

"A decent place to live makes a difference in a person's life. One by one, brick by brick, the community is made stronger when housing is a priority."

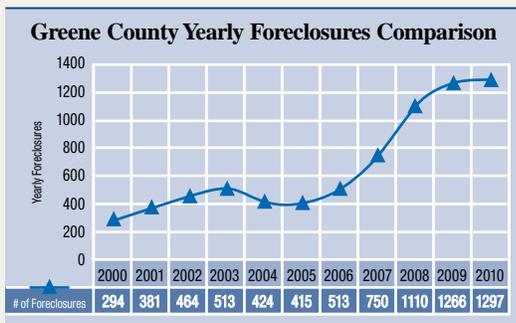
Dana Elwell, Chair, Housing Collaborative

Our community is facing an unprecedented housing crisis today. When one thinks of housing, many things come to mind. Whether it is housing for the homeless, new construction, rehabilitation of current housing stock, affordable housing, or housing that is affordable, the housing market is in a fragile state.

Three emerging issues identified in the 2009 Community Focus report have now turned into red flags — Vacancy Rates Due to Foreclosures*, Homeless Children and Adolescents*, and Shrinking Financial Resources to Address Homelessness and Housing*. One must put into perspective what has happened in the housing arena to understand the blue ribbons and red flags our community is facing today in relation to housing.

Foreclosures

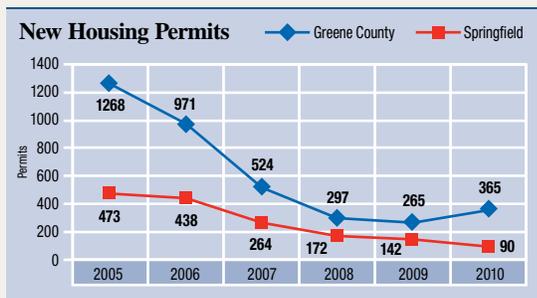
In 2010, Greene County foreclosures reached an all-time high of 1,297. Just 10 years ago, that number was only 294. According to a 2006 study by the Fannie Mae Foundation, each conventional foreclosure within one-eighth of a mile of a property results in a 1.14 percent decline in that property's value and that each foreclosure between one-eighth and one-quarter of a mile away results in a 0.325 percent decline in value. Many suffer because of foreclosure - the homeowner, the bank, the neighborhood, and the community.



Source: Greene County Recorder of Deeds

Housing Availability

Permits for the construction of new homes in Greene County increased slightly for 2010, but still lag dramatically from when the peak of new housing construction was taking place in the mid 2000s. The City of Springfield paints a far different and more disturbing story. In the City of Springfield, from 2005 to 2010, permits dropped from 473 to 90.



Sources: Building & Development Offices of the City of Springfield and Greene County

Because of strong collaborations in the area, addressing homelessness for our region is ongoing. Recent homeless counts show there were 742 sheltered and unsheltered homeless people which is an increase from previous years'

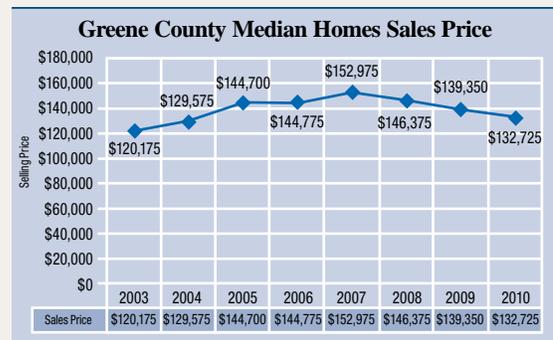
counts. A Mayor's task force appointed in late 2009 worked with the region's homeless service network, the Continuum of Care, to make multiple recommendations that address homelessness in the Springfield area.



One of Springfield's unsheltered homeless.

Housing Affordability

Because of the volatile housing market, median sale prices for homes purchased in Greene County have decreased steadily since 2007, and are now the lowest they have been since 2004.



Source: Economic & Market Watch Reports from the Greater Springfield Board of Realtors

Homes are becoming less affordable for many reasons. Poor credit and poor rent history are creating a larger reliance on supportive services, straining the limited housing resources available for low-income families, seniors, the disabled, and the homeless.

The disconnect between income and housing costs can be further demonstrated by the fact that, according to the 2009 American Community Survey, almost 1 in 4 households has an income of less than \$15,000 per year. The Center for Housing Policy estimates that it takes a salary of \$32,806 to afford to purchase a two-bedroom home. Because the median salary for Springfield is \$30,831, this type of purchase is unaffordable for more than 52 percent of the households in Springfield. Furthermore, to afford to rent a two-bedroom house or apartment, it takes a wage of \$11.73 per hour (\$24,398.40 per year). More than 37 percent of Springfield households make less than \$24,000 per year.

BLUE RIBBONS

Collaborative Efforts to Address Homelessness and Housing

As identified in all previous Community Focus reports, our community is fortunate to have many agencies, companies, and individuals dedicated to addressing housing needs. Through partnerships and collaborations, a continued focus is being placed on delivering not only homeless prevention services, but a new approach to wrap-around services for affordable housing and making homes affordable for interested renters and homeowners.

