

Housing Continuum

Goals and Services

Programs and services within this issue area **promote both availability of and access to temporary shelter and long-term housing retention for persons who are homeless or at risk of losing their housing**. Some examples of services provided by programs within this issue area include safe and affordable transitional housing; emergency shelter including food, bedding and needed supplies; case management and tenant education to promote housing stability; and repair of housing to prevent homelessness or energy inefficiency.

TCHHS/VS has departmental and contracted programs that offer housing services. The contracted services encompassed in this service area primarily provide emergency and transitional shelter for youth and families who are homeless, near-homeless, or are experiencing abuse or neglect. Other services include counseling on housing rights, emergency landlord-tenant mediations, and financial assistance to maintain housing.^k All services are intended to align with direct services to address challenges to housing stability.

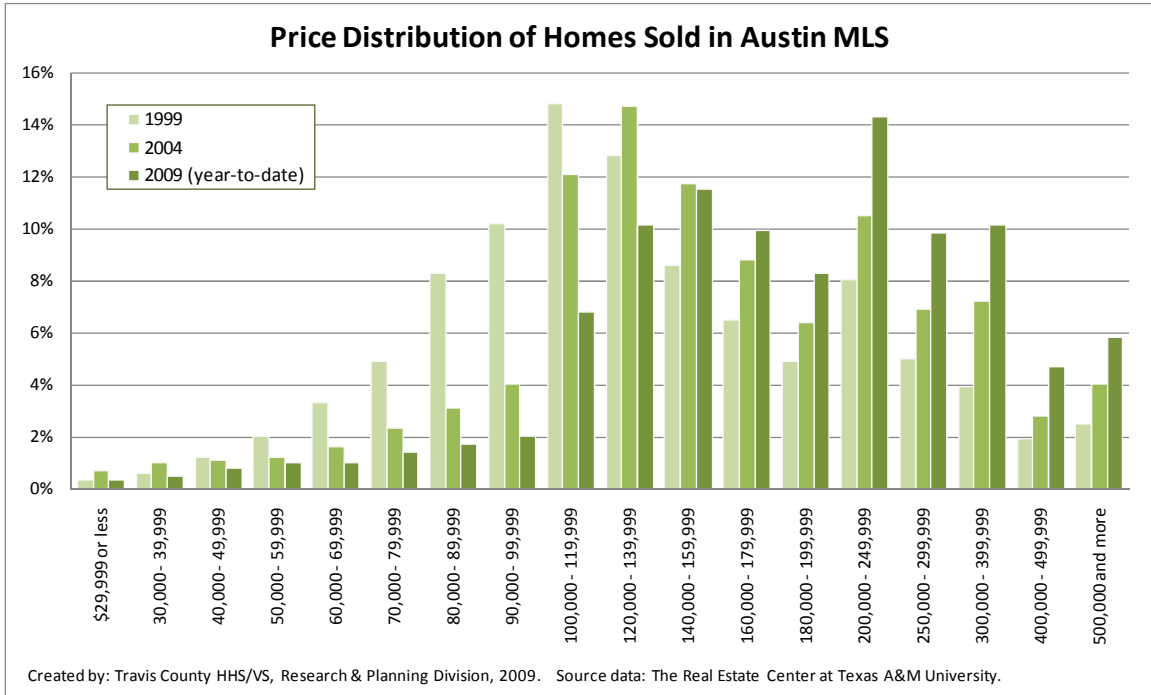
Highlights of Community Conditions

Owner Housing Market Conditions and Affordability

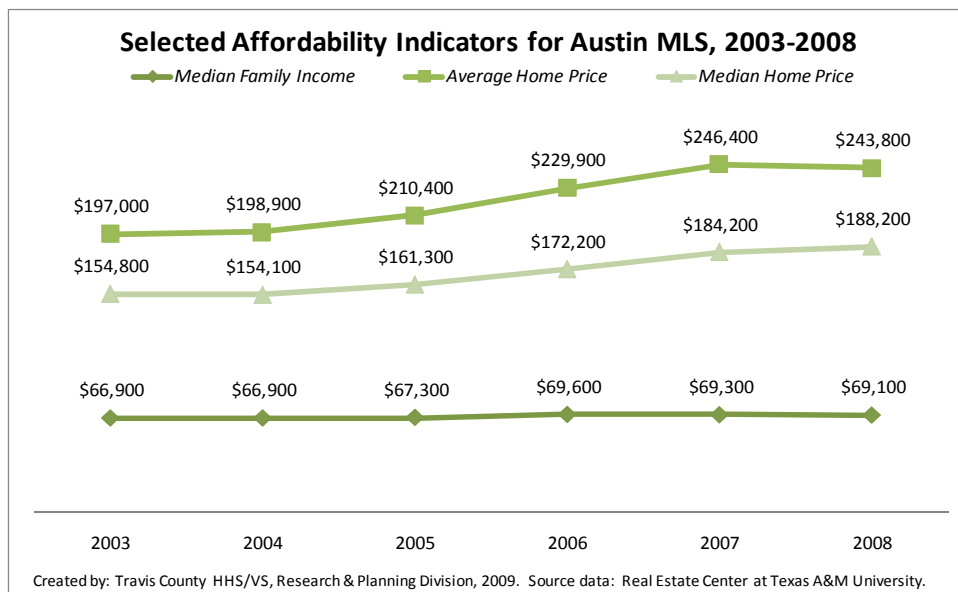
Over the last decade, **Austin's owner housing market has become increasingly expensive**, as the price distribution of available housing stock has skewed towards higher-priced housing. For example, in 1999, 31% of the homes sold in Austin were under \$100,000; in 2009 (year-to-date^l), only 9% of the homes sold were in this price range. During that same time period, the share of homes sold for \$300,000 or more grew from 8% to 21%.⁵⁰

^k Low-income families and individuals face other important housing issues such as housing quality (including substandard kitchen and plumbing facilities, and overcrowding). Due to space limitations, however, these issues are not discussed in this overview.

^l Throughout this section, "2009 (year-to-date)" refers to 2009 data collected through the month of October 2009. This is due to availability of data at the time of the writing of this report.

