

Development Trends | 2014

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November 2014	Permits Issued			Average Permit Value					
	Monthly Report			Calendar Year (11month average)			Fiscal Year (2month average)		
	November 2013	November 2014	% Change	2013	2014	%Change	FY 2014	FY 2015	%Change
Total Number									
Valuation ¹	\$32,932,920	\$24,256,396	-26%	\$128,144	\$135,444	6%	\$153,162	\$171,623	12%
Building Permits ¹	257	193	-25%	N/A	N/A	N/A		N/A	N/A
Total New Residential Construction (includes single family dwellings and multifamily unit construction)									
Valuation	\$18,713,143	\$16,159,102	-14%	\$157,253	\$145,086	-8%	\$186,242	\$123,369	-34%
Residential Units	119	127	7%	N/A	N/A	N/A	N/A	N/A	N/A
Residential Single Family Dwelling units issued (includes duplexes)									
Valuation	\$12,144,471	\$9,381,102	-23%	\$245,204	\$248,257	1%	\$277,168	\$276,262	0%
Building Permits	51	35	-31%	N/A	N/A	N/A	N/A	N/A	N/A
Commercial									
Valuation	\$12,605,511	\$7,166,823	-43%	\$251,636	\$222,223	-12%	\$282,503	\$217,322	-23%
Building Permits	106	55	-48%	N/A	N/A	N/A	N/A	N/A	N/A
Trades									
Valuation	\$8,311,079	\$9,447,033	14%	\$8,108	\$10,325	27%	\$8,482	\$10,763	27%
Permits	1208	1096	-9%	N/A	N/A	N/A	N/A	N/A	N/A

Positive Trends:

The upward multifamily trend continued in November 2014 with the permitting of 88 Cantabria four-plexes on Overland. The valuation of trade permits (electrical, mechanical and plumbing) that were issued by the City also increased 14% from \$8,311,079 in November 2013 to \$9,447,033 in November 2014. Although this slow month takes some of the steam out of the first part of the new 2015 fiscal year, the average permit numbers for calendar year 2014 when compared with 2013 for the same period are generally positive with the exception of commercial and total new residential permitted valuation. Total new residential construction includes single family and multifamily projects and since the product mix currently being submitted to PDS includes more multifamily, which have lower per unit costs, it not unexpected for the average value to be down compared with last year. The decline in average commercial permit valuation by 12% when comparing November 2013 with November 2014 is a little harder to explain except that projects the size of Boise Centre, JUMP and the Simplot Headquarters only happen once every 5-10 years and the timing of when a permit is submitted hasn't been predictable and doesn't necessarily align with the city's fiscal year.

Notable Permits:

The permitting of single family dwellings in Boise remains at the 30-40 permits issued/month level. This is down from a post-recession height of 60-100 permits/month. Tahoe Homes LLC permitted the largest share the Boise market with permits being issued for nine homes with a total valuation of \$1,794,057. Eaglewood homes permitted 3 new homes for a total valuation of \$720,953. Innovative Edge Development and NHS Community Services LLC permitted two homes each. Three major projects were issued during November exceeding \$1,000,000. The first was the Cantabria four plex project located on the 12000 block of Overland Road. Twenty-two 3,668 sq. ft. fourplexes were permitted with an average valuation of \$300,000 per unit. The second project was a \$2,233,000 commercial addition and conversion of existing storage space into research lab space at the Simplot Plant Sciences building located on 5369 W. Irving Street. The third project was the one million two hundred fifty thousand dollar 10,750 sq.ft one-story, pre-engineered metal private Hawkinson Warehouse located at 592 McGregor Drive

Areas of Concern:

PDS experienced a 26% slowdown in the number of permits issued in November 2014 compared with November 2013. An unusual cold snap occurred in the middle of the month and lasted for approximately two weeks taking the temperatures down to levels that impacted construction schedules. With the exception of trade permits, permit valuation declined. PDS experienced a 43% difference in commercial construction value permitted when comparing November 2013 to November 2014 and a 14% drop in total residential construction (includes single and multi-family dwellings) during the same period. As has been reported in previous development trend reports, there has been a steady decline in new single family construction and PDS expects construction levels to stay steady for this product type in the near future. Another area that bears further monitoring is commercial construction which experienced a drop of 48% in the number of permits when comparing November of 2013 to November 2014. However, some of the activity in November 2013 that contributed to the difference included some unusual one-time events including new tenants trying to get moved in to the new 8th and Main which opened in January 2014 and commercial carport permits that were issued for the Union Square Apartments.

5 Year Trends:

Building Trends: The 127 dwelling units permitted by PDS (includes single family and multifamily dwelling units) makes November 2014 the highest November for permitting of dwelling units in the last five years. November 2014 was slower for all other permitting categories than previous Novembers during the last five years. It was significantly slower for the number of commercial building permits issued. 55 commercial building permits were issued in November 2014 compared with 106 in November 2013, representing a 48% difference. The 55 permits that were issued also make November 2014 the lowest total for November in the last five years. **Planning Trends:** The 59 planning applications receiving commission, committee, or council review was the highest level for a November in five years. The next highest November total was in 2013 where 47 applications were reviewed by a commission, committee or the City Council. The 116 planning applications submitted in November 2014 were at the fourth highest level in the last five years. The highest November in the last five years was in 2013 where 146 planning applications were submitted for approval.

¹ Doesn't include trade permits