Neighborhood Stabilization Program (NSP) Impact on Rehabilitation Efforts

In 2008, the City of Springfield received a United States Department of Housing and Urban Development



Fulbright Springs Affordable Housing Development

Neighborhood Stabilization Program (NSP) grant to acquire and rehabilitate foreclosed homes. The purpose of this grant was to reduce the number of foreclosed homes in the City's Targeted Revitalization Area, improve the housing stock through energy-efficient rehabilitation, rent or sell these units to assist in neighborhood stabilization, and ensure long-term housing affordability. The City partnered with four local non-profits (Affordable Housing Action Board, Habitat for Humanity, Sherman Avenue Project Area Committee, and Urban Neighborhoods Alliance) to acquire, rehabilitate and recycle these units for rental and homeownership. Through this partnership, 42 properties have been acquired and more than half of these have been rehabilitated and made available as affordable housing. These units are disbursed throughout the City's revitalization area and have increased neighborhood confidence by removing vacant and blighted houses and replacing them with refurbished energy-efficient homes.



Neighborhood Stabilization Program Rehab Property of Urban Neighborhoods Alliance

Availability of New Homelessness One Door Service



In times of crisis, accessing assistance should be as easy as possible. This idea was the foundation of the One Door Program, established in April 2010.

Anyone who is homeless, at risk of becoming homeless, or in need of assistance can now call one number to find assistance and receive referrals. Since opening, One Door has received more than 6,000 phone calls, provided emergency hotel vouchers to more than 175 families, and provided assistance and referrals for thousands more.

Availability of Foreclosure Prevention Services

The availability of homeownership retention programs and services available to the community from lenders, servicers, and the federal government has expanded over the last two years. These essentially give citizens the broad opportunity to remain in their homes by making reduced payments as a result of a financial crisis.

RED FLAGS

Shrinking Financial Resources to Address Homelessness and Housing*

What was a red flag in the 2005 Community Focus report and an emerging issue in 2009 has now become red flag in 2011. Federal, state, and local budgets are being slashed and housing and homelessness programs are victims of those cuts. In the past, Federal Community Development Block Grant dollars have funded the City of Springfield's housing and public service projects and programs. The State of Missouri's Low Income Housing Tax Credit (LIHTC) program, which has funded many Springfield area projects, is under scrutiny for elimination.

Because of shrinking state and federal budgets and the completion of American Recovery and Reinvestment Act assistance programs, the availability of funds for rent and utility assistance has significantly decreased. These funds are the first line of defense in preventing new households from becoming homeless.

Homeless Children and Adolescents*

Ensuring quality affordable housing for families will lead to stable living conditions for children. Quality affordable housing that combines energy-efficient construction and truly affordable rent will allow families to obtain housing that they can afford. Unfortunately, too many children do not have adequate housing and many become homeless. The 2009 Survey of Springfield's High Risk and Homeless Youth found that more than 40 percent of the high-risk youth surveyed had been homeless. The average age for youth experiencing homelessness alone was 15 years old.

Additionally, the number of children experiencing homelessness in the school system is also increasing. Springfield Public Schools (SPS) identifies the homeless as those living in motels, hotels, trailer parks, or camping grounds due to lack of alternative adequate accommodations, living in emergency or transitional shelters, abandoned in hospitals, or awaiting foster care placement. It also includes children and youth who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings. Further, the homeless may include sharing housing of other persons due to loss of housing, economic hardship, or a similar reason. In the 2006 Attendance, Homeless and Migrant Services Report, SPS noted 161 homeless students being served by the district. This number rose to 408 for the 2010-2011 school year.

Foreclosures*

Foreclosures continue to rise and are accompanied by a multitude of problems for the community at large. Foreclosures were identified as red flags in both the 2007 and 2009 Community Focus reports. While foreclosure prevention programs are available, successfully completing one is difficult because it requires specialized knowledge about the application process. Experts say it is reasonable to assume that had this process not been so complex, many foreclosures could have been avoided.

Lack of Adequate Emergency Shelters

In the last two years, waiting lists have become common at homeless shelters in Springfield. At its peak, the list at the Missouri Hotel contained the names of more than 400 individuals. This, coupled with the estimated 200-300 individuals who routinely sleep in tents, cars and abandoned buildings, is a clear indication that additional shelter beds are needed in the community.



Missouri Hotel

Lack of a Centralized Resource Center/Data Collection Point to Address Housing Issues

While the Continuum of Care is responsible for coordinating homeless assistance efforts, too few resources are dedicated to this task. With the addition of new federal regulations, approved in 2009 and expected to be enacted in 2011, these efforts will require additional work at the local level without the appropriate level of staff support and coordination. The community needs a centralized agency to collect data and coordinate homeless assistance efforts.

The housing crisis we are facing today will hopefully improve shortly and the American dream of homeownership will be back in the minds of young and old alike. As a community and region, we will keep striving for an end to homelessness. Working together we will face and conquer these housing challenges - stabilizing neighborhoods and creating safe, decent, affordable housing opportunities for everyone.

* Indicates Emerging Issue in 2009 Community Focus Report