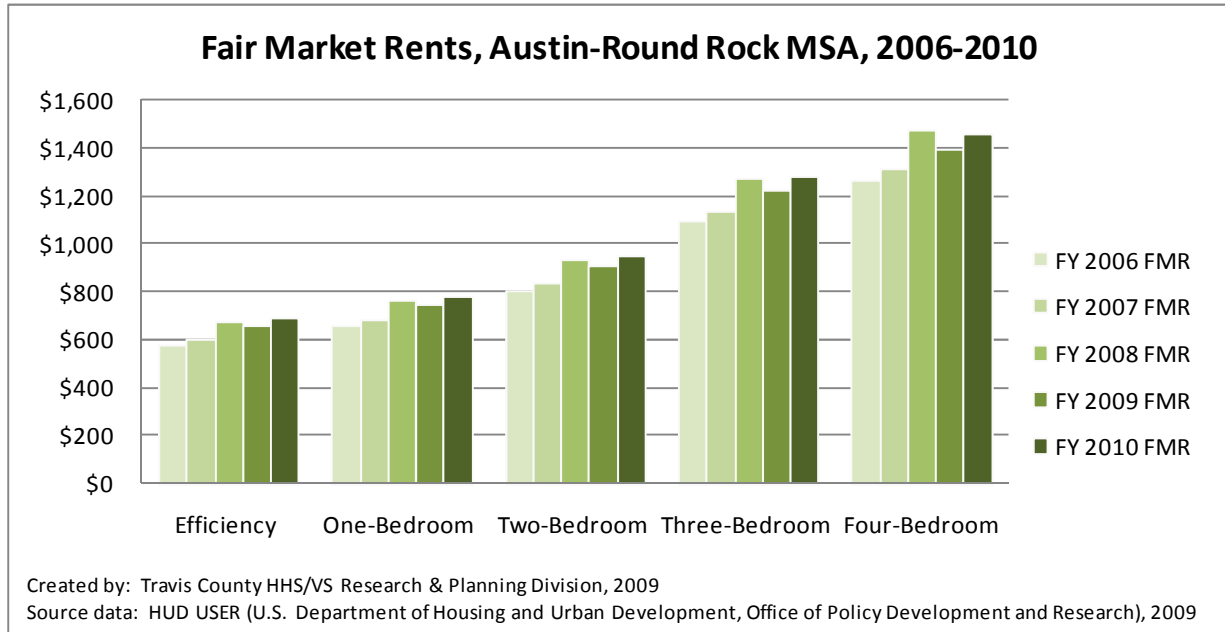


Austin’s housing market also remains expensive as compared to other markets in the state of Texas. In 2009 (year-to-date), the Austin MLS had the third-highest median home price (\$186,500) and second-highest average home price (\$236,100) of the 45 Texas MLS areas tracked by the Real Estate Center at Texas A&M University. Between 2003 and 2008, the Austin MLS median home price rose by 22% and the average home price rose by 24%, but median family income increased only by 3%. (Although home prices flattened somewhat between 2007 and 2008, in tandem with the start of the current recession, they did not change significantly.)⁵¹ The chart below illustrates this prevailing gap between what the median family earns and what the median home costs:



Rental Housing Market Conditions and Affordability

In Austin’s rental market, fair market rents (the federal government’s standard for what should be considered affordable) have shown an upward trend since 2006, displayed in the chart below, and have remained some of the highest of Texas metropolitan areas.⁵²



American Community Survey data confirm that in terms of actual rents, costs are rising: **Between 2005 and 2008, Travis County’s median contract rent rose 10%, from \$677 to \$744.**⁵³

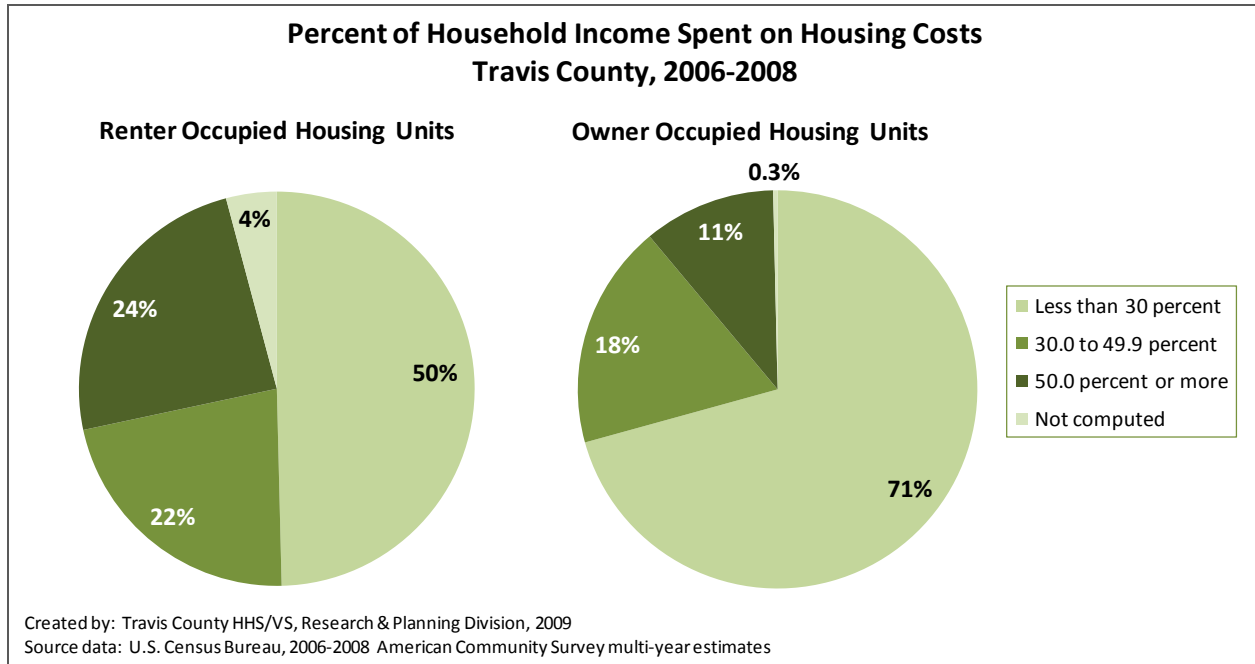
The Austin area also has high occupancy rates, currently 91% for Travis County. These conditions create a tight rental market, especially for those seeking more affordable housing.⁵⁴

