,000.00	91.7%
Wages - Administrative	1,180.06	36,863.46	43,260.00	85.2%
Medical Insurance	500.00	10,763.24	12,000.00	89.7%
Retirement Plan (SEP)	0.00	0.00	1,800.00	0.0%
Payroll Taxes	458.55	7,368.31	12,038.00	61.2%
Direct Deposit Fees	10.35	107.80	96.00	112.3%
Workers Comp Insurance	118.00	1,298.00	1,400.00	92.7%
Total Payroll Expenses	7,266.96	111,400.77	130,594.00	85.3%
Ads	124.37	215.00	500.00	43.0%
Audit & Bookkeeping	0.00	3,262.70	3,250.00	100.4%
Bank Charge	0.00	33.00	50.00	66.0%
Computer Expenses	56.05	763.89	1,000.00	76.4%
Contract Labor	1,946.00	2,414.75	500.00	483.0%
Dues and Subscriptions	165.00	555.00	500.00	111.0%
Legal & Professional Fees	0.00	470.87	5,000.00	9.4%
Liability Insurance	234.42	2,813.04	2,550.00	110.3%
Marketing/Public Outreach	0.00	360.00		
Meals & Entertn	75.46	662.28	400.00	165.6%
Mileage Reimbursement	82.14	1,567.41	1,400.00	112.0%
Office expenses	233.70	2,500.00	3,000.00	83.3%
Postage and Delivery	0.00	338.09	470.00	71.9%
Rent	400.00	4,800.00	4,800.00	100.0%

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Page 1 of 2

	Sep 12	Oct '11 - Sep 12	Annual Budget	% Ann. Budget
Repairs	0.00	0.00	500.00	0.0%
Staff/Board Development	50.00	50.00		
Telephone & Internet	321.24	3,831.70	3,340.00	114.7%
Utilities	22.31	638.83	1,250.00	51.1%
Total Expenses	3,710.69	25,276.56	28,510.00	88.7%
Total Ordinary Expenses	10,105.59	141,465.17	187,304.00	75.5%
Net Ordinary Income	-9,780.02	5,954.32	-25,139.00	-23.7%
Other Income/Expense				
Other Expense				
Capital Outlay - Computer&Furni	0.00	299.99	700.00	42.9%
Contingency	0.00	0.00	5,000.00	0.0%
Total Other Expense	0.00	299.99	5,700.00	5.3%
Net Other Income	0.00	-299.99	-5,700.00	5.3%
Net Income	-9,780.02	5,654.33	-30,839.00	-18.3%

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10/10/12

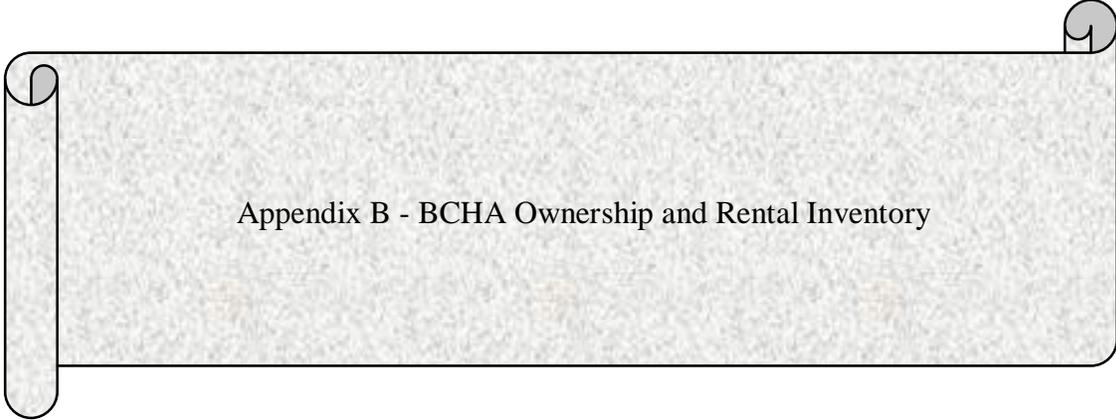
Accrual Basis

Blaine County Housing Authority
Profit & Loss Prev Year Comparison
 October 2011 through September 2012

