

Housing

“The strength of a nation lies in the homes of its people.”

Abraham Lincoln

Springfield, MO, a “. . . well kept secret,” won’t remain so for long. It was recently named a top 10 place to live and work by *Employment Review*, in part because Springfield has long enjoyed a full range of affordable home prices and a healthy balance between residential building and housing demand, even during the recent population boom.

Housing costs are 22.8 percent below the national average.¹ The current median price of a home is \$100,303.² Sixty-three percent of Springfield households are owned by their residents and the median monthly homeowner costs are \$843.²

However, the area faces many challenges in providing a balanced mix of housing opportunities that are income-appropriate and age-appropriate for its residents, including the homeless and those with special housing needs. Fortunately, several organizations, developers and private property owners are dedicated to preserving our existing housing, creating new affordable housing, and promoting access to safe and decent housing for everyone.

Defining the Need

Unfortunately, 14.1 percent, or 19,711 households, earn less than \$15,000 annually.² This equates to a full-time hourly wage of \$7.21.

The standard measure of housing affordability is thirty percent of adjusted gross income. However, the number of low- to moderate-income working families paying more than fifty percent of their income for housing increased seventy-six percent nationally between 1997 and 2003. With the fair market monthly rent rate of \$520³ for a two-bedroom unit, a full-time worker would need to earn an hourly rate of \$10 to afford this.

This level of income reduces the opportunities low-income residents have for *quality* affordable housing and increases the need for supportive services to assist such families. A deficit of housing units for households earning less than \$15,000 is projected, which challenges the entire community to collaborate, leverage resources, and expand opportunities.



Meeting the Need

Vision 20/20, the long-range plan for Springfield and Greene County, found that 74 percent of respondents thought a greater effort should be made to provide affordable housing for low-income families. Area housing providers agree and convene monthly as a Housing Collaborative to help meet this need. Springfield’s housing leaders work together to decrease substandard housing; their work seems to have paid off. According to the City’s Housing Quality survey, the number of substandard dwellings dropped significantly, from eighteen percent in 1994 to twelve percent in 2004.

The Housing Authority of Springfield offered 1,506 public and Section 8 housing units in 2004. At that time all available units were full; approximately 1,747 households had applied for housing assistance and were awaiting help. The Housing Collaborative reports that less than ten percent needing public and assisted housing receive it each year, leaving families at risk for homelessness.

The Affordable Housing Action Board works to increase the number of quality rental units. During 2004, AHAB released three new units that are now available to eligible families at monthly rates below Fair Market Rent.

Additionally, 27 new or rehabilitated housing units were financed in 2004 through the City of Springfield’s Community Development Block Grant/HOME program. Although funding for this initiative has dropped nineteen percent since 2001, Springfield continues to offer low-interest loan dollars for families and property owners for rehabilitation and construction.



With state, federal and private dollars, Habitat for Humanity and Affordable Homes Development are taking an innovative approach in the creation of 10 new units in 2004 now available for home ownership.

Homeless Services. Nearly 600 individuals per night are homeless. For this population, our community has formed a Continuum of Care Committee, which brings over \$971,000 in funding from the Department of Housing and Urban Development to sustain six emergency shelters and transitional housing facilities. In 2004, the Continuum of Care found that:

- Emergency Shelters serve over 600 individuals per night, of which nearly 300 were children.
- Shelters report 100% occupancy with overflow facilities in high demand.
- An estimated 200 individuals remain unsheltered, living in camps around the city.
- Untreated mental illness is the primary cause of chronic homeless.

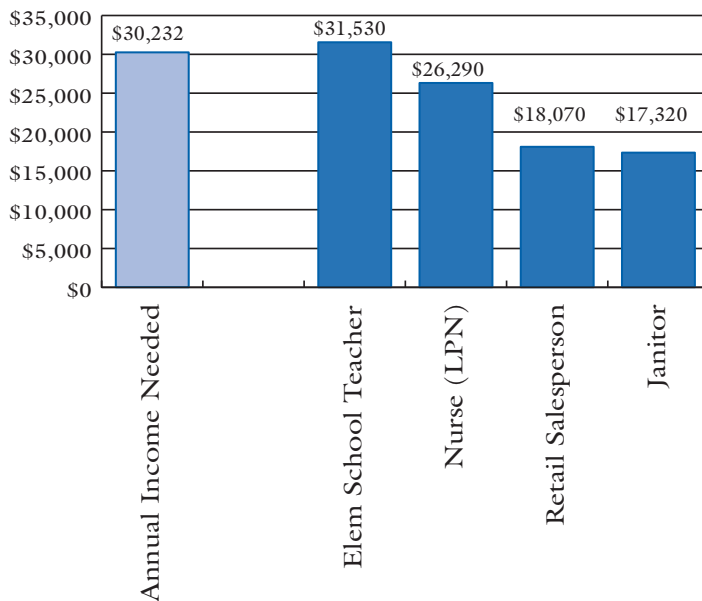
Collaborative Efforts. The Housing Community continues to work collaboratively to meet the growing housing needs of Springfield residents with state, federal and private funding. Innovative use of this funding has resulted in a decrease in substandard housing, an increase in newly developed housing units and an increase in the coordination of supportive services. Through these collaborative efforts the following initiatives have been accomplished:

- Vision 20/20 Affordable Housing Plan
- Safe Haven: Permanent Housing Facility to Address Chronic Homelessness
- Housing Quality Survey

Available funding to meet the growing need for affordable housing has decreased significantly over the last year. This creates longer waiting lists for supportive services and increases the risk for homelessness.

Sources:
 1) ACCRA, Cost of Living Index, 2004 average
 2) Bureau of the Census, American Community Survey, 2003
 3) Department of Housing and Urban Development, Fair Market Rents, 2005

Homeownership Market
 2003 Median Priced Home: \$97,000



Rental Market
 2003 Fair Market Rent: 1BR \$361/month, 2BR \$467/month

