

# Meridian approves more new residential, commercial permits than Nampa, Boise in FY2018

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Housing is under construction at the Little Creek Subdivision, on the southeast corner of Locust Grove Road and East Fairview Avenue, on Oct. 23, 2018.

• [Patty Bowen/Meridian Press](#)



Last year Meridian approved more permits for new residential buildings than Nampa and Boise combined. The city also saw a higher ratio of residential vs. commercial permits than its neighbors.

City and Treasure Valley officials say this growth, heavy on new housing, is not unusual for where Meridian is at in its development. They expect the residential growth to spur commercial growth in the future.

The city has also seen an increase in apartment growth. City officials believe the increase can be attributed to a demand for more variety in the housing types offered in Meridian.

## **RESIDENTIAL GROWTH**

Here's a look at housing permits approved in FY18, which runs Oct. 1, 2017, to Sept. 30, 2018:

### **Meridian:**

n 1,840 permits for new single-family residences

n 1,237 permits for new multifamily residences

### **Boise:**

n 775 single-family

n 551 multifamily

## **Nampa:**

n 813 single-family

n 104 multifamily

MaryAnn Waldinger, principal planner for the Community Planning Association of Southwest Idaho, or Compass, said Meridian has more vacant land than Boise, meaning developers have the opportunity to build larger subdivisions.

The city of Boise is largely focused on in-fill development and opportunities to make more walkable, bikeable neighborhoods, said Daren Fluke, Boise deputy director of comprehensive planning. The majority of the permits recently approved were in eastern Boise in the Harris Ranch area, he said.

The residences in those areas are “naturally more expensive” because of the amenities they offer, like their access to the greenbelt, he said.

There is a high demand for new homes in Ada County and Meridian. The sale of new homes has been up year-over-year for the last 21 consecutive months, according to the Boise Regional Realtors’ February Ada County report.

It said sales of new homes is gaining more and more of the market share.

The inventory of homes available in Ada County was relatively low in February, at 1,388 homes. The lowest the inventory in the last 10 years was seen in March 2018, when 1,143 houses were on the market.

## **MULTIFAMILY**

The number of multifamily permits approved in Meridian has more than doubled from fiscal year 2015 to 2018.

In FY18 the city approved permits for 1,237 multifamily units totaling around \$126 million in cumulative valuation. That’s compared to 414 permits in FY15 valued at \$32 million.

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Cameron Arial, the city’s community development director, said historically Meridian has been “pretty strong in the residential field” with a demand for single-family detached homes.

“That is now not the driving factor,” he said.

As the city grows, people are looking for more affordable options, and developers are trying to meet the changing demand by building denser housing, with more multifamily options, he said.

“I think a lot of that has to do with land and home prices,” he said.

The median sales price for new and existing single-family homes in Meridian from February 2018 to February 2019 was \$320,779, according to Boise Regional Realtors. That’s a 7.5 percent increase from the previous year’s median sales price of \$298,341.

Countywide the median sales prices for a house was \$324,800 in February 2019 — about 10 percent more than it was last year, according to Boise Regional Realtors.

Arial said he also thinks the increase in multifamily options is an “indicator of an evolving community.”

According to the U.S. Census Bureau, roughly 76 percent of Meridian housing units were owner-occupied from 2013 to 2018. That’s a sharp decline from 2000, when Meridian’s homeownership rate was at 86 percent, [the Meridian Press previously reported](#).

The city of Meridian is undergoing an update to its comprehensive plan. It plans to unveil the new plan later this year.

As part of the new comprehensive plan update, the city is trying to drive conversations pushing for higher density areas, which would include more multifamily housing, according to Caleb Hood, planning division manager. That high density would allow the city to plan for public transportation along those corridors and cluster people in close proximity to jobs and shopping centers so they can walk or bike, he said.

Hood said the city is evaluating potential opportunities to do that along areas of Ten Mile, Ustick, Fairview, Franklin, Chinden and Overland roads.

## **COMMERCIAL**

Meridian approved 116 new commercial permits in fiscal year 2018 — just two more than Boise and 68 more than Nampa.

While Meridian approved more than both cities, its ratio of commercial to residential is lower. For every one commercial permit the city approved, it approved about 27 residential — compared to Boise’s 1 to 12, and Nampa’s 1 to 19.

“While the ratio is skewed, I think it also shows that Meridian is a very desirable place to live because of where it is located,” said Waldinger, referring to Meridian being located in the center of the Treasure Valley.

Arial said traditionally commercial growth “follows the rooftops.”

“It’s a leading and lagging indicator, so you have to have critical mass in residential for commercial to follow,” he said. “Where our growth has been in the residential area, we’re starting to see that commercial to follow.”

Meridian’s population is roughly 106,000, compared to 226,570 in Boise and 93,590 in Nampa.

You need a “certain number of rooftops before ... businesses will start moving to an area,” Waldinger said.

Meridian’s commercial sector has grown significantly over the last four years. In fiscal year 2015 the city approved 75 new commercial buildings, followed by 51 in 2016, 80 in 2017 and 116 in 2018.

Arial said he’s interested in seeing what types of commercial development will come to Meridian. He noted that the city is “starting to see things we haven’t seen before,” including vertically integrated mixed-use developments like the two four-story buildings planned for downtown Meridian. He also said the city is starting to see high-end entertainment.

“That really is an indicator of diversity as well as a national draw — it’s not just regional,” Arial.

Arial noted The Village has been one of the main commercial hubs making an impact on the city. Across town Ten Mile Crossing, a 75-acre complex on the northeast corner of Ten Mile Road and Interstate 84, has also significantly grown over the past year.

Last month developer Ball Ventures Ahlquist submitted a permit for a five-story, 127,000-square-foot office building at the site. In February BVA also submitted a permit for a four-story medical office building at Ten Mile Crossing.

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