	Oct '11 - Sep 12	Oct '10 - Sep 11	\$ Change
Ordinary Income/Expense			
Income			
Capital Replacement Revenue	600.00	0.00	600.00
CH Sales Fee	5,430.00	34,429.63	-28,999.63
Contracts for Service	141,115.00	144,649.50	-3,534.50
Rental Admin Fees	0.00	200.00	-200.00
Interest/Investment Income	274.49	296.96	-22.47
Other Inc	0.00	20,131.25	-20,131.25
Total Income	<u>147,419.49</u>	<u>199,707.34</u>	<u>-52,287.85</u>
Gross Profit	147,419.49	199,707.34	-52,287.85
Expense			
PROGRAMS			
PROGRAM - CAPACITY	591.35	0.00	591.35
PROGRAM - CHIP	3,509.98	0.00	3,509.98
PROGRAM - CHAMP	686.51	0.00	686.51
Total PROGRAMS	<u>4,787.84</u>	<u>0.00</u>	<u>4,787.84</u>
Payroll Expenses			
Wages - Exec Admin	54,999.96	45,890.92	9,109.04
Wages - Administrative	36,863.46	39,009.26	-2,145.80
Wages - Marketing Associate	0.00	0.00	0.00
Medical Insurance	10,763.24	3,008.02	7,755.22
Payroll Taxes	7,368.31	7,707.23	-338.92
Direct Deposit Fees	107.80	90.75	17.05
Workers Comp Insurance	1,298.00	1,114.72	183.28
Payroll Expenses - Other	0.00	-582.20	582.20
Total Payroll Expenses	<u>111,400.77</u>	<u>96,238.70</u>	<u>15,162.07</u>
Ads	240.37	773.00	-532.63
Audit & Bookkeeping	3,262.70	0.00	3,262.70
Bank Charge	33.00	0.01	32.99
Computer Expenses	763.89	2,220.24	-1,456.35
Contract Labor	2,414.75	678.75	1,736.00
Dues and Subscriptions	555.00	375.00	180.00
Interest Exp - Ketchum Hsg Rsv	0.00	28.11	-28.11
Legal & Professional Fees	470.87	1,913.95	-1,443.08
Liability Insurance	2,813.04	2,813.04	0.00
Marketing/Public Outreach	360.00	1,869.31	-1,509.31
Meals & Entertn	662.28	166.48	495.80
Meeting refreshments	0.00	105.32	-105.32
Mileage Reimbursement	1,567.41	988.82	578.59
Office expenses	2,474.63	2,071.63	403.00
Postage and Delivery	338.09	165.70	172.39
Rent	4,800.00	4,800.00	0.00
Resource Development	0.00	18,671.19	-18,671.19
Staff/Board Development	50.00	3,450.64	-3,400.64
Telephone & Internet	3,831.70	3,572.55	259.15
Utilities			
Office Utilities	638.83	746.61	-107.78
Total Utilities	<u>638.83</u>	<u>746.61</u>	<u>-107.78</u>
Website expenses	0.00	239.02	-239.02
Total Expense	<u>141,465.17</u>	<u>141,888.07</u>	<u>-422.90</u>
Net Ordinary Income	5,954.32	57,819.27	-51,864.95
Other Income/Expense			
Other Expense			
Capital Outlay - Computer&Furni	299.99	1,840.55	-1,540.56
Total Other Expense	<u>299.99</u>	<u>1,840.55</u>	<u>-1,540.56</u>
Net Other Income	<u>-299.99</u>	<u>-1,840.55</u>	<u>1,540.56</u>
Net Income	<u><u>5,654.33</u></u>	<u><u>55,978.72</u></u>	<u><u>-50,324.39</u></u>

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Appendix B - BCHA Ownership and Rental Inventory

