



C I T Y O F S T A N L E Y

August 12, 2025

Dear City Residents and other interested parties,

With the busy summer season now upon us, I'm sure many in the Stanley community are wondering about the status of the Stanley workforce housing project. We understand that everyone has busy schedules, and you might not have been able to attend all the meetings this year. So, I would like to provide community members with an update on the status of the workforce housing project. The updates are as follows: The City still has the \$4 million workforce housing grant from the federal Department of Housing and Urban Development (HUD) that was included by Congressman Simpson in the federal budget as an economic development initiative. These funds, together with the Congressionally-directed transfer of four acres of land from the U.S. Forest Service to the City, are major steps in making a housing project financially feasible. However, the cost of water, power, sewer and road access infrastructure, together with the cost of environmental impact assessments, possible environmental mitigation, and high construction costs, raise the price tag for even basic housing development to around \$10 million.

We are hoping to obtain a \$500,000 Community Development Block Grant from the State of Idaho Department of Commerce this winter to help with infrastructure costs (estimated at about \$1,500,000). In addition, we plan to invest several hundred thousand dollars of City option tax revenues into the project along with the \$4 million HUD grant. Even with these additional funding sources, Northwest will require a loan of \$5 million to reach the \$10 million needed to construct enough housing units to make significant headway in mitigating Stanley's housing crisis.

Through town hall meetings in the winter and spring, community residents indicated that the City should make it a priority to address the housing deficiencies for "essential" workers. These were defined as mostly permanent workers who are necessary to keep the City and community functioning. This will include, but not be limited to, workers such as teachers, medical clinic staff, fire department, sewer association, and city government. However, the community continued to emphasize that there are still many other permanent and seasonal workers who are housing deficient and that the City should also address this need subject to funding and land availability (surveys have indicated that over one hundred workers in the area lack adequate housing).

In March, the City selected the development company Northwest Real Estate Capital Corp and has recently signed a Memorandum of Understanding with them to develop and manage workforce housing project. Northwest is a non-profit based in Boise that has extensive experience in developing and managing affordable, low-income housing in Idaho. This MOU covers Phase 1 of the project, which is expected to provide about 20 townhomes for permanent "essential" workers and others as availability allows. Phase 2 would likely include additional apartments for seasonal workers. The Developer will produce a preliminary site plan for Phase 1 and Phase 2 of the development based on environmental analysis, the size of the building envelope, financing, and engineering considerations. Northwest has hosted several town hall meetings to solicit community input to identify preferred housing designs, materials, and amenities. The attached visual preference survey information shows the current community preference options for housing location and design.

The City will retain control over the housing development through a lease agreement with Northwest, in accordance with Congressional requirements and City ordinances. The objective remains to provide workforce housing with rents reasonable and affordable considering salaries and wages in the local area.

The City contracted with an environmental analysis company, SWCA, to evaluate the environmental and cultural impacts of the housing development. This analysis was required by HUD because federal funds are being utilized in the project. SWCA is close to completing all the analysis and surveys which must be completed prior to anything happening on the ground.

S&A Engineering was selected in early May as the engineering firm to design the housing infrastructure. Northwest is expected to complete a preliminary site plan and design for the housing this month that will identify the number and location of housing units. The engineer will use this information to design the water system, possible impacts to wetlands and floodplains, sewer lines, electrical requirements, and location of access roads.

The City is working with private geothermal engineers, the Idaho Sustainability and Energy Coalition, the Idaho National Laboratory, and the Department of Energy National Renewable Energy Laboratory to evaluate funding sources to utilize the geothermal resource on the site to heat the housing units. These consultants are confident that the resource can be developed, and will help the City obtain grants, when and if available, to make this economically feasible. The consultants are contributing their time and expertise.

Northwest plans to complete the housing plan this fall, obtain financing this winter, and begin construction of the infrastructure and housing units in the Spring of 2026. The housing is planned to be completed and ready to occupy by the summer of 2027.

This summer and fall, the City plans to annex the workforce housing site into the City Limits so that it can exert appropriate operational and jurisdictional control over the development and management of the site. Idaho law prohibits the City from annexing disjunct lands, so the annexation will need to include land between the current northern city boundary and the housing site. This land is entirely owned by the U.S. Forest Service. No private lands will be annexed. The federal government will continue to own the land and exert federal jurisdiction in the area. Existing special use permits and other policies and administrative actions implemented by the Forest Service will continue. Along with the annexation, the City will zone the housing site to establish appropriate uses. The annexation and zoning will require public hearings through which the public will be invited to comment on the proposed actions.

I encourage you to attend our city council meetings and upcoming town halls regarding the workforce housing project. You can find meeting times and dates as well as updated info on the status of the Workforce housing project on our website cityofstanleyid.gov. If you are unable to attend meetings, you can also provide feedback directly to the City at the phone number and email below.

This housing initiative is being designed to serve the needs and priorities of the Stanley community. We want to ensure that we hit the right target. To achieve this, we wish the process to be transparent and to consider all opinions and viewpoints. Your participation is valued.

Respectfully,



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