Cost Burden for Renters and Owners

Owners are in the slight majority in Travis County’s housing market (54% of occupied housing units are owner occupied, 46% are renter occupied). This owner-occupancy rate is slightly lower than that of the state (65%) and that of the nation (67%). Although owner costs skew higher than renter costs, renter incomes tend to be lower than owner incomes. The difference is striking: Travis County’s owner-occupied median household income is \$81,797, while the renter-occupied median household income is \$35,040.⁵⁵

A large percentage of both renters and owners in Travis County experience a housing cost burden, which is defined as spending 30% or more of household income on housing costs (spending 50% or more constitutes a severe cost burden).⁵⁶ **In total, over 140,000 Travis County households experience a housing cost burden; for approximately 64,500 of those households, it is a severe housing cost burden.**⁵⁷ The percent of households that are cost burdened is much higher among renters than owners, as illustrated in the chart below: 46% of renter households in Travis County spend 30% or more of their income on rent, and about one quarter (24%) of them spend at least half of their income on rent. Comparatively, 29% of

owner households spend 30% or more of their income on housing costs and 11% spend at least half.⁵⁸



Foreclosure trends have received increasing attention during the recent economic recession, as many owners face challenges paying their monthly mortgage costs. Foreclosure trends are complex and cannot stand alone as an accurate proxy measure for housing affordability, but the trend does reflect a certain amount of risk in the community. Foreclosure trends demonstrate an approximation of households on the threshold of losing their housing stability. In Travis County, **between 2007 and 2009, foreclosure postings^m did experience a significant increase of 110%, from 3,482 postings in 2007 to 7,309 postings in 2009.**⁵⁹