Blaine County Housing Authority Annual Report: 10/01/11 - 09/30/2012

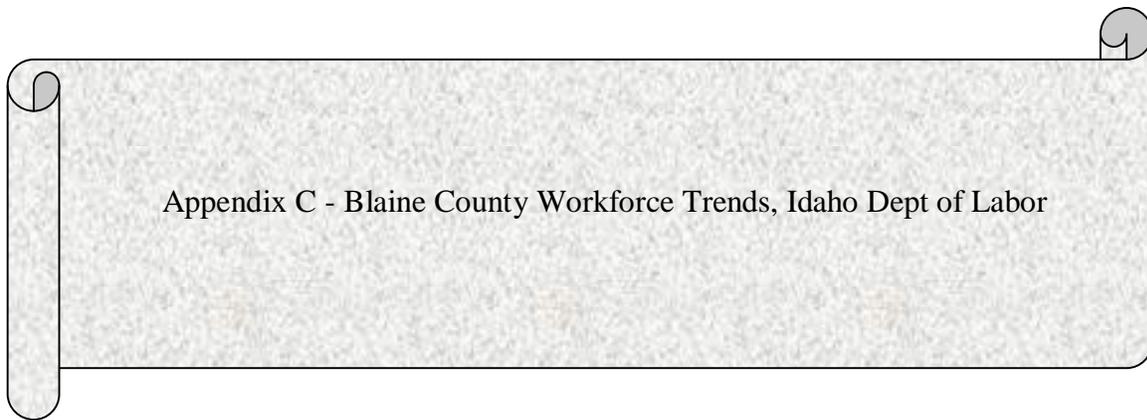
Community Housing Owner or Renter Occupied Units as of: September 30, 2012

Own/ Rent	Development's Name	Address	City	Source	Unit #	No. of Bed Rooms	No. of Bath	Selling Price	Date of Closing	Income Cat.	Sq. Foot Unit
1	own	Chilali Lodge	222 Second Avenue, N	Ketchum	K	2	1	\$114,605.00	27-Jul-11	3	884
2	own	Chilali Lodge	222 Second Avenue, N	Ketchum	K	1	1	\$146,570.28	26-Aug-08	4	1078
3	own	Residences at Evergreen	111 First Avenue, South	Ketchum	K	16	3	\$153,625.00	Showing	4	1275
4	own	Residences at Evergreen	111 First Avenue, South	Ketchum	K	17	1	\$69,871.00	28-Sep-07	3	1068
5	own	The Fields at Warm Springs	120 Flower Dr A	Ketchum	K	120A	2	\$185,129.00	Showing	4	1091
6	own	The Fields at Warm Springs	120 Flower Dr C	Ketchum	K	120C	2	\$165,250.00	17-Jul-06	4	1109
7	own	The Fields at Warm Springs	140 Flower Dr A	Ketchum	K	140A	2	\$185,798.00	Showing	4	1091
8	own	The Fields at Warm Springs	140 Flower Dr C	Ketchum	K	140C	2	\$184,000.00	27-Sep-11	4	1109
9	own	The Fields at Warm Springs	160 Flower Dr A	Ketchum	K	160A	2	\$183,442.00	21-Jan-10	4	1091
10	own	The Fields at Warm Springs	160 Flower Dr C	Ketchum	K	160C	2	\$179,999.00	Showing	4	1109
11	own	The Fields at Warm Springs	110 Flower Dr A	Ketchum	K	110A	2	\$149,469.00	30-Oct-03	4	1051
12	own	The Fields at Warm Springs	110 Flower Dr B	Ketchum	K	110B	2	\$150,514.00	30-Jun-04	4	na
13	own	The Fields at Warm Springs	130 Flower Dr A	Ketchum	K	130A	2	\$181,966.00	Showing	4	
14	own	The Fields at Warm Springs	130 Flower Dr B	Ketchum	K	130B	2	\$171,120.00	5-Aug-10	4	1036
15	own	The Fields at Warm Springs	150 Flower Dr B	Ketchum	K	150B	2	\$135,000.00	17-Mar-00	4	1036
16	own	The Fields at Warm Springs	120 Flower Dr B	Ketchum	K	120B	2	\$135,000.00	28-Apr-00	4	943
17	own	The Fields at Warm Springs	140 Flower Dr B	Ketchum	K	140B	2	\$175,788.00	1-Oct-09	4	943
18	own	The Fields at Warm Springs	160 Flower Dr B	Ketchum	K	160B	2	\$135,000.00	8-Mar-00	4	943
19	own	1st and 1st	100 1st St D	Ketchum	K	D	1	\$113,823.83	10-Apr-09	3	na
20	own	Frenchman's Place	360 E. 9th St	Ketchum	K	17	2	\$124,950.00	1-Feb-06	3	771
