

Development Trends | 2015

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May 2015	Permits Issued			Average Permit Value					
	Monthly Report			Calendar Year (5month average)			Fiscal Year (8month average)		
	May 2014	May 2015	% Change	2014	2015	%Change	FY 2014	FY 2015	%Change
Total Number									
Valuation ⁱ	\$44,494,678	\$35,746,963	-20%	\$149,311	\$162,062	9%	\$138,250	\$155,180	12%
Building Permits ⁱ	298	331	11%	N/A	N/A	N/A		N/A	N/A
Total New Residential Construction (includes single family dwellings and multifamily unit construction)									
Valuation	\$24,923,984	\$26,350,510	6%	\$126,518	\$130,201	3%	\$175,450	\$130,987	-25%
Residential Units	197	191	-3%	N/A	N/A	N/A	N/A	N/A	N/A
Residential Single Family Dwelling units issued (includes duplexes)									
Valuation	\$9,129,767	\$13,175,510	44%	\$237,328	\$240,591	1%	\$247,710	\$247,132	0%
Building Permits	34	51	50%	N/A	N/A	N/A	N/A	N/A	N/A
Commercial									
Valuation	\$17,177,420	\$6,430,912	-63%	\$230,184	\$361,969	57%	\$241,434	\$286,967	19%
Building Permits	101	96	-5%	N/A	N/A	N/A	N/A	N/A	N/A
Trades									
Valuation	\$8,084,839	\$12,878,134	59%	\$7,570	\$11,509	52%	\$7,810	\$9,628	23%
Permits	1232	1320	7%	N/A	N/A	N/A	N/A	N/A	N/A

Positive Trends:

May 2015 brought a significant increase in single family permitting activity. The number of permits for single family units increased 50% from 34 in May 2014 to 51 permits in May 2015. Single family permit valuation also increased 44% from \$9,129,767 in May 2014 to \$13,175,177 in May 2015. All residential permitting combined (single family dwelling, duplex, tri-plex, four plex and multifamily) increased by 6% in value even though the number of units permitted dropped 3% from 197 in May 2014 to 191 in May 2015 due in part to a decrease in the permitting of multifamily units. Multifamily units dropped from 147 in May 2014 to 84 in May 2015.

Notable Permits

The top 3 residential builders in Boise for May 2015 were Tahoe Homes, LLC with 9 permits valued at \$1,983,339, Brighton Homes Idaho, Inc. with 8 permits valued at \$2,229,063 and CBH with 7 permits valued at \$1,064,332. 5 permits valued at \$1,190,000 were issued for 20 fourplex units to the Biltmore Company in the Aberdeen #4 subdivision. 9 permits totaling \$1,980,000 were issued for the Breckenwood Apartments located on W Shellie Lane for 36 fourplex units.

ⁱ Doesn't include trade permits

Areas of Concern:

The level of commercial value permitted dropped drastically in May. Only \$6,430,912 of commercial valuation was issued in May 2015, compared with \$17,177,420 issued in May 2014. The 63% permit valuation decline can be attributed to the unpredictable timing of building permit submittal and does not represent a trend of decreasing construction activity. PDS expects mixed use downtown residential projects, including the Roost and the Afton, as well as the four hotels that are currently planned in downtown, to help offset temporary dips in commercial construction. In the case of this fiscal year, the Simplot Headquarters shell and tenant improvement have not permitted but should before the end of July which will greatly increase the commercial permit value issued for the year. The unemployment and interest rates continue to be low and the population growth in the Boise Metro area is expected to grow 6% from 652,000 to 695,000 by 2018 which will help Boise maintain healthy levels of commercial and residential construction into the near future.

5 Year Trends

Weak commercial permit valuation in May 2015 was counterbalanced by strong new residential construction permit valuation. At \$26,350,510, May 2015's total new residential valuation was 6% above May 2014's permit valuation of \$24,923,984, making May 2015 the highest new residential construction total in the last five years. Trade permit valuation was at the second highest level in the last five years at \$12,878,134, compared with \$14,804,961 in May 2013. High trade permit levels should continue for the next few months as major projects such as the Simplot Headquarters, City Centre, and JUMP projects, as well as several apartment projects, progress towards completion.