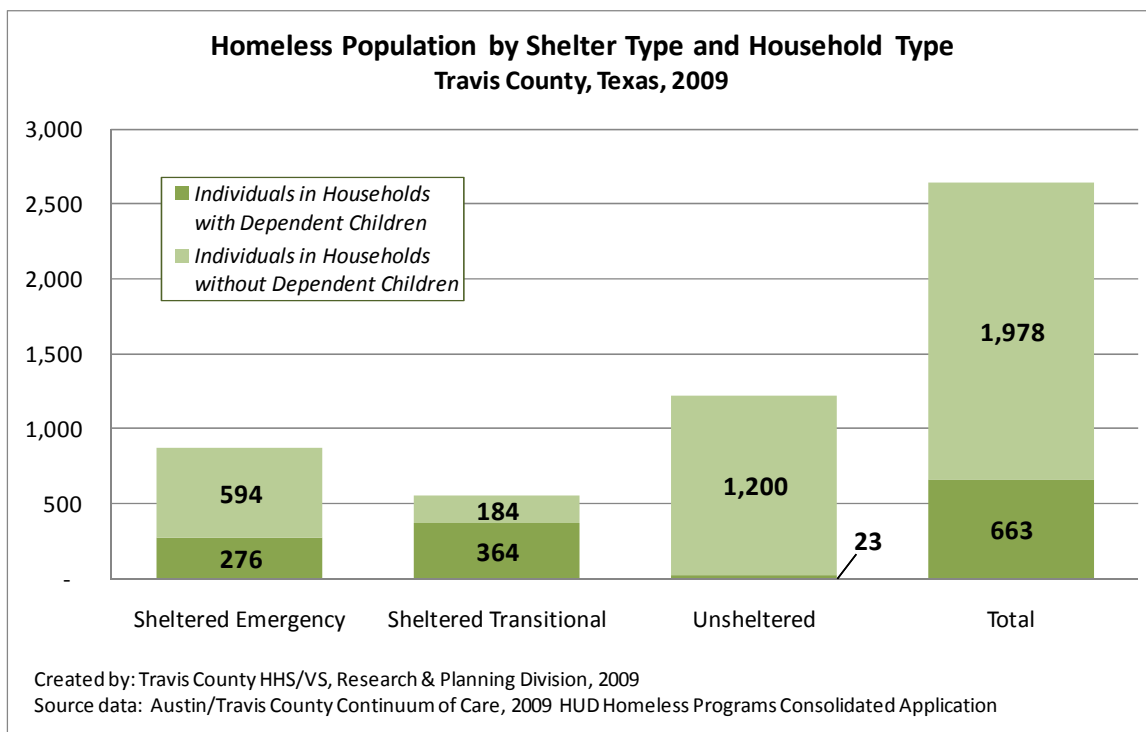
Homelessness

The primary causes of homelessness in the U.S. are poverty and the lack of affordable housing. Some other major factors that can contribute to homelessness include: economic factors such as insufficient income or loss of employment, domestic violence, mental illness, and substance abuse. Homelessness can be short-term or long-term, or even a chronic condition.⁶⁰

The 2009 Annual Homelessness Count provided a point-in-time snapshot of the Austin area homeless population, at a total of 2,585 homeless individuals, 54% of whom were sheltered (either emergency or transitional), and 46% of whom were unsheltered. One-quarter of the homeless population is comprised of individuals in households with dependent children, while

^m This number reflects properties posted for auction (posted for auction indicates pre-foreclosure status, and reflects a risk of foreclosure). A foreclosure posting may or may not result in an actual foreclosure. The same property may be included in the list for foreclosure auction multiple times over a series of months or even years. Therefore some duplication does exist within these foreclosure postings annual totals; duplicate postings would indicate households finding themselves at risk of foreclosure multiple times.

the remaining three-quarters are individuals in households without dependent children.⁶¹ The chart below provides additional detail by shelter and household type on the 2009 annual homelessness count.



The 2009 count also found that one-fifth (529) of the homeless population was chronically homelessⁿ, and among the sheltered population specifically, the following subpopulations were noted: chronic substance abuse (267), severely mentally ill (190), victims of domestic violence (155), veterans (136), and people with HIV/AIDS (32).⁶² The coexistence of these issues is part of what makes homelessness a complex issue to address, requiring a spectrum of services and interventions.

It should also be noted that there are individuals without permanent housing who do not fall within traditional definitions of homelessness and who may not be included in the point-in-time count (for example, families who have lost their homes but are residing with friends or relatives). Therefore the point-in-time number shows us a snapshot of the community, but may not demonstrate the full picture of its homelessness needs.

ⁿ According to the federal definition of chronic homelessness used by the U.S. Department of Housing and Urban Development, which defines a chronically homeless person as: “Either (1) an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, OR (2) an unaccompanied individual with a disabling condition who has had at least four episodes of homelessness in the past three years.” For the chronically homeless, “homeless” is defined as: “A person sleeping in a place not meant for human habitation (e.g. living on the streets, for example) OR living in a homeless emergency shelter.” (Source: *Defining Chronic Homelessness: A Technical Guide for HUD Programs*, published September 2007 by the U.S. Department of Housing and Urban Development.)

Programs Included in the Community Impact Report

The following contracted service providers and programs will be included in the 2009 Community Impact Report Part II to be released in March 2010.

- Austin Children's Shelter: Emergency Shelter and Assessment
- Austin Tenants' Council: Telephone Counseling and Mediation
- Blackland Community Development Corporation: Blackland Transitional Housing
- Caritas of Austin: Best Single Source
- Foundation for the Homeless, Inc.: Interfaith Hospitality Network
- The Salvation Army: Pathways and Partnerships
- Travis County Domestic Violence and Sexual Assault Survival Center (d.b.a. SafePlace): Domestic Violence and Sexual Assault Services
- Youth and Family Alliance (d.b.a. LifeWorks): Housing