21	own	Frenchman's Place	360 E. 9th St	Ketchum	K	18	1	\$133,899.00	2-May-08	3	842
22	own	Frenchman's Place	360 E. 9th St	Ketchum	K	19	1	\$101,020.00	31-Aug-07	2	871
23	own	Frenchman's Place	360 E. 9th St	Ketchum	K	20	1	\$120,370.00	30-Mar-10	3	891
24	own	Frenchman's Place	360 E. 9th St	Ketchum	K	28	1	\$174,950.00	16-Dec-05	5	841
25	own	ID Independent Bank Bldg	491 N Main St	Ketchum	K	202	1	\$178,916.00	31-Aug-09	5	840
26	own	ID Independent Bank Bldg	491 N Main St	Ketchum	K	203	1	\$79,828.00	4-Mar-08	2	624
27	own	Olympic Terrace	611 Washington St	Ketchum	K	202	1	\$114,862.00	15-Dec-10	3	663
28	own	Olympic Terrace	612 Washington St	Ketchum	K	105	1	\$113,880.48	11-Aug-10	3	589
29	own	Olympic Terrace	613 Washington St	Ketchum	K	104	1	\$147,516.00	29-Jun-07	4	690
30	own	Pine Ridge	101 Four Seasons Way	Ketchum	K	2	2	\$147,904.00	29-Mar-06	4	1256
31	own	Pine Ridge	101 Four Seasons Way	Ketchum	K	3	2	\$162,790.00	31-Mar-11	4	1256
32	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	6	2	\$147,904.00	17-Mar-06	4	1256
33	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	7	2	\$147,904.00	9-Mar-06	4	1256
34	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	13	1	\$99,597.00	25-Apr-06	3	709
35	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	14	1	\$100,412.00	18-Apr-06	3	654
36	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	16	2	\$138,126.00	13-Mar-06	4	1488
37	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	19	2	\$144,883.00	28-Jul-06	4	1216
38	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	21	3	\$165,555.86	20-Feb-09	4	1774
39	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	22	2	\$144,883.00	10-Jul-06	4	1216
40	own	Pine Ridge	1908 Warm Springs Rd	Ketchum	K	25	2	\$148,731.00	17-Dec-10	4	1488
41	own	Pine Ridge	1919 Warm Springs Rd	Ketchum	K	27	1	\$99,597.00	19-Jul-06	3	709
42	own	Pine Ridge	1920 Warm Springs Rd	Ketchum	K	28	1	\$100,412.00	25-Jul-06	3	654
43	own	Riverglen	100 Meadow Cr	Ketchum	K	A	2	\$120,000.00	11-Feb-02	3	1368
44	own	Riverglen	100 Meadow Cr	Ketchum	K	B	1	\$105,000.00	21-Dec-01	3	891
45	own	Riverglen	100 Meadow Cr	Ketchum	K	C	2	\$150,000.00	Sale Pending	3	1368

Blaine County Housing Authority Annual Report: 10/01/11 - 09/30/2012

Community Housing Owner or Renter Occupied Units as of: September 30, 2012

Own/ Rent	Development's Name	Address	City	Source	Unit #	No. of Bed Rooms	No. of Bath	Selling Price	Date of Closing	Income Cat.	Sq. Foot Unit	
46	own	Sabala Street	209 Sabala Street, #A	Ketchum	K	A	3	2	\$300,000.00	8-Aug-11	6	1429
47	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2V	1	1	\$105,870.00	29-Sep-08	3	566
48	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2A	1	1	\$138,316.00	25-Sep-08	4	590
49	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2C	1	1	\$138,316.00	29-Sep-08	4	668
50	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2N	1	1	\$126,000.00	Showing	4	540
51	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2P	1	1	\$177,048.00	21-Nov-08	5	668
52	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2Q	1	1	\$177,048.00	23-Sep-08	5	674
53	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2S	1	1	\$177,048.00	26-Sep-08	5	672
54	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2T	1	1	\$177,048.00	30-Mar-10	5	680
55	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2U	1	1	\$179,000.00	Showing	5	670
56	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2M	1	1	\$215,926.00	22-Sep-08	6	824
57	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2R	1	1	\$196,048.00	30-Apr-10	5	776
58	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2B	2	2	\$247,057.00	10-Aug-09	6	979
59	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2K	2	2	\$247,057.00	31-Oct-08	6	908
60	own	Scott Northwood Building	110 Lindsay Cir	Ketchum	K	2J	2	2	\$423,493.00	29-Oct-08	9	908
61	own	Elkhorn Village Condos	113 Angani Way	Sun Valley	SV	3-A	1	1	\$151,590.00	31-Jan-07	4	na
62	own	Elkhorn Village Condos	113 Angani Way	Sun Valley	SV	3-B	1	1	\$151,590.00	2-Feb-07	4	na
63	own	Elkhorn Village Condos	111 Angani Way 4A	Sun Valley	SV	4-A	1	1	\$80,352.00	24-Aug-07	3	863
64	own	Elkhorn Village Condos	113 Angani Way 3C	Sun Valley	SV	3-C	2	1	\$120,000.00	31-Aug-07	4	859
65	own	Elkhorn Village Condos	111 Angani Way 4B	Sun Valley	SV	4B	Studio	1	\$50,000.00	15-Oct-09	3	548
66	own	Elkhorn Springs	109 Angani Way	Sun Valley	SV	B1-4	2	2	\$255,140.00	2-Jul-07	6	1163
67	own	Elkhorn Springs	106 Village Way	Sun Valley	SV	10	2	2	\$170,093.06	31-Dec-08	4	1155
68	own	Elkhorn Springs	106 Village Way #4	Sun Valley	SV	4	2	2	\$164,999.00	14-Jan-09	4	1158
69	own	Blue Grouse	81 Ohio Gulch Rd	Mid-Valley	BC	81	4	2.5	\$241,950.00	20-Sep-06	4	
70	own	Blue Grouse	71 Ohio Gulch Rd	Mid-Valley	BC	71	4	2.5	\$255,150.00	1-Feb-07	4	
71	own	Winterhaven, Croy Creek	2441 Winterhaven Dr	Hailey	BC	2441	3	2.5	Foreclosed	Foreclosed	WMDR	1264
72	own	Winterhaven, Croy Creek	2445 Winterhaven Dr	Hailey	BC	2445	3	2.5	\$180,550.00	22-Sep-08	WMDR	1264
73	own	Winterhaven, Croy Creek	2465 Winterhaven Dr	Hailey	BC	2465	3	2.5	\$177,500.00	27-Aug-08	WMDR	1267
74	own	Winterhaven, Croy Creek	2461 Winterhaven Dr	Hailey	BC	2461	3	2.5	\$244,410.00	10-Sep-07	5	1267
75	own	Edgewood	2420 Winterhaven Dr	Hailey	H	2420	3	2.5	\$162,500.00	17-Nov-05	3	1308
76	own	Edgewood	2430 Winterhaven Dr	Hailey	H	2430	3	2.5	\$185,000.00	7-Nov-05	4	1308
77	own	Silverstone	861 Silverstone Dr	Hailey	H	861	2	2.5	\$89,000.00	Sale Pending	3	na
78	own	Silverstone	997 Silverstone Dr	Hailey	H	961	2	2.5	\$152,500.00	15-Sep-06	3	na
79	own	Walnut Street-ARCH	221 S. 5th Avenue	Hailey	H		3	2	\$175,000.00	17-Nov-10	3	1144
80	own	Walnut Street-ARCH	231 S. 5th Avenue	Hailey	H		3	2	\$175,000.00	23-Dec-10	3	1144
81	own	Winterfox	2810 Shenandoah Dr	Hailey	H	2810	3	2.5	\$162,500.00	31-Oct-05	3	1796
82	own	Winterfox	2820 Shenandoah Dr	Hailey	H	2820	3	2.5	\$164,896.00	1-Nov-05	3	1796
83	own	Winterhaven, Frosty Acres	2451 Winterhaven Dr	Hailey	H	2451	3	2.5	\$195,155.00	29-Jun-07	4	1264
84	rent	Copper Ridge	Washington Ave	Ketchum	K	8	0	1	\$645.00		2	
85	rent	Copper Ridge	Washington Ave	Ketchum	K	9	0	1	\$645.00		2	
86	rent	Copper Ridge	Washington Ave	Ketchum	K	7	1	1	\$685.00		2	
87	rent	Copper Ridge	Washington Ave	Ketchum	K	10	1	1	\$685.00		3	
88	rent	Stevenson Residences	600-2nd St., East	Ketchum	K	7	2	1	\$1,200.00		5	



Appendix C - Blaine County Workforce Trends, Idaho Dept of Labor



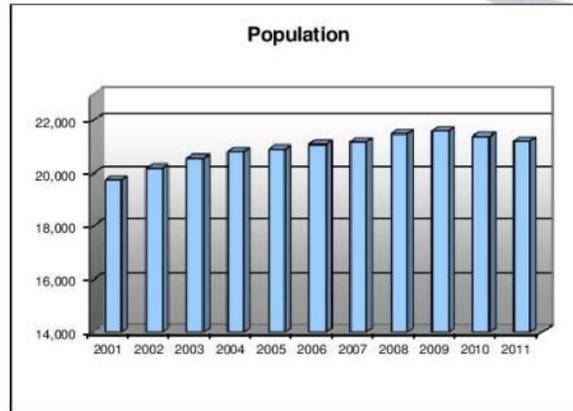
Blaine County

October 2012

Work Force Trends

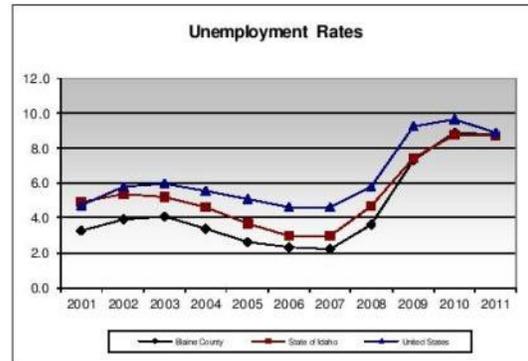
Population

Blaine County has experienced steady growth over the last decade. The population rose 7.3 percent from 19,755 in 2001 to 21,199 in 2011, relatively slow growth compared to better economic times. Hailey is the county seat and largest city at 7,893. Beautiful mountains and virtually unlimited recreational opportunities make Blaine County a destination for visitors, both domestic and international. The world famous Sun Valley Ski Resort saw a 382,128 skier count during the 2011-2012 season, down 6.2 percent from the previous year. Local leaders continue to try jump starting the economy. The recession was severe, dramatically cooling building activity in upscale subdivisions and condominium projects. Ketchum, the commercial hub, has five hotel projects seeking financing. New attractions in recent years include an all-season gondola, another golf course, an outdoor symphony pavilion and rodeo grounds, all enhancing tourism. Collaborative marketing is expected to bring more visitors to the area. Talks continue on ensuring regular commercial air service on regional jets, a step up from current regulations.



Labor Force & Employment

Blaine County's workforce has suffered from the construction and housing slump that hit many tourism and high-growth areas across the nation. The unemployment rate was fairly stable during the early part of the last decade. The continued expansion sent the rate plunging to 2.2 percent in 2007 before the recession pushed it up to 8.9 percent in 2010. Spring and fall recreation and conferences have eased some of those seasonal slumps. Most jobs are in the relatively lower-paying hospitality or retail sectors so the labor pool continues to be constrained by a lack of affordable housing. Efforts by communities to require affordable housing or to build their own along with dropping home prices have temporarily lessened the impact. The high cost of living offsets wages that are typically higher than elsewhere in Idaho. Routine traffic congestion between Ketchum and



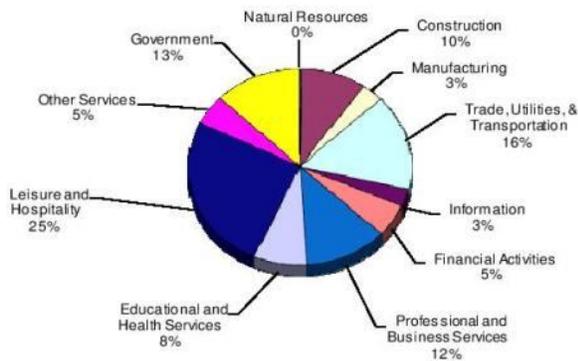
Bellevue has increased public transportation ridership. A significant number of workers commuted to the county for higher-paying construction and landscape jobs before the recession. A new airport was planned and then put on hold by the Federal Aviation Administration. With the imminent approval of Sun Valley to become the first Nordic Olympic and Paralympic training site in the US, an efficient, effective, transportation system is critical for accessibility.

Labor Force	Sep 11	Sep 12
Civilian Labor Force	12,566	12,359
Total Employment	11,441	11,552
Unemployed	1,126	808
% of Labor Force Unemployed	9.0	6.5
State of Idaho % Unemployed	8.7	7.1
U.S. % Unemployed	9.0	7.8

Labor Force	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Civilian Labor Force	12,439	12,893	12,653	13,261	13,898	14,030	13,658	13,798	13,243	12,655	12,575
Unemployment	408	507	520	449	363	323	300	502	969	1,125	1,104
% of Labor Force Unemployed	3.3	3.9	4.1	3.4	2.6	2.3	2.2	3.6	7.3	8.9	8.8
Employment	12,031	12,386	12,132	12,812	13,535	13,707	13,358	13,296	12,274	11,530	11,471

Prepared by Jan Roeser, Regional Economist, Idaho Department of Labor • 420 Falls Ave, Twin Falls, Idaho 83301
 Phone: (208) 735-2500, ext. 3639 • email: jan.roeser@abor.idaho.gov • Labor Market Information website: lmi.idaho.gov

Nonfarm Payroll Jobs for 2011



Major Employers
Atkinson's Market
180 Connect
Power Engineers
Rocky Mountain Hardware
St. Luke's Wood River Medical Center
Sun Valley Lodge aka Sinclair Company
Webb Landscape, Inc.

Occupational Wages*	Starting Wage
Public School Teachers (annual wage)	\$65,000
Social Workers	\$19.00
Registered Nurses	\$28.50
Legal Secretaries	\$19.00
Bookkeepers	\$15.00
Cashiers	\$10.00
Motel Housekeeping	\$9.00
Chefs	\$15.00
Lifeguards and Ski Patrol	\$10.00
Landscapers	\$15.00
Construction Labor	\$15.00
Electricians, Journeyman	\$24.00
Maintenance Mechanics	\$24.00

Wages & Income

Wages in Blaine County are significantly higher than in the rest of south central Idaho and the state because of the high cost of living, which can mostly be attributed to high real estate prices. The county's natural beauty and diverse recreational opportunities attract the affluent. Per capita income in 2010 remained the highest in Idaho. In fact, it was two-thirds times the United State's per capita income and double Idaho's. In the past, employers have had to subsidize normal wage rates. Job loss has finally abated and the labor market stabilized between 2010 and 2011, except for construction, which fell 8.5 percent.

* Additional occupational wage data can be found on the Idaho Department of Labor website at lmi.idaho.gov

Covered Employment & Average Annual Wages Per Job for 2001, 2010 & 2011	2001		2010		2011	
	Average Employment	Average Wages	Average Employment	Average Wages	Average Employment	Average Wages
Total Covered Wages	11,965	\$31,801	11,698	\$35,894	11,697	\$36,414
Agriculture	107	\$23,802	117	\$27,543	142	\$27,411
Mining	40	\$32,518	21	\$49,466	26	\$42,614
Construction	2,108	\$32,765	1,240	\$35,793	1,135	\$37,632
Manufacturing	387	\$36,219	388	\$52,579	377	\$53,550
Trade, Utilities & Transportation	1,996	\$26,793	1,825	\$31,634	1,858	\$31,715
Information	205	\$32,417	338	\$41,992	329	\$40,630
Financial Activities	665	\$32,546	603	\$55,414	584	\$49,510
Professional and Business Services	1,551	\$59,867	1,417	\$52,777	1,434	\$55,018
Educational and Health Services	675	\$33,254	879	\$45,225	910	\$50,345
Leisure and Hospitality	2,674	\$19,501	2,982	\$19,661	3,021	\$19,633
Other Services	451	\$23,446	408	\$32,738	411	\$32,946
Government	1,107	\$19,501	1,480	\$19,661	1,471	\$19,633

Per Capita Income	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Blaine County	\$45,015	\$44,388	\$46,040	\$52,665	\$56,450	\$62,554	\$63,712	\$70,455	\$61,198	\$63,883
State of Idaho	\$25,665	\$26,042	\$26,452	\$28,412	\$29,544	\$31,493	\$32,607	\$33,110	\$30,997	\$31,897
United States	\$31,157	\$31,481	\$32,295	\$33,909	\$35,452	\$37,725	\$39,506	\$40,947	\$38,846	\$39,937

Information provided by Bureau of Economic Analysis



This county is served by the office located at the address below:
 Idaho Department of Labor
 733 N. Main St., Suite C
 Bellevue, ID 83313 Ph: (208) 788-3526

labor.idaho.gov

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